



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

NORA VARGAS
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

NATHAN FLETCHER
Fourth District

JIM DESMOND
Fifth District

DATE: May 18, 2021

15

TO: Board of Supervisors

SUBJECT

**FISCAL YEAR 2020-21 THIRD QUARTER OPERATIONAL PLAN STATUS REPORT
AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

OVERVIEW

This report summarizes the status of the County's Fiscal Year 2020-21 Adopted Operational Plan, as measured by projected year-end fund balance from current year operations. The projected year-end balance for the General Fund is \$272.6 million, and \$413.2 million for all budgetary funds combined. The projected fund balance anticipates an overall negative expenditure variance offset by an overall positive revenue variance from the Fiscal Year 2020-21 Amended Budget. The projection assumes General Purpose Revenue will perform better than estimated, and all business groups will produce operating balances. The General Fund year-end fund balance projection includes the assumption that the County will continue to incur COVID-19 costs and anticipates receipt of additional federal and State emergency response funding including American Rescue Plan Act (ARPA) funds to continue response efforts through the end of the fiscal year. The projected balance for all other funds combined is \$140.6 million.

Transfers and revisions to the adopted budget can be made by formal action of the Board of Supervisors in accordance with the California County Budget Act, Government Code (GC) Section 29125. Increases to the overall budget require 4 votes while transfers of appropriations between departments within the same budgetary fund that do not increase the overall budget or the cancellation of appropriations require a majority vote. However, transfers of appropriations to facilitate transfers between budgetary funds require 4 votes even if the overall budget is not increased.

In the Public Safety Group (PSG), recommendations include appropriation adjustments for storage units to support local hospitals and mortuaries, for expert professional help to provide criminal defense representation for clients, and for decedent transportation services cost.

In the Land Use and Environment Group (LUEG), recommendations include appropriation adjustments for unanticipated administrative costs associated with developer activity, for Woodhaven Park Well and Fitness Trail, for the purchase of vans and equipment trailers for the Litter Abatement Program, for the accounting of bond proceeds used to construct the Harmony Grove Road and other improvements, for fire protection and paramedic services within Harmony

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Grove Village and for construction costs of Borrego Springs Shadeway and Jess Martin Water Conservation capital projects.

In the Capital Program, recommendations include appropriation adjustments for projects that are anticipated to be completed at the end of the fiscal year.

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

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Accept the Fiscal Year 2020-21 third quarter report on projected year-end results.

**Increases to the Overall Budget and/or Transfers Between Budgetary Funds
(Recommendations 2 through 9):**

2. Establish appropriations of \$107,000 in the Medical Examiner, Services & Supplies, to assist local hospitals and mortuaries with storage units, based on CARES Act revenues. **(4 VOTES)**
3. Establish appropriations of \$1,100,000 in the Public Defender, Services & Supplies, for expert professional help to provide criminal defense representation for clients, based on unanticipated state mandated reimbursements. **(4 VOTES)**
4. Establish appropriations of \$30,000 in the Park Land Dedication Ordinance (PLDO) Administrative Fee Fund, Services & Supplies, for costs associated with fund administration based on available prior year PLDO Administrative Fee Fund fund balance. **(4 VOTES)**
5. Establish appropriations of \$5,000 in the Park Land Dedication Ordinance (PLDO) Area 45 Valle De Oro Fund, Operating Transfers Out, to provide funding for Capital Project 1021494 Woodhaven Park Well and Fitness Trail, based on available prior year PLDO Area 45 Valle De Oro Fund fund balance; *and* establish appropriations of \$5,000 in the Capital Outlay Fund, Capital Assets/Land Acquisition for Capital Project 1021494 Woodhaven Park Well and Fitness Trail, based on an Operating Transfer In from the PLDO Area 45 Valle De Oro Fund. **(4 VOTES)**
6. Establish appropriations of \$250,000 in the DPW ISF Equipment Acquisition Road Fund, Fixed Asset Equipment, for the purchase of vehicles for the new Department of Public Works Litter Abatement Program, based on an Operating Transfer In from the Department of Public Works Road Fund. **(4 VOTES)**
7. Transfer appropriations of \$518,280 from the Harmony Grove Improvement Fund, Services & Supplies to Operating Transfers Out, to provide for the accounting of the bond proceeds used to construct the Harmony Grove Road and other road improvements located in the Community Facilities District No. 2008-01; *and* establish appropriations of \$518,280 in the Harmony Grove Capital Project Fund, Fixed Assets–Buildings and Improvements based on an Operating Transfer In from Harmony Grove Improvement Fund. **(4 VOTES)**

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8. Establish appropriations of \$60,830 in the Harmony Grove Village Community Facility District Fire Protection Fund (HGVCDFDPD), Services & Supplies, for fire protection and paramedic services within Harmony Grove Village based on HGVCDFDPD prior year fund balance (\$24,385) and special taxes collected within Harmony Grove Village (\$36,445). **(4 VOTES)**
9. Transfer appropriations within departments between Services & Supplies and Operating Transfers Out, as noted in Appendix D, in the net amount of \$8,288,277 for major maintenance projects listed in Appendix D that were subsequently reclassified, based on capitalization thresholds, for financial reporting purposes; *and* establish and cancel appropriations, as noted in Appendix D for a net increase of \$8,288,277 in the Major Maintenance Capital Outlay Fund and adjust related funding sources as noted to accurately classify major maintenance projects for financial reporting purposes. **(4 VOTES)**

**Transfers Within Budgetary Funds and/or Cancellation of Appropriations
(Recommendations 10-13):**

10. Transfer appropriations of \$800,000 from the Public Safety Executive Office, Services & Supplies, to the Medical Examiner, Services & Supplies, for higher than anticipated decedent transportation costs.
11. Transfer appropriations of \$283,130.65 within the Capital Outlay Fund and related Operating Transfer In from the General Fund to fund construction costs for Capital Project 1021893 Borrego Springs Shadeway based on the transfer from Capital Project 1019606 Borrego Springs Park.
12. Transfer appropriations of \$32,879.28 within the Capital Outlay Fund and related Operating Transfer In from the General Fund to fund construction of Capital Project 1021906 Jess Martin Water Conservation based on the transfer from Capital Project 1022928 Water Conservation at Liberty Park (\$9,541.62), from Capital Project 1022929 Water Conservation at Homestead Park (\$9,094.70), from Capital Project 1022930 Water Conservation at Heritage Park (\$7,262.19), and from Capital Project 1021905 Patriot Park Water Conservation (\$6,980.77).
13. Cancel appropriations and related revenue of up to \$805,492.33 as noted in Schedule C for Capital Projects that will be closed by the end of Fiscal Year 2020-21. This is composed of \$418,174.89 in the Capital Outlay Fund, \$13,863.25 in the County Health Complex Fund, \$110,236.74 in the Justice Facility Construction Fund, \$253,319.02 in the Library Projects Capital Outlay Fund, and \$9,898.43 in the Multiple Species Conservation Program Fund.

FISCAL IMPACT

Funds associated with today's recommendations are partially included in the Fiscal Year 2020-21 Operational Plan. If approved, in the General Fund these actions will result in an increase to the

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overall budget of \$1,207,000, transfers within budgetary funds of \$7,963,107 and no cancellation of appropriations. The funding source for the increase is Program Revenues (\$1,207,000).

In all other funds combined, these actions will result in a net increase to the overall budget of \$8,351,896, transfers between budgetary funds of \$1,643,450, transfer within budgetary funds of \$316,010 and cancellation of appropriations of \$1,820,714. The funding sources for the net increase are Operating Transfers In from the General Fund (\$8,771,891), Operating Transfers In from the Harmony Grove Improvement Community Facility District (CFD) Fund (\$518,280), Operating Transfers In from the Road Fund (\$250,000), Operating Transfers In from the County Service Area (CSA) Special District Fund (\$37,156), Operating Transfers In from the Library Fund (\$36,681), Park Land Dedication Ordinance (PLDO) fund (\$35,000), Program Revenues (\$26,547), Harmony Grove Village CFD Fund (\$24,385) and Operating Transfers In from PLDO Fund (\$5,000) which are partially offset by decreases in Operating Transfers In from the APCD Fund (\$1,328,803), Operating Transfers In from the Purchasing Internal Service Fund (\$13,575) and Operating Transfers In from Proposition 172 Fund (\$10,666).

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

As shown in Schedule A, the General Fund year-end fund balance projection of \$272.6 million is based on the estimate that expenditures will be approximately \$273.7 million more than the Fiscal Year 2020-21 Amended Budget due to the inclusion of emergency response costs tied to the pandemic and revenues will be a net \$546.3 million more than the Fiscal Year 2020-21 Amended Budget. Staff will return to the Board of Supervisors with appropriation action to mitigate this projected negative expenditure variance. 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/Chief Financial Officer, when permitted.

The General Fund year-end fund balance projection includes the assumption that the County will continue to incur COVID-19 costs and anticipates receipt of additional federal and State emergency response funding including American Rescue Plan Act (ARPA) funds to continue response efforts through the end of the fiscal year. The projected balance for all other funds combined is \$140.6 million.

Attachments to this letter have been included to provide detail of these fund balance projections. Schedule A summarizes the fund balance projection by business group, department, and fund category. The Notes to Schedules A and B explain variances from budget by department, fund and for General Purpose Revenue. Schedule B shows the projected General Fund fund balance by business group split between operating and reserve balances.

GENERAL FUND EXPENDITURE VARIANCES

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The projected higher than budgeted expenditures generating an overall negative expenditure variance of \$273.7 million in the General Fund are primarily attributable to the following:

- \$25.4 million in negative salary and benefit appropriation variance driven by a negative variance in HHSA due to additional temporary staffing and overtime costs for COVID-19 emergency response efforts, partially offset by a positive variance in all other groups due to staff turnover and department management of vacancies.
- \$144.9 million in negative appropriation variance in Services & Supplies across the County.
 - In PSG, projected overall positive expenditure variance of \$20.4 million primarily in Sheriff's Department due to one-time costs related to the Regional Communication System (RCS) site relocations/development and projects that will be re-budgeted in the Fiscal Year 2021-22 CAO Recommended Operational Plan and in the Change Letter for the replacement of the Jail Information Management System (JIMS), Records Management System and the Computer Aided Dispatch system; in Probation for lower than anticipated use of contracted services due to the COVID-19 Public Health Order; in San Diego County Fire due to lower expenditures related to the Ember Resistant Vent Program; and in Child Support Services due to lower than anticipated expenses in various accounts supporting operations, such as information technology services.
 - In HHSA, projected overall negative variance of \$214.2 million primarily tied to COVID-19 emergency response efforts in Public Health Services, in Aging & Independence Services (emergency food services), in Administrative Support (including a continuation of the County's T3 Strategy of Test, Trace and Treat, in Self-Sufficiency Services (expansion of the Info Line of San Diego 2-1-1) and in Child Welfare Services (including services to support the increased number and acuity of youth in CWS during the pandemic). This is offset by positive variances in Behavioral Health Services primarily in contracted services associated with various alcohol and drug treatment and mental health programs due to procurement delays and also decreased service delivery costs and in Housing & Community Development Services tied to projected savings in programs addressing homelessness in the unincorporated area due to a longer than anticipated timeline to get clients housing ready due to the impacts of the pandemic.
 - In LUEG, projected overall positive variance of \$5.3 million primarily in the Department of Environmental Health and Quality due to lower than anticipated project costs for the Vector Habitat Remediation Program (VHRP), fewer required larvicide purchases and positive expenditure variances in various accounts impacted by the Governor's Stay At Home Order, including travel and training, office expenses and supplies; in the Department of Parks and Recreation due to delayed grant projects due to COVID-19 health order closures; in Planning & Development Services as a result of a decrease in consultant costs for land development projects; and in the Department of Public Works due to projected savings related to stormwater inspection contract support and support services from other County departments and funds.
 - In FGG, projected positive variance of \$14.1 million is primarily in Chief Administrative Office due to the newly created Office of Equity and Racial Justice (OERJ) for one-time services to establish the County's needs supporting enterprise

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equity and racial justice activities, in Assessor/Recorder/County Clerk (ARCC) due to the delay of one-time Microfilm Conversion/Duplication, Restoration and Treatment for ARCC Archive Film, e-recording and truncation of official records, which will be completed in Fiscal Year 2021-22, in FGG Executive Office due to information technology (IT) projects that are anticipated to span across multiple fiscal years, in Registrar of Voters due to savings from the June 2021 Special General 79th State Assembly District Election, and in Treasurer Tax Collector due to delays in IT projects.

- In FO, projected positive variance of \$29.5 million includes \$25.0 million which was appropriated to replenish the General Fund Reserve per *Administrative Code Section 113.1 General Fund Balances and Reserves* and information technology projects that are anticipated to extend beyond the current fiscal year (\$4.5 million).
- A projected net negative appropriation variance of \$98.5 million in Other Charges reflects variances primarily in HHSA tied to Emergency Rental Assistance Program (ERAP) payments to eligible households. The Board previously approved additional appropriations on April 06, 2021 (05) which will cover the negative expenditure variances tied to ERAP.
- A projected positive appropriation variance of \$2.6 million in Capital Assets Equipment primarily in PSG due to lower expenditures related to fire apparatus purchases in San Diego County Fire and lower than anticipated costs for the Cal-ID program in the Sheriff's Department.
- A projected negative appropriation variance of \$9.6 million in Expenditure Transfer & Reimbursements in PSG in Child Support Services due to lower than anticipated expenditures in the Bureau of Public Assistance Investigations for services reimbursed by HHSA and in the Sheriff's Department for the rebudget of Costs Applied in the General Fund which partially offsets the JIMS replacement project; and in HHSA due to lower than anticipated contracted costs to administer the County's Hotel/Motel Voucher program offset by positive appropriation variances associated with costs provided through various Memorandums of Understanding (MOU) with the Probation Department.
- A projected positive appropriation variance of \$1.9 million in Operating Transfers Out primarily in HHSA due to reduced funding needs for In-Home Support Services (IHSS) Public Authority related to anticipated operational savings in the program with no impact to services and in Finance Other due to lower than anticipated expenses related to capital projects that are closed or being cancelled by the end of the fiscal year.

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GENERAL FUND REVENUE VARIANCES

The projected over-realized revenue of \$546.3 million includes positive variances totaling \$571.0 million and negative variances of \$24.7 million. In many instances, the negative revenue variances are directly associated with the positive expenditure variances described above.

The projected positive revenue variance of \$571.0 million is primarily attributable to the following categories: Intergovernmental Revenues (\$492.1 million) mainly tied to federal and State revenues for COVID-19 emergency response efforts, funding from the American Rescue Plan Act (ARPA) to support the County's rental assistance program and Small Business Stimulus Grant (SBSG) program, pass-through distributions and residual balance estimates in Aid from Redevelopment Successor Agencies, and over-realized revenue for reimbursement from the California Department of Corrections and Rehabilitation for inmate housing costs during a pause in jail intake at state facilities in response to the COVID-19 pandemic and over-realized federal revenue for reimbursement of CARES Act CRF expenditures, and due to unanticipated increases in grant funding from the California Department of Insurance for multiple insurance fraud prosecution programs, Victims of Crime Act for the victim services program; Taxes Current Property (\$40.8 million) primarily due to higher than anticipated assessed value (AV) growth and due to an increase in property tax collection based on a decrease in delinquency rate from 4.0% to 1.4%; Taxes Other Than Current Secured (\$22.1 million) mainly due to higher than anticipated local secured assessed value growth and higher than budget in Teeter Tax Reserve Excess revenues and Sales and Use Taxes; Fines, Forfeitures & Penalties (\$6.6 million) due to higher than anticipated collection of penalties and interest; Revenue from Use of Money & Property (\$5.1 million) due to a higher projected average daily cash balance than what was budgeted which was used to calculate the interest revenue; and Licenses, Permits & Franchises (\$4.2 million) primarily due to a higher than anticipated number of building permit applications and due to payment of permit fee invoice deferrals.

The projected negative variance of \$24.6 million is in the Charges for Current Services (\$10.4 million) primarily tied to Intergovernmental Transfer (IGT) revenue initially budgeted for glideslope funding for Public Health Services Salaries & Benefits cost which are now partially being funded through federal pandemic response revenues, tied to lower utilization of forensic evaluation services provided to the Superior Court and lower collection of DUI fees due to the pandemic, related to Vector Control Trust Fund revenue and Third Party Reimbursements related to the Hazardous Materials Trust Fund, a decline in billable activities for land development projects, park and campsite closures related to the COVID-19 public health order, offset by projected positive variance due to higher than anticipated receipts from traffic school fees, unanticipated revenue from the Jamul Indian Village and Assistance by Hire agreements and due to projected increases in Recording Document Fees and Duplicating and Filing Fees; in Other Financing Sources (\$13.7 million) due to lower than anticipated salary and benefits expenditures funded by Proposition 172, due to decreases in transfers from the Inmate Welfare Fund and Jail Commissary Enterprise Fund associated with vacant positions, reduced penalty assessment revenue and for the rebudget of revenue from the Criminal Justice Facility Construction Fund and the Proposition 172 Special Revenue Fund for IT projects; and in Miscellaneous Revenues (\$0.6 million) due to lower than anticipated revenues related to the Ember Resistant Vent Program and lower administration costs for anticipated services charged to the Employee Benefits Internal Service Fund offset by projected positive variances to align with the anticipated loan disbursement

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for the Innovative Housing Trust Fund and from various settlement receipts, California Municipal Finance Authority receipts and from escheatment.

ADJUSTMENTS TO THE FISCAL YEAR 2020-21 ADOPTED BUDGET

Transfers and revisions to the adopted budget can be made by formal action of the Board of Supervisors in accordance with the California County Budget Act, Government Code (GC) Section 29125. Increases to the overall budget require 4 votes while transfers of appropriations between departments within the same budgetary fund that do not increase the overall budget or the cancellation of appropriations require a majority vote. However, transfers of appropriations to facilitate transfers between budgetary funds, referred to as operating transfers, require 4 votes even if the overall budget is not increased.

The recommendations for budget adjustments are explained as follows:

**Increases to the Overall Budget and/or Transfers Between Budgetary Funds
(Recommendations 2 through 9):**

Recommendation 2

The Medical Examiner is supporting local hospitals and mortuaries by providing storage units in response to agencies being at maxed capacity resulting from increasing COVID-19 related deaths. This recommendation will establish appropriations of \$107,000 based on CARES Act revenue.

Recommendation 3

The Public Defender has an increased number of assigned cases to the private panel to provide criminal defense representation to clients as a result of court closures due to the COVID-19 pandemic. This recommendation establishes appropriations of \$1,100,000 based on unanticipated state mandated reimbursements associated with the reinstatement of activities. This will allow the department to maintain caseloads levels to ensure effective assistance of counsel.

Recommendation 4

This recommendation will establish appropriations of \$30,000 in the Park Land Dedication Ordinance (PLDO) Administrative Fee Fund for fund administration costs based on available prior year PLDO Administrative Fee Fund fund balance. The additional appropriations are required this fiscal year due to unanticipated costs associated with developer activity.

Recommendation 5

This recommendation will establish appropriations in the amount of \$5,000 in the Capital Outlay Fund, Capital Project 1021494 Woodhaven Well, from a transfer of appropriations from the Park Land Dedication Ordinance Area 45 Valle De Oro Fund (\$5,000), to fund unanticipated construction costs related to meeting Americans with Disabilities Act slope requirements for an existing sidewalk and removing excess boulders and trenching for electrical and irrigation lines. This will bring the total estimated project cost to \$933,938.

Recommendation 6

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This recommendation establishes appropriations of \$250,000 in the Department of Public Works (DPW) ISF Equipment Acquisition Road Fund based on an Operating Transfer in from the DPW Road Fund, for the purchase of vans and equipment trailers from the County of San Diego Probation Department due to the creation of a new DPW Litter Abatement Program. These vehicles will be used by field crews to transport community service volunteers to and from work sites to remove litter and debris from the County's roadways.

Recommendation 7

On December 10, 2019 (25), the Board of Supervisors approved the issuance of the Community Facilities District ("CFD") No. 2008-01 Harmony Grove Village Improvement Area No. 1 Special Tax Bonds, Series 2020A and CFD No. 2008-01 Harmony Grove Village Improvement Area No. 2 Special Tax Bonds, Series 2020A in an aggregate principal amount not to exceed \$15,000,000 and \$25,000,000 respectively. Subsequently, the CFD issued special tax bonds for a par value of \$13,505,000 and \$24,290,000 in January 2020. The proceeds are eligible to be used to finance certain infrastructure and other improvements to be owned by the County of San Diego, the San Diego County Sanitation District, or the Rincon del Diablo Municipal Water District. To properly account for certain infrastructure and other improvements, two funds were set up to account for these expenditures. The expenditures are accounted for in each fund based on the type and the ownership of the asset. The first fund, Harmony Grove Improvement Fund, was set up to account for assets owned by an entity other than the County of San Diego. The second fund, Harmony Grove Capital Project Fund, is used to account for assets that will be owned by the County of San Diego. A total of \$21,470,435 of the Series 2020A bond proceeds have been used to reimburse CalAtlantic (the "Developer") for costs of the CFD, of which \$18,430,567 is related to non-capitalizable facilities costs (Harmony Grove Improvement Fund) and \$3,066,868 is related to capitalizable facility costs (Harmony Grove Capital Project Fund). There are approximately \$16.8 million in remaining bond proceeds available to reimburse the Developer. Of the \$16.8 million in remaining bond proceeds, the \$518,280 will be needed in the Harmony Grove Capital Project Fund to accommodate the increase of expenditures in this fund.

On December 7, 2012, the County and the Developer entered into the Agreement for Improvement in Public Right of Way Centerline of the San Diego County Code, to construct and install certain improvements on Harmony Grove Road and Intact Street Improvements. Upon final acceptance by the County Engineer of Public Works, these improvements will be added into the County Road System and included in the Maintained Road System of the County. In accordance with Governmental Accounting Standards Board Statement No. 6, which establishes accounting and financial reporting for capital improvements and services financed by special assessments, the improvements will be capitalized as an asset that is part of the County Road System.

This recommendation transfers appropriations of \$518,280 from the Harmony Grove Improvement Fund, Services & Supplies, to Operating Transfers Out, *and* establishes appropriations in the Harmony Grove Capital Project Fund, Fixed Assets – Building and Improvements, based on an Operating Transfer In, to transfer appropriations to the Harmony Grove Capital Project Fund to properly account for the accounting of bond proceeds used to construct the Harmony Grove Road and other improvements located in the CFD that will be capitalized as assets owned by the County of San Diego .

Recommendation 8

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On June 25, 2008 (9), the Board approved the formation of Community Facilities District 2008-01 - Harmony Grove Village (CFD Harmony Grove Village). In 2016, the County entered an agreement with the Rancho Santa Fe Fire Protection District to provide fire protection services with financing from certain proceeds of the Special Tax B within CFD Harmony Grove Village. This recommendation will establish appropriations of \$60,830 in Harmony Grove Village Community Facility District Fire Fund to provide additional revenues for reimbursement to Rancho Santa Fe Fire Protection District for fire protection services within Harmony Grove Village.

Appropriations of \$24,385 are based on existing prior year fund balance from Fiscal Year 2019-20 and appropriations of \$36,445 are based on special taxes from property owners from Fiscal Year 2020-21 due to an increase in the number of taxable parcels enrolled on the property tax rolls resulting in an additional \$36,445 in unanticipated revenue for Fiscal Year 2020-21.

Recommendation 9

Board Policy B-37, *Use of Capital Program Funds*, notes that on occasion, due to the nature of major maintenance projects, these projects may be reclassified as an operating or capital expense based on financial reporting requirements. Pursuant to Board Policy B-37, to ensure accuracy in financial reporting, the Deputy Chief Administrative Officer/Chief Financial Officer shall make required adjustments to departmental operating budgets and within the Major Maintenance Capital Outlay Fund (MMCOF) or the Major Maintenance Internal Service Fund (MMISF). Due to the emergent nature of some major maintenance projects, some of these adjustments may require ratification by the Board. These recommendations will allow for the accurate financial reporting of major maintenance projects, which are listed in Appendix D along with the related required adjustments.

This recommendation will result in a net increase of appropriations in the MMCOF of \$8,288,277 and reclassification of major maintenance projects which are supported by existing department budgets.

**Transfers Within Budgetary Funds and/or Cancellation of Appropriations
(Recommendations 10-13):**

Recommendation 10

In Fiscal Year 2020-21, the Medical Examiner has experienced an increase in decedent transportation services cost. This recommendation will transfer appropriations of \$800,000 from the Public Safety Executive Office to Medical Examiner, to continue to provide transportation services through June 30, 2021.

Recommendation 11

The Borrego Springs Shadeway project is an extension of the new Borrego Springs Park, Library and Sheriff Office Complex and fosters a pedestrian friendly connection to Christmas Circle Community Park and the Borrego Springs Village Center. If approved, this recommendation will establish appropriations in the amount of \$283,130.65 in the Capital Outlay Fund for Capital Project 1021893, Borrego Springs Shadeway based on a transfer (\$283,130.65) from Capital Project 1019606 Borrego Springs Park to provide funds for additional amenities, necessary

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easements, traffic calming measures and contingency for any items during construction. The total estimated cost of the project is \$933,130 and is expected to be completed in Fall 2021.

Recommendation 12

If approved, this recommendation will establish appropriations in the amount of \$32,879.28 in the Capital Outlay Fund for Capital Project 1021906 Jess Martin Water Conservation based on a transfer (\$9,541.62) from Capital Project 1022928 Water Conservation at Liberty Park, a transfer (\$9,094.70) from Capital Project 1022929 Water Conservation at Homestead Park, a transfer (\$7,262.19) from Capital Project 1022930 Water Conservation at Heritage Park and a transfer (\$6,980.77) from 1021905 Patriot Park Water Conservation. The additional funding is needed to fund construction of the project and associated infrastructure improvements. The total estimated cost of the project is \$402,897 and is expected to be completed in Summer 2021.

Recommendation 13

By the end of Fiscal Year 2020-21, a total of 15 capital projects are anticipated to be completed and capitalized. These projects are listed in Schedule C. Appropriations of up to \$805,492.33 related to these projects will be cancelled, of which \$418,174.89 is in the Capital Outlay Fund, \$13,863.25 in the County Health Complex Fund, \$110,236.74 in the Justice Facility Construction Fund, \$253,319.02 in the Library Projects Capital Outlay Fund and \$9,898.43 in the Multiple Species Conservation Program Fund. At the end of the fiscal year, remaining appropriations will be cancelled along with the revenue related to the respective appropriations and returned in accordance with Board Policy B-37, *Use of the Capital Outlay Funds*, to the original funding sources which include the General Fund, Library Fund and Prop 172 Fund.

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LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the Strategic Initiatives of Building Better Health, Living Safely, Sustainable Environments/Thriving and Operational Excellence in the County of San Diego's 2021-2026 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

Schedule A
Schedule B
Notes to Schedules A and B
Schedule C
Appendix D

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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 16, 2021 (23), Fiscal Year 2020-21 Second Quarter Operational Plan Status Report and Budget Adjustments; December 8, 2020 (14), Fiscal Year 2020-21 First Quarter Operational Plan Status Report and Budget Adjustments; August 25, 2020 (02), County of San Diego Fiscal Year 2020-21 Adopted Budget Resolution for County Family of Funds, Enterprise Funds and Internal Service Funds

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 CONCURRENCE(S): N/A

CONTACT PERSON(S):

Ebony N. Shelton, Deputy Chief Administrative
Officer/Chief Financial Officer

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COUNTY OF SAN DIEGO
NOTES TO SCHEDULES A and B
Fiscal Year 2020-21 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.

Management Reserves

Besides the General Fund Reserve, which is comprised of unassigned General Fund fund balance, County business groups may establish Management Reserves. 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 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 from plan (greater than \$500,000) in total expenditures, total revenue, net variance, or object variance are discussed below and categorized by fund.

PUBLIC SAFETY GROUP

General Fund

Public Safety Group Executive Office/Contribution for Trial Courts

A positive variance of \$5.2 million is projected for the Public Safety Group Executive Office.

A positive expenditure variance of \$0.1 million is projected. A positive variance of \$0.5 million in Salaries & Benefits is due to lower than anticipated costs for temporary staff, \$0.7 million in Services & Supplies due to lower than anticipated expenditures in facility maintenance and contracted services, partially offset by a negative variance of \$1.1 million in Expenditure Transfer & Reimbursements to Finance Other due to lower than anticipated expenses previously mentioned.

A positive revenue variance of \$5.1 million is projected. A positive variance of \$0.9 million in Fines, Forfeitures & Penalties due to higher than anticipated receipts from trial court fines and \$4.2 million in Charges for Current Services due to higher than anticipated receipts from traffic school fees.

District Attorney

A positive variance of \$0.9 million is projected for the District Attorney's Office.

A positive expenditure variance of \$6.4 million is projected in Salaries & Benefits due to normal attrition and modified positions, and positions held vacant due to economic impacts of the COVID-19 pandemic.

A negative revenue variance of \$5.5 million is projected. A positive variance of \$4.3 million in Intergovernmental Revenues is due to unanticipated increases in grant funding from the California Department of Insurance for multiple insurance fraud prosecution programs, Victims of Crime Act for the victim services program, and CARES Act Coronavirus Relief Funding; a positive variance of \$0.1 million in Charges for Current Services is due to unanticipated revenue for crime prevention task forces; offset by a negative variance of \$9.9 million in Other Financing Sources due to lower than anticipated salary and benefits expenditures funded by Proposition 172, the Local Public Safety Protection and Improvement Act of 1993.

Sheriff

A positive variance of \$20.6 million is projected for the Sheriff's Department.

A positive expenditure variance of \$19.5 million is projected. A positive variance of \$11.5 million in Salaries & Benefits is due to vacancies, attrition, under-filled positions and lower than anticipated costs for temporary staff and overtime. A positive variance of \$10.2 million in Services & Supplies is primarily for one-time costs of \$9.3 million that will be rebudgeted in the Fiscal Year 2021-22 CAO Recommended Operational Plan and Change Letter for the replacement of the Jail Information Management System (JIMS), the Records Management System, and the Computer Aided Dispatch system (\$7.3 million), IT storage connection hardware (\$0.5 million) and the Regional Communication System (RCS) site relocation/development projects (\$1.5 million), and \$0.9 million due to lower than anticipated costs in the Cal-ID program, and expenditures in various accounts supporting operations such as professional & specialized services, contracted services, and travel offset by increased contract and materials costs related to the COVID-19 pandemic. A positive expenditure variance of \$0.4 million in Capital Assets Equipment is due to lower than anticipated costs for the Cal-ID program. A negative expenditure variance of \$2.6 million is in Expenditure Transfer & Reimbursement for the rebudget of Costs Applied in the General Fund which partially offsets the JIMS replacement project.

A positive revenue variance of \$1.1 million is projected. A net positive variance of \$6.6 million in Intergovernmental Revenues is due to over-realized revenue for reimbursement from the CA Department of Corrections and Rehabilitation for inmate housing costs during a pause in jail intake at State facilities in response to the COVID-19 pandemic and over-realized federal revenue for reimbursement of CARES Act CRF expenditures, partially offset by lower than anticipated revenue from the State Homeland Security Grant Program, in State Aid Other for reimbursement of costs to provide a jail-based competency program and reduced Proposition 69 DNA Identification Fund revenue which

supports DNA analysis in the crime laboratory and in Aid from Governmental Agencies for reimbursement of costs for School Resource Officers due to school closures. A net positive variance of \$0.7 million is projected in Charges for Current Services primarily due to over-realized revenue from Trial Court Security Subaccount, partially offset by lower than anticipated revenue from jail bed leasing and civil service process fees. A positive variance of \$0.1 million in Licenses Permits and Franchises is due to higher than anticipated collections from license fees. A negative variance of \$4.1 million is projected in Other Financing Sources due to decreases in transfers from the Inmate Welfare Fund and Jail Commissary Enterprise Fund associated with vacant positions, reduced penalty assessment revenue and for the rebudget of revenue from the Criminal Justice Facility Construction Fund and the Proposition 172 Special Revenue Fund for IT projects. A negative variance of \$1.6 million is projected in Fines, Forfeitures and Penalties due to lower than anticipated costs for the Cal-ID program and lower than anticipated overtime costs to be reimbursed from Sheriff's Warrant Automation Trust Fund revenue. A negative variance of \$0.6 million is projected in Miscellaneous Revenues due to RCS site relocation/development projects that will be rebudgeted, offset by increased in Network Operating Cost revenue and over-realized revenue for reimbursement of costs associated with the Unsheltered Feeding Program.

Child Support Services

A positive variance of \$1.1 million is projected for the Department of Child Support Services.

A positive expenditure variance of \$0.8 million is projected. A positive variance of \$1.5 million in Salaries & Benefits is due to vacant and modified positions, \$2.8 million in Services & Supplies primarily due to lower than anticipated expenses in various accounts supporting operations such as information technology services, \$0.2 million in Capital Assets Equipment due to delay of vehicle purchases by the Bureau of Public Assistance Investigations, offset by a negative variance of \$3.7 million in Expenditure Transfer & Reimbursements due to lower than anticipated expenditures in the Bureau of Public Assistance Investigations for services reimbursed by Health and Human Services Agency.

A positive revenue variance of \$0.3 million is projected. A positive variance of \$0.2 million in Intergovernmental Revenues is due to higher than anticipated State and Federal revenue and a positive variance of \$0.3 million in Charges for Current Services is due to higher than anticipated incentive revenue received from the California Department of Child Support Services, partially offset by a negative variance of \$0.2 million in Miscellaneous Revenues due to lower than anticipated expenses related to the Title IV-D Child Support Services Digital Marketing Grant.

Probation

A positive variance of \$1.9 million is projected for the Probation Department.

A positive expenditure variance of \$3.6 million is projected. A positive variance of \$3.6 million is projected in Services & Supplies primarily due to a lower than anticipated use

of contracted services due to the COVID-19 Public Health Order causing both a decline in adult referrals and interruptions in the ability to provide certain services.

A negative revenue variance of \$1.7 million is projected. A negative variance of \$0.8 million in Intergovernmental Revenues is due to lower than anticipated revenue from Title IV-E Foster Care Program (\$0.9 million) and the Community Corrections Subaccount (\$0.7 million), partially offset by over-realized revenue from the Coronavirus Relief Fund (\$0.5 million), the Mental Health Training Grant (\$0.2 million) and the Board of State and Community Corrections allocation for Standards and Training for Corrections (\$0.1 million). A negative variance of \$0.9 million is projected in Charges for Current Services due to the termination of the collection of fees for youths on probation and lower than anticipated revenue from the collection of fees for adults on probation.

San Diego County Fire

A positive variance of \$3.1 million is projected for San Diego County Fire.

A positive expenditure variance of \$4.4 million is projected. A positive variance of \$0.2 million in Salaries & Benefits is due to vacant positions, \$3.0 million in Services & Supplies is due to lower expenditures related to the Ember Resistant Vent Program (\$1.8 million), the rebudget in the Fiscal Year 2021-22 CAO Recommended Operational Plan of the Ember Resistant Vent Program (\$1.1 million), and the purchase and installation of Mobile Data Computers (\$0.1 million). A positive variance of \$1.2 million in Capital Assets Equipment is due to lower expenditures related to fire apparatus purchases.

A negative revenue variance of \$1.3 million is projected. A negative variance of \$2.1 million in Intergovernmental Revenues is due to lower than anticipated reimbursements from the Community Development Block Grant and Assistance to Firefighter grant, and \$2.5 million in Miscellaneous Revenues associated with the Ember Resistant Vent Program and the rebudgets of items described above. A positive variance of \$3.3 million in Charges for Current Services is due to unanticipated revenue from the Jamul Indian Village and Assistance by Hire agreements.

Special Revenue Funds

Sheriff's Inmate Welfare Fund

A positive variance of \$3.2 million is projected for the Inmate Welfare Fund.

A positive expenditure variance of \$4.1 million is projected. A positive variance of \$3.1 million in Services & Supplies is primarily due to the impact of the COVID-19 pandemic in professional and specialized services associated with contracts for educational services resulting from cancelled classes, and lower than anticipated expenditure needs associated with suspended activities and programs. A positive variance of \$1.0 million in Operating Transfers Out is associated with vacant positions in the General Fund.

A negative revenue variance of \$0.9 million is projected in Other Financing Sources due to a decrease in the operating transfers from the Sheriff's Jail Commissary Enterprise Fund from lower than anticipated proceeds generated by Commissary sales.

Penalty Assessment

A positive variance of \$0.6 million is projected for the Penalty Assessment Special Revenue Fund.

No expenditure variance is projected.

A positive revenue variance of \$0.6 million is projected. A positive variance of \$0.8 million in Fines, Forfeitures & Penalties is due to higher than anticipated receipts from penalty assessments offset by a negative variance of \$0.2 million in Revenue from Use of Money & Property due to lower than anticipated interest on deposits.

Proposition 172

A positive variance of \$61.9 million is projected for Proposition 172 (Prop 172) Special Revenue Fund.

A positive expenditure variance of \$9.9 million is projected due to a lower than expected amount transferred to General Fund departments.

A positive revenue variance of \$52.0 million is projected in Intergovernmental Revenues due to higher than anticipated sales tax receipts in the current fiscal year and under-accrual in the prior fiscal year.

Prop 172 was approved by California voters in 1993 to create a permanent one-half cent sales tax for public safety purposes and was intended to provide funding sources to qualifying public safety programs. The projected decrease of sales tax receipts due to the impact of consumers and businesses reacting to the COVID-19 pandemic was not as adverse as originally projected.

Sheriff's Asset Forfeiture Program

A positive variance of \$2.3 million is projected in the Sheriff's Asset Forfeiture Program (US Department of Justice, US Treasury Department and State).

A positive expenditure variance of \$1.9 million is primarily projected in Services & Supplies (\$1.7 million) and Capital Assets Equipment (\$0.1 million) due to lower than anticipated costs for law enforcement projects and in Operating Transfers Out (\$0.1 million) due to a decrease in planned expenditures to be reimbursed in the General Fund.

A positive revenue variance of \$0.4 million is primarily projected in Fines, Forfeitures & Penalties (\$0.2 million) due to increased asset forfeiture from State seizures and in Intergovernmental Revenues (\$0.2 million) based on increased asset forfeiture from US Department of Justice seizures.

Enterprise Fund

Sheriff's Jail Commissary Enterprise Fund

There is no overall variance projected for the Sheriff's Jail Commissary Enterprise Fund.

A positive expenditure variance of \$1.7 million is projected. A positive variance of \$0.4 million in Services & Supplies is primarily due to savings in professional and specialized services associated with phone time sales, and purchase of commissary items from a pause in commissary operations due to the COVID-19 pandemic. A positive variance of \$1.2 million is in Operating Transfers Out to the Inmate Welfare Fund due to a decrease in the transfer of commissary proceeds from lower than anticipated revenues, and lower amounts transferred to the General Fund due to vacant positions.

A negative revenue variance of \$1.7 million is projected in Miscellaneous Revenues due to decreases in projected phone time and commissary sales resulting from a decreased population due to the adoption of a revised bail schedule in response to the pandemic and pause in commissary operations due to the COVID-19 pandemic.

Special District Funds

San Diego County Fire Protection District

A net positive variance of \$0.5 million is projected for San Diego County Fire Protection District.

A positive expenditure variance of \$0.4 million is projected. A positive variance of \$0.3 million in Services & Supplies is due to lower than anticipated fire station operational costs and \$0.1 million in Operating Transfers Out is due to lower than anticipated use of temporary staff in San Diego County Fire.

A positive revenue variance of \$0.1 million is projected in Charges for Current Services due to higher than anticipated revenue from service agreements.

San Diego County Fire Protection District East Otay Mesa (EOM) CFD 09-01 Tax A

A positive variance of \$0.5 million is projected for San Diego County Fire Protection District EOM CFD 09-01 Special Tax A.

No expenditure variance is projected.

A positive revenue variance of \$0.5 million is projected in Taxes Current Property due to higher than anticipated permit fee collections.

HEALTH AND HUMAN SERVICES AGENCY (HHSA)

General Fund

HHSA Overall Summary

An overall positive variance of \$35.0 million is projected for HHSA. This includes a negative expenditure variance of \$372.4 million tied to COVID-19 response cost projections. The negative variance will be partially covered by the \$187.0 million additional appropriations previously approved by the Board on April 6, 2021 (05) for Emergency Rental Assistance Program (ERAP) and Great Plates Delivered program. HHSA's projection anticipates a positive revenue variance of \$407.4 million primarily tied to additional American Rescue Plan Act (ARPA), Federal Emergency Management Agency (FEMA), and State emergency response funding to supplement CARES Act revenues to continue response efforts through the end of the fiscal year. In addition, the increased federal funds will replace previously allocated one-time unassigned General Fund fund balance to support COVID-19 response efforts.

Administrative Support

Administrative Support consists of the following: Agency Executive Office, Agency Contract Support, Financial & Support Services Division, Human Resources, Management Information Support, First Five Commission, Office of Strategy & Innovation, Integrative Services, Regional Administration, and Office of Military & Veterans Affairs.

No overall variance is projected for Administrative Support.

A negative expenditure variance of \$4.9 million is projected and includes a positive variance of \$0.2 million in Salaries & Benefits to align with current spending trends, and a negative variance of \$5.1 million in Services & Supplies. The negative variance of \$5.1 million in Services & Supplies consist of \$10.1 million negative variance primarily tied to the continuation of the County's T3 Strategy of Test, Trace and Treat to support COVID-19 emergency response efforts offset by a positive variance of \$5.0 million due to a delay in one-time facility projects.

A positive revenue variance of \$4.9 million is projected and includes positive variances of \$5.4 million in Intergovernmental Revenues and \$0.2 million in Miscellaneous Revenue due to additional sponsorship funding partially offset by a negative variance of \$0.7 million in Charges for Current Services to the align with anticipated spending. The positive variance of \$5.4 million in Intergovernmental Revenue of an \$18.0 million increase primarily in federal funding for COVID-19 emergency response efforts is offset by a negative variance of \$7.6 million in one-time federal and State funds tied to savings in one-time projects, and \$5.0 million in social services administrative revenues reallocated to Self-Sufficiency Services.

Aging & Independence Services

An overall positive variance of \$0.5 million is projected for Aging & Independence Services.

A negative expenditure variance of \$79.1 million is projected and includes a negative variance of \$0.5 million in Salaries & Benefits due to an increase in temporary help to support the Great Plates Delivered program and \$80.0 million in Services & Supplies offset by a positive variance of \$1.4 million savings in Operating Transfers Out due to reduced funding needs for the In-Home Supportive Services (IHSS) Public Authority related to anticipated operational savings in the program with no impact to services. The \$80.0 million negative variance in Services & Supplies is mainly driven by emergency food services tied to COVID-19 response efforts which will be covered by the additional \$80.0 million in appropriations approved by the Board on April 6, 2021 (05).

A positive revenue variance of \$79.6 million includes \$79.4 million in Intergovernmental Revenues and \$0.2 million in Miscellaneous Revenue tied to increased funding for the San Diego Veterans Independence Services program. The positive variance of \$79.4 million in Intergovernmental Revenues mainly consists of \$81.4 million in federal and State funding for emergency food services tied to COVID-19 response efforts, offset by a \$2.0 million decrease primarily to align with reduced expenditures projected in the IHSS Public Authority program.

Behavioral Health Services

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

An overall positive variance of \$0.3 million is projected for BHS.

A positive expenditure variance of \$30.4 million includes positive variances of \$1.2 million in Salaries & Benefits due to attrition and vacant positions, \$27.9 million in Services & Supplies and \$1.3 million in Expenditure Transfer & Reimbursements associated with costs provided through various Memorandums of Understanding (MOU) with the Probation Department. The \$27.9 million positive variance in Service & Supplies includes savings of \$32.0 million primarily in contracted services associated with various alcohol and drug treatment and mental health programs due to procurement delays and decreased service delivery costs, partially offset by a negative variance of \$4.1 million for temporary staffing costs largely due to increased need at the SDCPH and the Edgemoor Distinct Part Skilled Nursing Facility.

A negative revenue variance of \$30.1 million consists of negative variances of \$27.5 million in Intergovernmental Revenues, \$1.6 million in Charges for Current Services tied to lower utilization of forensic evaluation services provided to the Superior Court and lower collection of DUI fees due to the pandemic, and \$1.0 million for Miscellaneous Revenue due to lower than anticipated recoupment of contracted services payments tied

to prior year adjustments. The \$27.5 million negative variance in Intergovernmental Revenues is primarily tied to the alignment of behavioral health program revenue with anticipated spending as noted above and prior year adjustments.

County Child Welfare Services

No overall variance is projected for County Child Welfare Services (CWS).

A negative expenditure variance of \$3.7 million is projected and includes a negative variance of \$2.0 million in Salaries & Benefits primarily tied to increased service demands resulting in increased overtime costs, and temporary staffing costs, and \$1.4 million in Services & Supplies, and \$0.3 million in Other Charges mainly tied to increased caseloads in foster care assistance programs offset by a decreased trend in adoptions assistance. The increase includes the extension of benefits for foster youth who would have otherwise aged out of the extended foster care system if not for pandemic emergency orders, offset by a decreased trend in adoptions assistance. The \$1.4 million negative variance in Services & Supplies is primarily due to COVID response efforts, such as services to support the increased number and acuity of youth in CWS during the pandemic.

A positive revenue variance of \$3.7 million is projected and includes \$4.7 million in Intergovernmental Revenues offset by a negative variance of \$0.6 million in Charges for Current Services due to a lower collection estimate for child abuse and adoption fees, \$0.3 million in Revenue From Use of Money & Property to align revenue collection trends for the use of the San Pasqual Academy property, and \$0.1 million in Miscellaneous Revenues primarily due to lower than anticipated recovery of prior year overpayment to contractors. The positive variance of \$4.7 million in Intergovernmental Revenues consists of positive variances of \$6.2 million in social services administrative revenues to align with anticipated federal and State funding and \$1.8 million in anticipated supplemental federal funding for COVID-19 emergency response efforts offset by a negative variance of \$3.3 million in federal assistance payment revenue primarily tied to updated caseload projections for adoptions assistance.

Housing & Community Development Services

Housing & Community Development Services (HCDS) consists of the following: HCDS Operations, Administration, and HCDS Multi-Year Projects.

An overall positive variance of \$22.3 million is projected for HCDS.

A negative expenditure variance of \$97.0 million is projected and includes a negative variance of \$0.8 million in Salaries & Benefits primarily due to increased staffing needs to support ERAP, a positive variance of \$6.3 million in Services & Supplies, a negative variance of \$99.3 million in Other Charges and a negative variance of \$3.2 million in Expenditure Transfer and Reimbursements due to lower than anticipated contracted costs to administer the County's Hotel/Motel Voucher program. The positive variance of \$6.3 million in Services & Supplies includes savings of \$9.7 million tied to programs addressing homelessness in the unincorporated area due to a longer than anticipated

timeline to get clients housing ready due to the impacts of the pandemic, \$5.0 million tied to funds reserved for the Local Housing Trust Fund grant which did not materialize, and \$2.5 million primarily tied to savings in Multi-Year projects due to implementation overlap across fiscal years offset by \$10.9 million in operational costs tied to ERAP. The negative variance of \$99.3 million in Other Charges includes \$100.2 million tied to ERAP payments to eligible households offset by a positive variance of \$0.9 million in Multi-Year Projects primarily due to the transition of clients from the HOME Homeless Tenant Based Rental Assistance (TBRA) to the Section 8 Housing Choice Voucher Program and a revised funding allocation for the HOPWA TBRA. The Board previously approved \$107.0 million in additional appropriations on April 6, 2021 (05) which will cover the negative expenditure variances tied to ERAP.

A positive revenue variance of \$119.3 million includes \$115.5 million in Intergovernmental Revenues, \$3.4 million in Miscellaneous Revenues primarily to align with the anticipated loan disbursement for the Innovative Housing Trust Fund and \$0.4 million in Other Financing Sources tied to repayment of housing loans previously administered by the Housing Authority. The \$115.5 million positive variance in Intergovernmental Revenue includes \$112.3 million in federal funding to support housing & homelessness programs tied to COVID-19 emergency response efforts and \$16.6 million in ARPA funding to support the County's rental assistance program previously funded with unassigned General Fund fund balance offset by \$13.4 million in federal and State revenue to align with anticipated spending tied to non-pandemic response related costs.

Public Health Services

A positive variance of \$7.9 million is projected for Public Health Services (PHS).

A negative expenditure variance of \$216.0 million is projected and includes negative variances of \$56.7 million in Salaries & Benefits primarily due to additional temporary staffing and overtime costs for COVID-19 emergency response efforts, \$159.6 million in Services & Supplies tied to COVID-19 emergency response efforts, partially offset by positive variances of \$0.3 million in Other Charges due to acuity of treatment in the California Children Services program.

A positive revenue variance of \$223.9 million is projected and includes \$230.4 million in Intergovernmental Revenues and \$0.1 million in Miscellaneous Revenues primarily tied to increased collection in permit fees, partially offset by negative variances of \$6.3 million in Charges for Current Services and \$0.3 million in Fines, Forfeitures and Penalties due to lower than anticipated Emergency Medical Services penalties based on revenue collection trends. The \$230.4 million positive variance in Intergovernmental Revenue is primarily tied to federal revenues for COVID-19 emergency response efforts. The negative variance of \$6.3 million in Charges for Current Services is primarily tied to Intergovernmental Transfer (IGT) revenue initially budgeted for glideslope funding for Salaries & Benefits cost which are now partially being funded through federal pandemic response revenues.

Self-Sufficiency Services

A positive variance of \$4.0 million is projected for Self-Sufficiency Services.

A negative expenditure variance of \$2.1 million is projected and includes negative variances of \$0.5 million in Salaries & Benefits due to a lower than anticipated attrition level, \$2.3 million in Services & Supplies primarily associated with the expansion of the Info Line of San Diego (2-1-1) contract to provide support for COVID-19 response related activities, partially offset by a positive variance of \$0.7 million in Other Charges. The \$0.7 million positive variance in Other Charges includes positive variances of \$14.7 million primarily associated with revised estimates of caseload levels and growth trends in the California Work Opportunity and Responsibility to Kids (CalWORKs) and \$2.6 million in the General Relief program offset by negative variances of \$8.5 million tied to the one-time Golden State Stimulus payments for CalWORKs participants and \$8.1 million tied to the COVID-19 Positive Recovery Stipend program.

A positive revenue variance of \$6.1 million is projected and includes positive variances of \$5.9 million in Intergovernmental Revenues, \$0.2 million in Miscellaneous Revenues mainly due to the recoupment of payments in contracted services tied to prior year adjustments and \$0.1 million in Revenue From Use of Money & Property to align with revenue collection trends partially offset by a negative variance of \$0.1 million in Fines, Forfeitures & Penalties based on projected eligible expenditures for the Physician Emergency Services program. The positive variance of \$5.9 million in Intergovernmental Revenues is driven by an increase in federal funding for COVID-19 emergency response efforts and ARPA funding to replace unassigned General Fund fund balance previously set aside to help cover COVID-19 costs primarily offset by a decrease in CalWORKs revenue to align with revised caseload projections.

LAND USE AND ENVIRONMENT GROUP

General Fund

Agriculture, Weights and Measures

A positive variance of \$1.9 million is projected for the Department of Agriculture, Weights and Measures (AWM), including the University of California Cooperative Extension.

A positive expenditure variance of \$1.9 million is projected. A positive variance of \$1.5 million in Salaries & Benefits is due to staff vacancies and under-filled positions. A positive variance of \$0.4 million in Services & Supplies is due to delayed information technology projects for a finance dashboard and an Integrated Pest Control reporting application.

No significant revenue variance is projected. A \$0.6 million negative variance is projected in Licenses, Permits, and Franchises as a result of the Board-directed deferral of fees due to the COVID-19 public health emergency. A \$0.1 million negative variance is projected in Charges for Current Services as a result of reduced activities also due to the COVID-19 public health emergency. This is offset by a positive \$0.7 million variance in Intergovernmental Revenues as a result of CARES Act revenue.

Environmental Health and Quality

A positive variance of \$5.4 million is projected for the Department of Environmental Health and Quality (DEHQ) of which \$1.9 million is projected to be transferred to the DEHQ Committed Reserves in Quarter 1 of Fiscal Year 2021-22.

A positive expenditure variance of \$7.0 million is projected. A positive variance of \$4.1 million in Salaries & Benefits is due to staff vacancies, COVID-19 employee reassignment savings and under-filled positions. A positive variance of \$2.7 million in Services & Supplies due to \$2.4 million in the Vector Control program mostly due to a reduction in payments for the Vector Habitat Remediation Program and fewer required larvicide purchases, \$0.2 million in consultant contracts due to delays in the East Otay Mesa California Environmental Quality Act (CEQA) study, and \$0.6 million in positive expenditure variances spread over various accounts impacted by the Governor's Stay At Home Order, including travel and training, office expenses and supplies; this is offset by \$0.5 million in excess costs in Information Technology projects due to Accela upgrade costs and peripheral equipment purchases. A positive variance of \$0.2 million in Capital Assets Equipment is due to delayed purchases in the Urban Area Security Initiative Grant.

A negative revenue variance of \$1.6 million is projected. The negative variance of \$4.4 million in Charges for Current Services related to \$3.1 million in Vector Control Trust Fund revenue, \$1.0 million in Third Party Reimbursements related to the Hazardous Materials Trust Fund, \$0.1 million in Other Governmental Health Fees due to delays in the East Otay Mesa project, and \$0.2 million in the Work Safe Stay Healthy contract associated with staff vacancies noted above. This is offset by a positive variance of \$1.8 million in

Licenses, Permits & Franchises due to permit fee invoice deferrals payments and, \$1.0 million in Intergovernmental Revenues due to CARES Act funding.

Department of Parks and Recreation

A positive variance of \$0.3 million is projected for the Department of Parks and Recreation.

A positive expenditure variance of \$2.4 million is projected. A positive expenditure variance of \$1.4 million is projected in Salaries & Benefits due to staff vacancies. A positive variance of \$1.0 million in Services & Supplies is projected due to delayed grant projects due to COVID-19 health order closures.

A negative revenue variance of \$2.1 million is projected. A negative variance of \$1.1 million in Charges for Current Services primarily due to park and campsite closures related to the COVID-19 public health order. A negative variance of \$1.0 million is projected (\$0.7 million in Intergovernmental Revenues and \$0.3 million in Miscellaneous Revenues) due to delayed grant projects due to COVID-19 health order closures.

Planning & Development Services

A positive variance of \$1.1 million is projected for the Department of Planning and Development Services.

A positive expenditure variance of \$1.0 million is projected. A positive expenditure variance of \$0.2 million is projected in Salaries & Benefits due to staff vacancies. A positive variance of \$0.7 million in Services & Supplies as a result of a decrease in consultant costs for land development projects. A positive variance of \$0.1 million in Expenditure Transfer & Reimbursements is due to higher than anticipated services provided to other General Fund departments.

A positive revenue variance of \$0.1 million is projected. A positive variance of \$3.4 million in Licenses Permits & Franchises is due to higher than anticipated building permit applications partially offset by a negative variance of \$3.0 million in Charges for Current Services due to a decline in billable activities related to service to development projects and a negative variance of \$0.3 million in Miscellaneous Revenues due to lower than anticipated fire fee waiver applications received.

Public Works – General Fund

No significant variance is projected for the Department of Public Works General Fund.

A positive expenditure variance of \$1.4 million is projected. A positive variance of \$0.9 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$0.5 million in Services & Supplies is due to savings related to stormwater inspection contract support and support services from other County departments and funds.

A negative revenue variance of \$1.4 million is projected. A negative variance of \$0.6 million is projected in Intergovernmental Revenues due to schedule changes for maintenance projects and a negative variance of \$0.8 million in Charges for Current Services due to the staff vacancies noted above.

Special Revenue Funds

Public Works - Road Fund

A positive net variance of \$17.2 million is projected for the Department of Public Works Road Fund.

A positive expenditure variance of \$7.5 million is projected. A positive variance of \$6.3 million in Salaries & Benefits is due to staff vacancies and under-filled positions. A positive variance of \$1.2 million in Services & Supplies is due to construction and consultant savings from completion of the Dehesa/Harbison Canyon, Clemmens Lane Sidewalk and Aviation Road projects (\$0.4 million); reduced inter-departmental costs due to staff vacancies (\$0.2 million); lower vehicle, minor equipment, and office supply costs due to teleworking (\$0.2 million); reduced need for environmental permits (\$0.3 million); and less than anticipated landscaping costs (\$0.1 million).

A positive revenue variance of \$9.7 million is projected. A positive variance of \$0.5 million in Taxes Other Than Current Secured is projected due to increased staff labor on TransNet projects; a positive variance of \$0.7 million in Licenses Permit & Franchise Fees due to actuals received from San Diego Gas & Electric; a positive variance of \$0.1 million in Revenue from Use of Money & Property due to over realized interest income; and a positive variance of \$10.3 million in Intergovernmental Revenues is projected. The positive variance in Intergovernmental Revenues is due to \$11.9 million in unanticipated Highway User Tax Account (HUTA) and SB-1 gas tax funding based on actual revenue received. This is offset by negative variances of \$1.6 million due to federally funded project schedule revisions. A negative variance of \$1.0 million in Charges for Current Services is due to schedule revisions for Sanitation District projects (\$0.5 million), re-establishing historic survey monuments for the general public (\$0.3 million), General Fund projects due to vacant positions (\$0.3 million), and reduced funding for Airports projects (\$0.4 million) partially offset by the positive variance of \$0.5 million due to unanticipated revenue from a utility agreement (\$0.3 million), unanticipated revenue from the Transportation Impact Fee for a prior year project (\$0.1 million) and additional work on the Permanent Road Divisions (\$0.1 million). A negative variance of \$0.9 million in Miscellaneous Revenues due to completion of the Dehesa/Harbison Canyon Tribal-funded project (\$0.3 million) and delays on the Valley Center S-Curve project (\$0.6 million).

Public Works – Inactive Waste Site Management

No variance is projected for the Inactive Waste Site Management Fund.

A positive expenditure variance of \$0.4 million is projected. A positive variance of \$0.1 million in Salaries & Benefits is due to staff vacancies and a positive variance of \$0.3 million in Services & Supplies mostly due to contracted services for lower than anticipated non-routine maintenance and support services from other County departments and funds.

A negative revenue variance of \$0.4 million is projected. A negative variance of \$0.7 million is projected in Intergovernmental Revenues due to the delay of the San Pasqual clean closure project. This is offset by a positive variance of \$0.3 million projected in Charges for Current Services due to increased transfers from the Environmental Trust Fund due to unrealized grant revenue.

Public Works - Waste Planning & Recycling

A positive variance of \$1.6 million is projected for the Waste Planning & Recycling Fund.

A positive expenditure variance of \$1.6 million is projected. A positive variance of \$0.1 million in Salaries & Benefits is due to staff vacancies and a positive variance of \$1.5 million in Services & Supplies (contracted services for public outreach events that have been canceled) is due to the COVID-19 public health emergency.

No significant revenue variance is projected.

Park Land Dedication Ordinance

A positive variance of \$2.7 million is projected for the Park Land Dedication Ordinance.

No significant expenditure variance was realized.

A positive revenue variance of \$2.7 million is projected in Licenses, Permits, & Franchises from Park Land Dedication (\$2.6 million) fees due to unanticipated land development activity and in Revenue from Use of Money & Property (\$0.1 million) due to over realized interest income.

San Diego County Library

A positive net variance of \$7.9 million is projected for the San Diego County Library.

A positive expenditure variance of \$3.2 million is projected. A positive variance of \$1.0 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$1.9 million in Services & Supplies is due to lower-than-expected automotive fuel (\$0.1 million), office expenses (\$0.2 million), minor equipment (\$0.2 million), IT related costs (\$0.5 million), utilities costs (\$0.1 million), facilities management (\$0.9 million), major maintenance projects (\$0.1 million) and special departmental expenses (\$0.4 million) due to the limited hours of operation at the library branches during the current COVID-19 public health emergency; these positive variances in Services & Supplies are offset by a negative variance of \$0.6 million for contracted services due to increased spending for digital library. A positive variance of \$0.1 million in Other Charges is due to a postponement in procuring a sprinter van. A positive variance of \$0.4 million in Capital Assets Equipment

is due to delays in implementing the cashiering system and procurement of a laptop kiosk. The positive expenditure variances are offset by a negative variance of \$0.2 million in Operating Transfers Out due to an anticipated increase in a major maintenance capital project.

A positive revenue variance of \$4.7 million is projected. A positive variance of \$2.5 million is projected in Taxes Current Property due to estimated assessed value growth and \$3.1 million in Intergovernmental Revenues from property taxes associated with former redevelopment areas due to the expected steady growth in assessed values. This is partially offset by negative variances of \$0.4 million in Charges for Current Services due to less than expected demand for public printing and other library services and \$0.5 million in Miscellaneous Revenues due to lower than anticipated private donations.

Internal Service Fund

Public Works – Internal Service Funds

A positive variance of \$6.5 million is projected in the Department of Public Works Equipment Internal Service Funds.

A positive expenditure variance of \$6.1 million is projected. A positive variance of \$5.0 million in Capital Assets Equipment is due to purchasing delays for vehicle replacements and the capitalization of equipment purchases. A positive variance of \$1.1 million in Services & Supplies is due to a decrease in fleet operational costs as a result of staff teleworking and usage of County fleet vehicles decreased.

A positive revenue variance of \$0.4 million is projected in Other Financing Sources (\$0.3 million) due to unanticipated revenue from the Gain on Sale of Fixed Assets from the auction of aging vehicles and in Revenue from Use of Money & Property (\$0.1 million) due to over realized interest income.

Special District Funds

Public Works - San Diego County Sanitation District

A positive variance of \$11.3 million is projected for the San Diego County Sanitation District.

A positive expenditure variance of \$11.5 million is projected. A positive variance of \$0.9 million in Services & Supplies is due to staff vacancies, under-filled positions, and associated support costs in the Wastewater Enterprise Fund, which provides staffing for the Sanitation District, and a positive variance of \$10.6 million in Capital Assets/Land Acquisition due to savings from completed Capital Improvement Projects.

A negative revenue variance of \$0.2 million is projected in Revenue from Use of Money & Property due to less than anticipated interest on deposits.

Public Works – Permanent Road Divisions

A positive variance of \$5.5 million is projected for the Permanent Road Divisions.

A positive expenditure variance of \$5.3 million is projected in Services & Supplies due to completion of prioritized work and lack of need for emergency repairs.

A positive revenue variance of \$0.2 million is projected in Charges for Current Services (\$0.05 million) based on current revenues from special taxes and assessments paid by property owners; in Taxes Current Property (\$0.1 million) from the ad valorem tax roll; and in Revenue from Use of Money & Property (\$0.05 million) due to higher than anticipated interest earnings.

Enterprise Funds

Public Works - Airport Enterprise Fund

A positive net variance of \$3.3 million is projected for the Airport Enterprise Fund.

A positive expenditure variance of \$2.6 million is projected. A positive variance of \$0.5 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$2.0 million is projected in Services & Supplies due to security services contract awarded less than anticipated (\$0.7 million), delay in consultant contract awarded (\$0.5 million), lower charges to the fire suppression contract due to reduced need of firefighter personnel (\$0.4 million), delays in the purchase of vehicle (\$0.2 million), lower IT services costs due to a delay in implementation of an asset management system (\$0.1 million) and other various accounts (\$0.1 million) impacted by the Governor's Stay At Home Order, including travel and training, office expenses and printing supplies. A positive variance of \$0.1 million is projected in Capital Assets Equipment due to the deferred Gillespie and Fallbrook generator acquisitions offset by Ramona tower equipment acquisitions.

A positive revenue variance of \$0.7 million is projected. A positive variance of \$0.2 million is projected in Revenue from Use of Money & Property due to an increase in rent and fuel flowage. A positive variance of \$3.1 million in Residual Equity Transfers In is due to the leasehold improvements of seven hangar buildings, previously built and owned by Sky Harbor, that were transferred to County Airports. These positive revenue variances are offset by a negative variance of \$2.6 million in Intergovernmental Revenues and is projected due to the Federal Aviation Administration grant not being awarded for the Cajon Air Center taxiway capital project.

Public Works – Wastewater Management Enterprise Fund

A positive variance of \$0.4 million is projected for the Wastewater Management Enterprise Fund.

A positive expenditure variance of \$1.1 million is projected. A positive variance of \$0.7 million in Salaries & Benefits is due to staff vacancies and \$0.4 million in Services & Supplies is due to lower than anticipated costs for support services from other County departments.

A negative revenue variance of \$0.7 million is projected in Charges for Current Services due to reduced work for maintenance in the San Diego County Sanitation District due to the staff vacancies identified above.

FINANCE AND GENERAL GOVERNMENT GROUP

General Fund

Assessor/Recorder/County Clerk

An overall positive variance of \$6.7 million is projected for the Assessor/Recorder/County Clerk (ARCC).

A positive expenditure variance of \$4.6 million is projected. Anticipated positive variances of \$1.6 million in Salaries & Benefits due to normal attrition and departmental vacancies and \$3.0 million in Services & Supplies including delay of one-time Microfilm Conversion/Duplication, Restoration and Treatment for ARCC Archive Film, e-recording and truncation of official records, which will be completed in Fiscal Year 2021-22.

A positive revenue variance of \$2.1 million is projected. Anticipated positive variance of \$2.3 million in Charges for Current Services includes \$7.9 million mostly due to projected increases in Recording Document Fees and Duplicating and Filing Fees, and \$1.9 million in over-realized property tax administrative revenue, offset by a negative variance of \$6.1 million due to the delay in one-time projects to be reimbursed from Recorder Trust Funds as mentioned above and \$1.4 million in Marriage Ceremonies, Vital Certificates, Filing Documents and Notary Filing Fees. Anticipated negative variance of \$0.2 million in Licenses Permits & Franchises is due to less than anticipated number of marriage licenses issued.

Auditor & Controller

An overall positive variance of \$1.2 million is projected for the Auditor & Controller.

A positive expenditure variance of \$0.1 million is projected primarily in Salaries & Benefits savings due to vacant and modified positions.

A positive revenue variance of \$1.1 million is projected. Anticipated positive variances of \$1.0 million in Intergovernmental Revenues from the Coronavirus Aid, Relief, and Economic Security (CARES) Act for the COVID-19 pandemic response efforts and \$0.1 million in Charges for Current Services due to anticipated over-realized revenue associated with property tax and other administration fees for services provided by the Auditor & Controller.

Chief Administrative Office

An overall positive variance of \$4.9 million is projected for the Chief Administrative Office.

A positive expenditure variance of \$4.8 million is projected in Services & Supplies primarily due to \$4.6 million for the newly created Office of Equity and Racial Justice (OERJ) for services to establish the County's needs supporting enterprise equity and racial justice activities and \$0.2 million variance for outside audit contracts support.

A positive revenue variance of \$0.1 million is projected in Intergovernmental Revenues due to unanticipated revenue from the CARES Act for the COVID-19 pandemic response.

County Communications Office

An overall positive variance of \$0.8 million is projected for the County Communications Office.

A positive expenditure variance of \$0.1 million is projected. Anticipated positive variances include \$0.1 million in Salaries & Benefits due to normal attrition of staff and departmental vacancies and \$0.3 million in Capital Assets Equipment due to delays in purchase of one-time equipment. This is offset by anticipated negative variance of \$0.3 million tied to Expenditure Transfer & Reimbursement less than anticipated reimbursement by HHSA for communications support services which will be leveraged for CARES Act revenue.

A positive revenue variance of \$0.7 million is projected. Anticipated positive variance of \$1.0 million in Intergovernmental Revenues due to unanticipated revenue from the CARES Act for the COVID-19 pandemic response, offset by a negative variance of \$0.3 million in Licenses Permits & Franchises due to anticipated revenue realization delays associated with offsetting one-time public, educational, or governmental expenditures.

County Counsel

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

A positive variance of \$1.3 million is projected. Anticipated positive variances include \$1.3 million in Salaries & Benefits due to normal staff attrition and departmental vacancies, and \$0.1 million in Services & Supplies due to a decrease in various operational expenses tied to COVID-19 restrictions and teleworking of staff, offset by a negative variance of \$0.1 million in Expenditure Transfer & Reimbursements due to less than anticipated staff costs for legal services provided to the Department of Environmental Health and Quality.

No significant revenue variance is projected. Anticipated positive variance of \$0.5 million in Intergovernmental Revenues due to revenue from the CARES Act for reimbursement of operational expenses related to the COVID-19 pandemic response, offset by a negative variance of \$0.5 million in Charges for Current Services primarily due to a decrease in staff costs for legal services provided to the internal service funds and a decrease in public administrator/public guardian legal services matters.

Department of Human Resources

An overall positive variance of \$1.9 million is projected for the Department of Human Resources.

A positive expenditure variance of \$0.6 million is projected. Anticipated positive variances include \$0.5 million in Salaries & Benefits primarily due to normal attrition of staff and departmental vacancies and \$0.1 million in Services & Supplies primarily due to reduced workers' compensation administration costs.

A positive revenue variance of \$1.3 million is projected. Anticipated positive variance includes \$2.5 million in Intergovernmental Revenues due to unanticipated revenue from the CARES Act for reimbursement of operational expenses related to the COVID-19 pandemic response, offset by a negative variance of \$1.2 million in Miscellaneous Revenues due to lower administration costs for anticipated services charged to the Employee Benefits Internal Service Fund.

Registrar of Voters

An overall positive variance of \$4.0 million is projected for the Registrar of Voters.

A positive expenditure variance of \$2.2 million is projected. Anticipated positive variances include \$2.0 million in Services & Supplies due to savings from the June 2021 Special General 79th State Assembly District Election and \$0.2 million in Capital Assets Equipment due to savings in the procurement of additional mail extraction equipment.

A positive revenue variance of \$1.8 million projected. Anticipated positive variances include \$1.0 million in Intergovernmental Revenues due to projected reimbursement for the purchase of equipment related to the Voting System and reimbursement of COVID-19 related expenses from the November 2020 Presidential General Election as a result of the Governor's Executive Orders (EO-N-64-20 and EO-N-67-20) and \$0.8 million in Charges for Current Services due to estimated reimbursements from local jurisdictions participating in the November 2020 Presidential General Election.

Finance and General Government Executive Office

An overall positive variance of \$3.4 million is projected for the Finance and General Government Group Executive Office.

A positive expenditure variance of \$3.0 million is projected in Services & Supplies due to IT projects that are anticipated to span across multiple fiscal years.

A positive revenue variance of \$0.4 million is projected. Anticipated positive variances include \$0.4 million in Intergovernmental Revenues due to unanticipated revenue from the CARES Act for reimbursement of operational expenses related to the COVID-19 pandemic response and \$0.1 million in Charges for Current Services due to reimbursement from the Superior Courts for support costs, offset by a negative variance of \$0.1 million in Revenue from Use of Money & Property tied to decreased collection of revenue for Cedar & Kettner parking contracts.

Treasurer Tax Collector

No significant overall variance is projected for the Treasurer-Tax Collector.

A positive expenditure variance of \$1.5 million is projected. Anticipated positive variances of \$0.6 million in Salaries & Benefits are due to normal attrition of staff and departmental

vacancies and \$0.9 million in Services & Supplies due to delays in one-time information technology (IT) projects.

A negative revenue variance of \$1.5 million is projected in Charges for Current Services due to variance in Banking Services Pooled Revenue as an offset from Salaries & Benefits and delayed IT projects as noted above.

Internal Service Funds (ISF)

Employee Benefits ISF

An overall positive variance of \$4.1 million is projected for the Employee Benefits ISF.

A positive expenditure variance of \$1.0 million is projected in Services & Supplies due to decreases in overall workers compensation claims, offset by increases tied to the impact of COVID-19 pandemic on unemployment insurance claims.

A positive revenue variance of \$3.1 million is projected primarily due to anticipated federal stimulus revenue to partially offset increases noted above.

Public Liability Internal Service Fund

An overall positive variance of \$0.5 million is projected for the Public Liability Internal Service Fund.

A positive expenditure variance of \$0.8 million is projected in Services & Supplies due to a positive variance of \$0.6 million tied to staff cost reimbursements for coordinated program services and a positive variance of \$0.2 million in professional and specialized services.

A negative revenue variance of \$0.3 million is projected primarily in Revenue from Use of Money & Property due to under-realized interest earned on the fund.

Purchasing and Contracting ISF

An overall positive variance of \$6.2 million is projected for the Purchasing and Contracting Internal Service Fund.

A positive expenditure variance of \$3.2 million is projected. Anticipated positive variances include \$0.8 million in Salaries & Benefits due to normal attrition of staff and departmental vacancies, \$0.1 million in Services & Supplies due to property disposal contract projected savings and internal legal advice services, \$0.1 million in Other Charges due to the delays in the contract management IT project, and \$2.2 million in Capital Assets/Land Acquisition due to the capitalization of the Contract Lifecycle Management System (CLMS).

A positive revenue variance of \$3.0 million is projected. Anticipated positive variance includes \$3.9 million in Charges for Current Services due to higher than expected County

spending on contracts, partially offset by negative variance of \$0.9 million in Intergovernmental Revenues due to adjusted prior year CARES Act revenue accrual.

Facilities Management ISF

An overall positive variance of \$0.1 million is projected for the Facilities Management ISF.

A positive expenditure variance of \$4.2 million is projected. Anticipated positive variances include \$2.2 million in Salaries & Benefits due to normal attrition of staff and departmental vacancies, \$1.9 million in Services & Supplies primarily due to lower than anticipated pass-through expenses related to maintenance and contracted services, and \$0.1 million in Other Charges due to lower than anticipated depreciation charges.

A negative revenue variance of \$4.1 million is projected. Anticipated negative variances include \$6.5 million in Charges for Current Services due to lower than anticipated reimbursement for project management, real estate and maintenance services related to the expenditure savings mentioned above and \$0.2 million in Miscellaneous Revenues due to less than anticipated lease commissions, offset by positive variances of \$1.9 million in Intergovernmental Revenues due to unanticipated revenue from the CARES Act for reimbursement of operational expenses related to the COVID-19 pandemic response, \$0.6 million in Other Financing Sources due to an increase in Operating Transfers In from the Major Maintenance ISF related to higher than anticipated maintenance services, and \$0.1 million from Revenue from Use of Money & Property due to higher than anticipated lease payments.

Fleet Management ISF

An overall positive variance of \$2.1 million is projected for the Fleet Management ISF.

A positive expenditure variance of \$10.8 million is projected. Anticipated positive variances include \$1.5 million in Salaries & Benefits due to normal attrition of staff and departmental vacancies, \$7.5 million in Services & Supplies primarily due to lower than anticipated fuel and vehicle parts purchases, and projected savings in garage operations and support, and \$1.8 million in Other Charges due to lower than anticipated depreciation charges based on actual timing and value of vehicle and equipment replacement.

A negative revenue variance of \$8.6 million is projected. Anticipated negative revenue variance of \$11.1 million in Charges for Current Services is due to lower than anticipated reimbursements based on vacant and billable positions and decreased expenditures in fuel and parts purchases, and depreciation resulting from operational adjustments related to the COVID-19 pandemic, partially offset by positive variances of \$2.1 million in Residual Equity Transfer In due to higher than anticipated true up payments for active vehicles and \$0.4 million in Other Financing Sources due to higher than anticipated auction proceeds.

GENERAL PURPOSE REVENUE & COUNTYWIDE EXPENSES

A positive variance of \$118.0 million is projected in General Purpose Revenue (GPR) and \$52.3 million positive variance is projected in General County Expenses.

General Purpose Revenue

The County's General Purpose Revenue is directly influenced by the state of the economy. San Diego's economy has seen some recovery from the effects of COVID-19 pandemic. Employment showed gains in Farm, Construction, Manufacturing, Financial Activities, Professional & Business Services, Educational & Health Services, Leisure & Hospitality, Other Services and Government; while Mining and Logging and Information showed no gains; only Trade, Transportation & Utilities showed employment losses; overall employment showed a gain from January 2021 to February 2021. The region's unemployment rate has gone down in February 2021 compared to the previous month. Median home prices in San Diego for Single Family Homes were higher by 3.8% and for Existing Attached Homes by 4.8% in the third quarter of Fiscal Year 2020-21 compared to the prior quarter. Per the Kiplinger's Economic Outlook (April 9, 2021), GDP is expected to grow by 6.2% or more this year because of the additional fiscal stimulus coming from Congress. Job growth will remain strong the rest of the year, as economic activity resumes in the wake of the pandemic. The 10-year rate is currently at 1.7%, and is expected to rise to at least 2% by the end of the year. The rise in the 10-year rate will also push up mortgage rates from 3.1% currently to 3.5% by the end of the year. The upward drift may cause some panic home-buying, as buyers rush to lock in a low mortgage rate, giving an extra boost to rising home prices. The Federal Reserve at its most recent Federal Open Market Committee meeting recommitted itself to keeping short-term interest rates near zero for the foreseeable future, which likely means into 2023 or 2024. Gasoline prices jumped 6.6% in February and drove overall prices up 0.4% for the month. It was expected that fuel prices would bounce back as the economy gets back to normal. Home prices will continue to boom amid a shortage of inventory and high demand. Retail sales are expected to jump in March and April thanks to the stimulus checks that were sent out.

The County's GPR related to property tax revenues improved, supported by the increase in assessed values. For FY 2020-21, the economic indicators discussed previously and the trends summarized below, are followed by a discussion on significant revenue account variances from budget:

- San Diego's monthly unemployment rate fell to 7.2% in February 2021, down from 8.0% the previous month. In comparison, this is below the state's rate of 8.4% in February 2021 and 9.2 in January 2021.
- Consumer spending, as measured by taxable sales, will increase mainly due to increase in consumer online spending and due to the additional stimulus checks recently distributed. During the 3rd Quarter of 2020-21, unadjusted local point of sale tax revenue decreased in the unincorporated area by 1.12% and in the Southern

California Region by 0.42%; while it increased in the statewide level by 0.42% and in the San Diego regional level by 1.21% compared to last quarter December 2020.

- The positive indicators in the housing market continue in the County.
 - Increase in median housing prices for Single Family Homes (up 3.8%) and for Existing Attached Homes (up 4.8%) for the third quarter of Fiscal Year 2020-21 compared to the previous quarter December 2020.
 - Notices of Default for January-March 2021 were down 69% compared to the same period in 2020.
 - Foreclosure activity decreased 80% in January-March 2021 compared to the same period in 2020.

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 \$40.8 million.

- *Property Taxes Current Secured*

Current Secured Property Taxes are projected to be \$38.8 million higher than budget due primarily to higher than anticipated assessed value (AV) growth.

The budgeted current secured property taxes assumed a local secured assessed value increase of 3.75%, but the actual assessed value (AV) increased by 5.33% (gross less regular exemptions). (Note: The 5.33% increase represents the change in the assessed value for only the secured roll. This is higher than the countywide overall increase published by the Assessor/Recorder/County Clerk on July 15, 2020 of 5.18%, which includes all assessed value components, secured and unsecured).

- *Property Taxes - Current Unsecured*

Current Unsecured Property Taxes are projected to be \$1.3 million above budget due to higher than budgeted growth in assessed valuation, primarily driven by the increase in the Consumer Price Index at 2.0%. 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*

Current Supplemental Property Taxes are projected to be \$0.7 million higher than budget due to an increase in collection based on a decrease in delinquency rate from 4.0% to 1.4%. The projection for this revenue is based on charges and collections trend estimates related to new construction and anticipated turnover through Fiscal Year 2019-20.

Taxes Other Than Current Secured

Taxes Other Than Current Secured are anticipated to be \$22.1 million above budget.

- *Property Tax Prior Secured Supplemental*
Property Tax Prior Secured Supplemental are projected to be \$0.6 million higher than budget due to an increase in collection based on a decrease in delinquency rate from 4.0% to 1.4%.
- *Real Property Transfer Taxes*
Real Property Transfer Taxes are projected to be \$0.5 million below budget based on prior year receipts as well as data regarding current year change in ownership and the anticipated level of new construction.
- *Teeter Tax Reserve Excess*
Teeter Tax Reserve Excess is projected to be \$9.5 million higher than budget. The budget of \$0 was based on the assumption that all penalties and interest will be waived due to the COVID-19 pandemic, but collections for penalties and interest still continued through the end of Fiscal Year 2019-20. Based on prior year actuals and current year receipts up to March, Teeter Tax Reserve Excess will receive \$9.5 million in revenues in the current Fiscal Year.
- *Sales and Use Taxes*
Sales and Use Taxes are projected to be \$6.0 million higher than budget. This is mostly due to the Wayfair decision in the County Pools and recoveries in most categories except Fuel & Service Stations and Restaurants & Hotels due to re-opening of businesses back in June 2020.
- *Transient Occupancy Tax*
Transient Occupancy Tax is projected to be \$2.2 million higher than budget. The budget was based on the COVID-19 impact closely resembling the great recession, but current year receipts is higher than expected.
- *Other Tax – Aircraft*
Other Tax Aircraft is projected to be \$0.7 million higher than budget due to higher than expected current year receipts.
- *Property Tax in Lieu of Vehicle License Fees*
Property Tax in Lieu of Vehicle License Fees (VLF) is projected to be \$11.3 million higher than budget due to higher than budgeted growth in assessed valuation.
- *Teeter Property Tax Prior Year and Cumulative Prior Years*
Teeter Property Tax Prior Year and Cumulative Prior Years are projected to be \$7.7 million lower than budget. The decrease was based on a lower delinquency rate at the end of Fiscal Year 2019-20 (from a projected 3.1% to an actual of 1.4%) making the Teeter receivable lower which resulted in lower revenues to be collected in the current fiscal year.

Licenses, Permits, and Franchises

Licenses, Permits, and Franchises is projected to be \$0.01 million lower than budget due to lower than expected Franchise Fee receipts.

Revenue from Use of Money & Property

Interest on Deposits is projected to be \$5.4 million higher than budget. The increase is due to a higher projected average daily cash balance than what was budgeted which was used to calculate the interest revenue.

Fines, Forfeitures and Penalties

Fines, Forfeitures and Penalties are projected to be \$7.6 million higher than budget. The budget of \$8.2 million was based on the assumption that most of the penalties and interest will be waived due to the COVID-19 pandemic, but collections for penalties and interest still continued through the end of Fiscal Year 2019-20. Based on prior year actuals, Fines, Forfeitures and Penalties will receive \$15.8 million in revenues in the current Fiscal Year. 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 \$42.0 million is projected in Intergovernmental Revenue primarily due to pass-through distributions, and residual balance estimates in Aid from Redevelopment Successor Agencies. The pass-through distributions are continuing to go higher due to continued growth in the project areas.

Charges for Current Services

Charges for Current Services is projected to be \$0.5 million higher than budget due to higher than expected revenue from A-87 billings to departments.

Miscellaneous Revenue

Miscellaneous Revenue is projected to be \$0.5 million lower than budget due to the Treasury newly enacted rule to allow employees to roll over unused 2020 and 2021 Flexible Spending Account balances.

General County Expenses

Countywide General Expense

A positive variance of \$51.8 million is projected in Countywide General Expense.

A positive expenditure variance of \$29.5 million is projected. A positive variance of \$29.5 million is projected in Services & Supplies. This includes the Countywide Stabilization (\$25.0 million) which was appropriated to replenish the General Fund Reserve per *Administrative Code Section 113.1 General Fund Balances and Reserves*, and for information technology projects that are anticipated to extend beyond the current fiscal Year (\$4.5 million).

A positive revenue variance of \$22.3 million is projected that includes a positive variance of \$2.3 million in Miscellaneous Revenues from various settlement receipts, California Municipal Finance Authority receipts and from escheatment. There is a positive variance of \$20.0 million projected in Intergovernmental Revenue due to a reimbursement from the American Rescue Plan Act (ARPA) for the Small Business Stimulus Grant (SBSG) program which was originally funded with General Fund fund balance.

Contributions to Capital

A positive variance of \$0.5 million is projected in Contributions to Capital.

A positive expenditure variance of \$0.5 million is projected. This includes a positive variance of \$0.5 million in Operating Transfers Out due to lower than anticipated expenses related to capital projects that are closed or being cancelled by the end of Fiscal Year 2020-21.

The following capital projects were closed or canceled (including the amount of related appropriations canceled):

- RICC Caltrans Replacement Property Ramon Acquisition (\$2,515.75)
- RICC Caltrans Replacement Property Julian Acquisition (\$46,678.74)
- Borrego Springs Park (\$283,130.65)
- Fire Authority Training Facility Lease (\$73,044.78)
- Morrison Pond Interpretive Loop Trail Signage (\$5,476.41)
- North Coastal HHSA Facility (\$13,863.25)
- Rainbow Heights Radio Site Infrastructure Replacement (\$43,662.69)
- Borrego Springs Sheriff Station (\$55,908.48)
- Steele Canyon Artificial Turf (\$7,328.56)

Capital Program Funds

Edgemoor Development Fund

There is zero variance projected for the Edgemoor Development Fund.

A positive expenditure variance of \$0.3 million is projected in Services and Supplies due to lower than anticipated Internal Service Fund and major maintenance expenditures.

A negative revenue variance of \$0.3 million is projected. A negative variance \$0.6 million for Federal HHS 93.778 Medical Assistance Program revenue due to a lower than anticipated medical rate for reimbursement. The State calculation of the Medi-Cal Utilization Ratio used to calculate federal SB 1128 reimbursement was lowered which reduced the amount of revenue available to offset Distinct Park Skilled Nursing Facility debt financing costs. This is partially offset by a positive variance of \$0.3 million related to unanticipated interest earnings based on the daily average cash fund balances.

FY 2020-2021 3rd Quarter
Projected Year-End Results
(in thousands)

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COUNTY SUMMARY

General Fund

	Expenditure Variance	Revenue Variance	3rd Quarter FY20-21 Projected Fund Balance
	Favorable/(Unfavorable)		
Public Safety	\$ 35,469	\$ (2,470)	\$ 32,999
Health & Human Services Agency	(372,358)	407,370	35,012
Land Use & Environment	13,994	(5,094)	8,901
Finance & General Government	19,089	6,219	25,308
Total Agency/Group	(303,806)	406,026	102,219
General Purpose Revenue	0	118,037	118,037
Finance Other	30,067	22,272	52,339
Total General Fund	\$ (273,740)	\$ 546,335	\$ 272,595

Special Revenue Funds

Public Safety	\$ 15,917	\$ 52,364	\$ 68,281
Health & Human Services Agency	0	0	0
Land Use & Environment	13,044	16,766	29,811
Total Special Revenue Funds	\$ 28,962	\$ 69,130	\$ 98,092

Capital Program

Finance Other	\$ 280	\$ (280)	\$ 0
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Internal Service Funds Departments

Land Use & Environment	\$ 6,120	\$ 376	\$ 6,496
Finance & General Government	18,157	(9,733)	8,424
Finance Other	1,756	2,867	4,623
Total Internal Service Funds	\$ 26,033	\$ (6,490)	\$ 19,543

Enterprise Fund Departments

Public Safety Group	\$ 1,669	\$ (1,669)	\$ 0
Land Use & Environment	3,751	18	3,769
Total Enterprise Funds	\$ 5,420	\$ (1,651)	\$ 3,769

Special District Funds Departments

Public Safety Group	\$ 383	\$ 592	\$ 976
Health & Human Services Agency	398	41	439
Land Use & Environment	17,645	8	17,654
Total Special District Funds	\$ 18,426	\$ 641	\$ 19,068

Other County Funds Departments

HHSA - Red./Redev. Successor Agency	\$ 0	\$ 0	\$ 0
HHSA - Housing & Community Development	0	0	0
Total Other County Funds	\$ 0	\$ 0	\$ 0

Debt Service - Pension Obligation Bonds

\$ 0	\$ 88	\$ 88
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Total County Year-End Operating Balance

\$ (194,619)	\$ 607,773	\$ 413,155
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**FY 2020-2021 3rd Quarter
Projected Year-End Results**

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(in thousands)

PUBLIC SAFETY GROUP

Expenditure Variance	Revenue Variance	3rd Quarter FY20-21 Projected Fund Balance
Favorable/(Unfavorable)		

General Fund Departments

Animal Services	\$ 359	\$ (176)	\$ 183
Child Support	789	307	1,096
District Attorney	6,416	(5,513)	903
Emergency Services	94	(84)	10
Medical Examiner	0	15	15
Probation	3,595	(1,682)	1,913
Public Defender	247	(247)	0
Public Safety Executive Office	72	5,103	5,175
San Diego County Fire	4,418	(1,321)	3,096
Sheriff	19,479	1,129	20,607
Total General Fund	\$ 35,469	\$ (2,470)	\$ 32,999

Special Revenue Funds Departments

District Attorney (Asset Forfeiture - State & Federal)	\$ 0	\$ 0	\$ 0
Probation - Asset Forfeiture	0	0	0
Probation - Inmate Welfare Program	0	0	0
Sheriff - Asset Forfeiture	1,910	394	2,304
Sheriff - Inmate Welfare Program	4,107	(947)	3,161
Criminal Justice Facility	0	180	180
Courthouse	0	180	180
Penalty Assessment	0	567	567
Public Safety - Proposition 172	9,900	51,990	61,890
Total Special Revenue Funds	\$ 15,917	\$ 52,364	\$ 68,281

Enterprise Funds

Sheriff	\$ 1,669	\$ (1,669)	\$ -
Total Enterprise Funds	\$ 1,669	\$ (1,669)	\$ -

Special District Funds

Sheriff (Regional 800 MHz)	\$ 0	\$ 1	\$ 1
County Service Areas	368	137	505
Community Facilities Districts	16	455	470
Total Special District Funds	\$ 383	\$ 592	\$ 976

Total Public Safety Group

\$ 53,438	\$ 48,818	\$ 102,256
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**FY 2020-2021 3rd Quarter
Projected Year-End Results**

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(in thousands)

HEALTH & HUMAN SERVICES AGENCY

Expenditure Variance	Revenue	Variance	3rd Quarter FY20-21 Projected Fund Balance
Favorable/(Unfavorable)			

General Fund Programs

Administrative Support	\$ (4,945)	\$ 4,945	\$ 0
Aging & Independence Services	(79,161)	79,614	452
Behavioral Health Services	30,426	(30,112)	314
Child Welfare Services	(3,684)	3,684	0
Public Health Services	(215,945)	223,881	7,936
Self-Sufficiency Services	(2,088)	6,088	4,000
Housing & Community Development Services	(96,961)	119,271	22,310
Total General Fund	\$ (372,358)	\$ 407,370	\$ 35,012

Special Revenue Funds

Tobacco Securitization Fund	\$ 0	\$ 0	\$ 0
Total Special Revenue Funds	\$ 0	\$ 0	\$ 0

Special District Funds Departments

Ambulance Districts	\$ 398	\$ 41	\$ 439
Total Special District Funds	\$ 398	\$ 41	\$ 439

Other County Funds Departments

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

Total Health & Human Services Agency	\$ (371,960)	\$ 407,411	\$ 35,451
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FY 2020-2021 3rd Quarter
Projected Year-End Results
(in thousands)

LAND USE & ENVIRONMENT GROUP

General Fund Departments

	Expenditure Variance	Revenue Variance	3rd Quarter FY20-21 Projected Fund Balance
	Favorable/(Unfavorable)		
Agriculture, Weights & Measures	\$ 1,931	\$ 27	\$ 1,959
Department of Environmental Health and Quality	6,970	(1,620)	5,351
Land Use & Environment Group Exec Office	185	(60)	125
Parks & Recreation	2,456	(2,130)	326
Planning & Development Services	1,036	49	1,086
Public Works	1,416	(1,361)	55
Total General Fund	\$ 13,994	\$ (5,094)	\$ 8,901

Special Revenue Funds/Departments

A,W & M (Grazing and Fish & Game Commission)	\$ 0	\$ 2	\$ 2
Parks & Recreation - PLDO	0	2,703	2,703
DPW - Aviation Funds	0	0	0
DPW - Road Fund	7,527	9,747	17,273
DPW - Survey Monument Preservation	269	0	269
DPW - Inactive Waste	386	(386)	0
DPW - Waste Planning and Recycling	1,639	(18)	1,621
Library Services	3,223	4,718	7,941
Total Special Revenue Funds	\$ 13,044	\$ 16,766	\$ 29,811

Internal Service Funds

Public Works - DPW Equip. ISF Prg. (35525-35700)	\$ 6,120	\$ 376	\$ 6,496
Total Internal Service Funds	\$ 6,120	\$ 376	\$ 6,496

Enterprise Funds

Airport Enterprise Fund	\$ 2,654	\$ 678	\$ 3,332
Wastewater Management Enterprise Fund	1,097	(660)	437
Total Enterprise Funds:	\$ 3,751	\$ 18	\$ 3,769

Special District Funds/Departments

Air Pollution Control District	\$ 0	\$ 0	\$ 0
Parks and Recreation	236	(236)	0
Parks - Community Facilities Districts	0	247	247
DPW - SD County Sanitation District	11,510	(225)	11,285
DPW - Campo WSMD-Zone A (Rancho Del Campo Water)	18	(3)	15
DPW - CWSMD-Zone B (Campo Hills Water)	4	(4)	0
DPW - Live Oak Springs Water	0	0	0
DPW - CSAs	68	7	75
DPW - PRDs	5,282	248	5,530
DPW - Community Facilities Districts	320	56	376
DPW - Flood Control	207	(147)	60
DPW - Street Lighting District	0	64	64
Total Special Districts Funds:	\$ 17,645	\$ 8	\$ 17,654

Total Land Use & Environment Group

\$ 54,555	\$ 12,075	\$ 66,630
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Numbers may not total due to rounding.

**FY 2020-2021 3rd Quarter
Projected Year-End Results**

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(in thousands)

**FINANCE & GENERAL GOVERNMENT
GROUP**

Expenditure Variance	Revenue Variance	3rd Quarter FY20-21 Projected Fund Balance
Favorable/(Unfavorable)		

General Fund Departments

Law Enforcement Review Board	\$ 274	\$ 0	\$ 274
Assessor/Recorder/County Clerk	4,623	2,052	6,674
Auditor & Controller	107	1,086	1,194
Board of Supervisors	0	0	0
Chief Administrative Office	4,824	47	4,871
Civil Service Commission	6	0	6
Clerk of the Board of Supervisors	173	(27)	147
County Communications Office	51	709	760
County Counsel	1,279	4	1,283
County Technology Office	120	366	486
Finance & GG Exec Office	2,968	424	3,392
General Services	0	0	0
Grand Jury	326	0	326
Human Resources	599	1,259	1,858
Purchasing & Contracting	0	0	0
Registrar of Voters	2,242	1,749	3,991
Treasurer-Tax Collector	1,497	(1,450)	47
Total General Fund	\$ 19,089	\$ 6,219	\$ 25,308

Internal Service Funds Departments

CTO - Information Technology	\$ 0	\$ 0	\$ 0
Facilities Management	4,192	(4,055)	137
Major Maintenance ISF	0	0	0
Fleet Management	10,761	(8,626)	2,135
Purchasing & Contracting	3,204	2,949	6,152
Total Internal Service Funds	\$ 18,157	\$ (9,733)	\$ 8,424

**Total Finance & General
Government Group**

\$ 37,246	\$ (3,513)	\$ 33,732
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**FY 2020-2021 3rd Quarter
Projected Year-End Results**

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(in thousands)

**GENERAL PURPOSE REVENUE &
FINANCE OTHER**

Expenditure Variance	Revenue Variance	3rd Quarter FY20-21 Projected Fund Balance
Favorable/(Unfavorable)		

General Fund

General Purpose Revenue:

All Current Property Taxes	\$ 0	\$ 40,842	\$ 40,842
All Other Taxes-Local	0	22,119	22,119
Licenses, Permits & Franchises	0	(11)	(11)
Fines, Forfeitures & Penalties	0	7,638	7,638
Revenue for Use of Money & Property	0	5,385	5,385
Intergovernmental Revenue	0	42,029	42,029
Charges for Current Services	0	535	535
Miscellaneous Revenue	0	(500)	(500)

Total General Purpose Revenue

\$ 0	\$ 118,037	\$ 118,037
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General County Expenses:

Cash Borrowing Program	\$ 0	\$ 0	\$ 0
Community Enhancement	0	0	0
Contribution to County Library	0	0	0
Contributions to the Capital Outlay Fund	524	0	524
Lease Payments - Bonds	18	0	18
Local Agency Formation Comm Admin	0	0	0
Neighborhood Reinvestment Program	0	0	0
Countywide Expenses	29,524	22,272	51,796
Total Finance Other Expenses	30,067	22,272	52,339

Total General Fund

\$ 30,067	\$ 140,309	\$ 170,375
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Capital Program Funds

Capital Program	\$ 280	\$ (280)	\$ 0
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Total Capital Program Funds

\$ 280	\$ (280)	\$ 0
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Internal Service Funds Departments

Workers Compensation	\$ 947	\$ 705	\$ 1,653
Unemployment Insurance	0	2,415	2,415
Public Liability	809	(253)	556

Total ISF Funds

\$ 1,756	\$ 2,867	\$ 4,623
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Debt Service Funds Departments

Pension Obligation Bonds	\$ 0	\$ 88	\$ 88
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Total Debt Service Funds

\$ 0	\$ 88	\$ 88
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**Total General Purpose Revenue & Finance
Other**

\$ 32,103	\$ 142,983	\$ 175,086
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Numbers may not total due to rounding.

FY 2020-2021 3rd Quarter
Projected Year-End Results
(in thousands)

Schedule B

Category	Projected Management Reserves	Projected Operating Balances	3rd Quarter FY20-21 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund			
Public Safety	\$ 0	\$ 32,999	\$ 32,999
Health and Human Services Agency	0	35,012	35,012
Land Use and Environment	0	8,901	8,901
Finance & General Government	0	25,308	25,308
Agency/Group Totals	\$ 0	\$ 102,219	\$ 102,219
General Purpose Revenue	\$ 0	\$ 118,037	\$ 118,037
General County Expenses	0	52,339	52,339
Total General Purpose Revenue & General County Expense	\$ 0	\$ 170,375	\$ 170,375
Total General Fund	\$ 0	\$ 272,595	\$ 272,595

SCHEDULE C
Fiscal Year 2020-21 3rd Quarter
Capital Projects Anticipated for Completion/Cancellation

Oracle Project Number	Account	Project Name	(1)Completed or (2) Cancelled	Total Budget as of 03-23-21	Total Expenditures as of 03-23-21	Amount Capitalized as of 03-23-21	Minor Equipment & FA	Amount Cancelled
** Capital Outlay Fund (Fund 26000) **								
1018658	54202	RICC Caltrans Replacement Property Ramon Acquisition	1	767,766.00	765,250.25	765,250.25		2,515.75
1018659	54202	RICC Caltrans Replacement Property Julian Acquisition	1	1,533,073.00	1,486,394.26	1,486,394.26		46,678.74
1019606	54202	Borrego Springs Park	1	3,800,541.46	3,517,410.81	3,517,410.81		283,130.65
1021919	54202	Fire Authority Training Facility Lease	1	138,745.00	65,700.22	65,700.22		73,044.78
1022936	54202	Ramona Intergenerational Community Campus (RICC) - Land Acquisition Russell Property Phase 3	1	2,100,000.00	2,100,000.00	2,100,000.00		-
1000246	54033	Otay Valley Regional Park Phase II Acquisition	1	9,436,361.33	9,436,361.33	9,436,361.33		-
1018874	54202	Guajome Regional Park Electrical, Water, and Sewer	1	1,212,145.88	1,212,145.88	1,212,145.88		-
1019562	54202	Steele Canyon Artificial Turf	1	1,807,179.02	1,799,850.46	1,799,850.46		7,328.56
1022239	54202	Morrison Pond Interpretive Loop Trail Signage	1	85,000.00	79,523.59	79,523.59		5,476.41
TOTAL					20,462,636.80	20,462,636.80	-	418,174.89
** County Health Complex Fund (Fund 26025) **								
1019560	54202	North Coastal HHSA Facility	1	24,525,000.00	24,511,136.75	24,511,136.75		13,863.25
TOTAL					24,511,136.75	24,511,136.75	-	13,863.25
** Justice Facility Construction Fund (Fund 26050) **								
1021206	54202	Rainbow Heights Radio Site Infrastructure Replacement	1	425,000.00	381,337.31	381,337.31		43,662.69
1020955	54202	Borrego Springs Sheriff Station	1	1,121,000.00	1,065,091.52	1,065,091.52		55,908.48
1021134	54012	Bomb Arson Land Acquisition	1	2,192,000.00	2,181,334.43	-		10,665.57
TOTAL					3,627,763.26	1,446,428.83	-	110,236.74
** Library Projects Capital Outlay Fund (Fund 26075) **								
1018705	54202	Borrego Springs Library	1	13,370,000.00	13,116,680.98	12,420,338.29	443,023.67	253,319.02
TOTAL					13,116,680.98	12,420,338.29	443,023.67	253,319.02
** Multiple Species Conservation Program Fund (Fund 26015) **								
1021543	54028	Potts Acquisition	1	120,000.00	110,101.57	110,101.57		9,898.43
TOTAL					110,101.57	110,101.57		9,898.43
TOTAL FOR CAPITAL PROJECTS					61,828,319.36	58,950,642.24	443,023.67	805,492.33

Note:

- 1 Completed Project**
- 2 Cancelled Project**

DPR Projects
DGS Projects

Appendix D: Major Maintenance Capital Outlay Fund (MMCOF) Adjustments for Fiscal Year 2020-2021 (3RD QUARTER)

GROUP	DEPT.	PROJECT NUMBER	PROJECT NAME	FUNDING SOURCE			NOTES	DEPARTMENTS (Acct - 56321 Opt Transfer Out)	DEPARTMENTS (Acct - 52XXX Services & Supplies)	MMCOF (Acct -54202 Fixed Asset)	DGS MMISF (Acct - 52XXX Services & Supplies)	RATIFICATION	Description
				FUND	ORG	ACCOUNT		Inc (Dec)	Inc (Dec)	Inc (Dec)	Inc (Dec)		
Increase (Decrease) of Appropriation													
HHS	HHS	1024692	MMCOF7846 South Region Family Resource Center Lobby and Office Reconfiguration	10100	45005	52737	5,8	1,499,894	(1,499,894)	2,125,000	N/A	No	New MMCOF Walk-in Project.
PSG	SHF	1023702	MMCOF7774 Lakeside Substation Emergency Generator and ATS Installation	10100	39884	52737	5	260,000	(260,000)	260,000	N/A	No	New MMCOF Walk-in Project
PSG	SHF	1024621	MMCOF7823 EMRF CPC Remodel	10100	39884	52737	5	985,000	(985,000)	985,000	N/A	No	New MMCOF Walk-in Project
PSG	SHF	1024626	MMCOF7828 SDCJ 7A Suicide Prevention Fencing and Cameras	10100	39884	52737	5	100,000	(100,000)	100,000	N/A	No	New MMCOF Walk-in Project
PSG	SHF	1024627	MMCOF7829 GBDF Rock Sally Port Gates	10100	39884	52737	5	450,000	(450,000)	450,000	N/A	No	New MMCOF Walk-in Project
PSG	SHF	1022041	MMCOF7642 GBDF Replace Security Controls and Cameras	10100	39884	52737	3	5,000,000	(5,000,000)	5,000,000	N/A	No	Spending plan amendment
PSG	SHF	1022825	MMCOF7686 Ridgehaven Renovation and Modernization	10100	39884	52737	3	1,620,000	(1,620,000)	1,620,000	N/A	No	Spending plan amendment
PSG	SHF	1023708	MMCOF7780 Ridgehaven New Generator Pad and ATS Switch	10100	39884	52670	3	97,147	(97,147)	97,147	N/A	No	Spending plan amendment
HHS	HHS	1023689	MMCOF7761 San Pasqual Academy Emergency Backup Generator	10100	45005	52737	6	N/A	N/A	498,728	N/A	No	Spending plan amendment.
HHS	HHS	1024186	MMCOF7804 HHSA Eligibility Data Processing Center Relocation	10100	45005	52737	6	N/A	N/A	38,539	N/A	No	Spending plan amendment.
LUEG	PKS	1022948	MMCOF7698 Lakeside Community Center and Teen Center CCTV Alarm PA System Window Safe Room	10100	52811	52737	6	N/A	N/A	15,341	N/A	No	Spending plan amendment.
PSG	OES	1023628	MMCOF7754 Deerhorn Fire Station Emergency Generator	10100	30231	52737	6	N/A	N/A	159,875	N/A	No	Spending plan amendment.
PSG	OES	1023627	MMCOF7753 Lake Morena Fire Station Emergency Generator	10100	30231	52737	3,6,10	48,048	(48,048)	134,737	N/A	No	Spending plan amendment.
PSG	OES	1023711	MMCOF7783 Ocotillo Wells Fire Station 54 HVAC Systems Replacement	10100	30231	52737	10	N/A	N/A	(35,000)	N/A	No	Project has been cancelled.
LUEG	AWM	1023692	MMCOF7764 AWM Hazard Way Add Stair or Ramp with Gate	10100	48000	52737	2	(350,000)	350,000	(350,000)	N/A	No	Project has been cancelled
			Subtotal General Fund					9,710,089	(9,710,089)	11,099,368			
LUEG	APC	1022538	MMCOF7682 APCD San Ysidro Site Modular Building	12050	56730	56321	2	(301,813)	301,813	(301,813)	N/A	No	Project has been cancelled due to APCD Transition
LUEG	APC	1022946	MMCOF7696 APCD Scripps Ranch Roof AC Units and Variable Air Volume Controllers	12050	56700	56321	2	(1,026,990)	1,026,990	(1,026,990)	N/A	No	Project has been cancelled due to APCD Transition
LUEG	LIB		MMCOF7738 Library Security Enhancement	12200	57330	52737	3,6	180,052	(180,052)	290,000	N/A	No	Spending plan amendment.
LUEG	PKS	1023698	MMCOF7770 San Dieguito Park Gate Replacement	14245	95147	52737	3	37,156	(37,156)	37,156	N/A	No	Spending plan amendment
			Subtotal Other Funds					(1,111,595)	1,111,595	(1,001,647)			
HHS	HHS	1021933	MMCOF7597 NE Family Resource Center Electrical System Lunch Room	10100	45005	52737	6,8	N/A	N/A	(541,162)	N/A	No	Project is complete and can be closed.
HHS	HHS	1022944	MMCOF7694 Southeast Family Resource Center Electrical Distribution System and AC Units	10100	45005	52737	8	N/A	N/A	(621,211)	N/A	No	Project is complete and can be closed.
LUEG	LIB	1022941	MMCOF7691 El Cajon Library Fire Alarm AHU and Chiller Replacement	12200	57500	52737	6	N/A	N/A	(29,596)	N/A	No	Project is complete and can be closed.
LUEG	LIB	1022943	MMCOF7693 Spring Valley Library 2 HVAC Units	12200	57470	52737	6	N/A	N/A	(16,228)	N/A	No	Project is complete and can be closed.
LUEG	LIB	1023421	MMCOF7746 Descanso Library Emergency Generator	12200	57415	52737	6	N/A	N/A	(64,124)	N/A	No	Project is complete and can be closed.
PSG	OES	1021949	MMCOF7613 Lake Morena Fire Station Paving	10100	30231	52737	6	N/A	N/A	(34,504)	N/A	No	Project is complete and can be closed.
PSG	OES	1022953	MMCOF7703 Descanso Fire Station 45 Paving Parking Lot and Driveway	10100	30231	52737	6	N/A	N/A	(177,059)	N/A	No	Project is complete and can be closed.
LUEG	PKS	1021936	MMCOF7600 Boulder Oaks Road Repairs	10100	52811	52737	6	N/A	N/A	(15,341)	N/A	No	Project is complete and can be closed.
LUEG	PKS	1021940	MMCOF7605 Spring Valley Community Hall Remodel	10100	52811	52737	7	(61,359)	61,359	(61,359)	N/A	No	Project is complete and can be closed
LUEG	PKS	1021944	MMCOF7608 William Heise 2 Back Up Generators	10100	52811	52737	7	(69,157)	69,157	(69,157)	N/A	No	Project is complete and can be closed
LUEG	PKS	1022952	MMCOF7702 Spring Valley Community Center and Park CCTV, Auto Lock Doors for Restrooms	10100	52811	52737	7	(5,359)	5,359	(5,359)	N/A	No	Project is complete and can be closed
PSG	PRO	1021947	MMCOF7611 Juvenile Probation Electrical Distribution Upgrade	10100	42087	52737	7	(43,946)	43,946	(43,946)	N/A	No	Project is complete and can be closed
LUEG	DEH	1022539	MMCOF7683 D DEH Tenant Improvement COC Building 5500 2nd Floor	10100	44800	52374	7	(94,052)	94,052	(94,052)	N/A	No	Project is complete and can be closed
PSG	DAS	1022939	MMCOF7689 South County Animal Services Administration HVAC	10100	49150	52550	7	(22,770)	22,770	(22,770)	N/A	No	Project is complete and can be closed
FGG	DPC	1022069	MMCOF7672 DPC Front Counter Reception Area Remodel	35800	81645	52566	7	(13,575)	13,575	(13,575)	N/A	No	Project is complete and can be closed
			Subtotal Completed Projects					(310,218)	310,218	(1,809,443)			
Total Increase (Decrease) of Appropriation								8,288,277	(8,288,277)	8,288,277	-		
Board Letter Recommendation								REC #9		REC #9			

NOTES:

- 1

MMCOF Project identified as MMISF (maintenance/not capital)
- 2

MMCOF Project cancelled and funding source returned to Services & Supplies for department's operation
- 3

MMCOF Spending plan increased
- 4

MMCOF Spending plan decreased
- 5

MMISF Project identified as MMCOF
- 6

MMCOF Project complete and remaining funds are transferred to an existing MMCOF project
- 7

MMCOF Project complete and remaining funds are transferred to Dept. Services & Supplies
- 8

MMCOF Project complete and remaining funds are transferred to a new MMCOF walk-in project
- 9

MMCOF Project cancelled and funding source returned to Fund Balance
- 10

MMCOF Project cancelled and funding source transferred to an existing MMCOF project