



# COUNTY OF SAN DIEGO

## AGENDA ITEM

### BOARD OF SUPERVISORS

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Second District

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Third District

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Fourth District

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Fifth District

**DATE:** May 20, 2025

**19**

**TO:** Board of Supervisors

### SUBJECT

**FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN STATUS REPORT  
AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

### OVERVIEW

This report summarizes the status of the County's Fiscal Year 2024-25 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 \$52.6 million (or 0.7% of the General Fund budget). The projected balance for all other funds combined is \$126.5 million (4.1% of the other funds combined budget). For all budgetary funds combined, the projected balance is \$179.1 million (or 1.6% of the overall budget). The projected fund balance anticipates an overall positive expenditure variance and an overall negative revenue variance from the Fiscal Year 2024-25 Amended Budget. The projection reflects the unused portion of the appropriation for contingency pursuant to Government Code §29084, assumes General Purpose Revenue will perform better than estimated, and business groups will produce operating balances, except for Public Safety Group.

Transfers and revisions to the amended budget can be made by formal action of the Board of Supervisors in accordance with the California County Budget Act, Government Code Section 29125. Increases to the overall budget require 4 votes. 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. 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 to support increased costs in enhanced collection activities reimbursed to the Court, in Public Defender's Office to support increasing costs in psychiatric evaluations, facility management, professional expert services, and in Sheriff's Office to support increasing costs in facilities management, property insurance, and public liability as well as a reduction by Public Safety to support mandated critical infrastructure needs at San Diego Central Jail. The increased operational costs in the Public Defender's Office and Sheriff's Office are being addressed with additional appropriations supported by over-realized revenue this fiscal year, and will be resolved with today's recommendations. Ongoing funding strategies for these costs have been identified, and are included in the upcoming Fiscal Year 2025-26 CAO Recommended Operational Plan.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

In the Health and Human Services Agency (HHS), recommendations include appropriation adjustments to transfer unanticipated fund balances of CSA 17 San Dieguito Ambulance Fund & CSA 69 Heartland Paramedic Fund from the old funds to the new funds, a funding swap for facility improvements within the County-owned Substance Use Residential and Treatment Services (SURTS) facility and Screening to Care Behavioral Health Support services, and a reallocation of funds previously committed for the Behavioral Health Workforce to realigned programs. These funding swap adjustments were related to the ARPA framework.

In the Land Use and Environment Group (LUEG), recommendations include appropriation adjustments to support personnel and operations costs incurred by the North County Fire Protection District, for various Parks projects, for the Goldentop Road Water Quality Improvement Project, for the Campo Road Reconfiguration project, for the Los Coches Diversion to Sanitary Sewer and Trash Capture Pilot Project, for the Rainbow Water Quality Improvement Project, for the Estrella Park Biofiltration and Trash Capture Project, for ongoing parks maintenance including a playground surface repair project, for the Heritage Park project, for the Sweetwater Lane County Park Energy Upgrade, and for Mt. Wodson Parking Lot project .

In the Finance and General Government Group (FGG), recommendations include appropriation adjustments for several major legal settlements that were delayed from the prior fiscal year, for increase in the property insurance premium, for increase in usage of contracted facilities services, for reconciling the purchase cost of various vehicles ordered in previous years to support current staff activities, to support increased commercial repair costs, for Community Enhancement and Neighborhood Reinvestment Programs, for the implementation of the Integrated Property Tax System (IPTs), for the San Diego County Psychiatric Hospital project, and for the purchase of convertible car seats for children in need.

Today's recommendations seek authority to establish and transfer appropriations in order to ensure efficient use of County resources and to maintain a structurally balanced budget.

**RECOMMENDATION(S)  
CHIEF ADMINISTRATIVE OFFICER**

1. Accept the Fiscal Year 2024-25 Third Quarter Report on projected year-end results.

**Increases to the Overall Budget and/or Transfers Between Budgetary Funds  
(Recommendations 2 through 24):**

2. Increase the Contribution for Trial Courts budget by \$1,700,000 to support increased costs for enhanced collection activities paid to the Court; the funding sources are revenue from fines and fees (\$700,000) and General Fund transfer from the Public Safety Group Executive Office (\$1,000,000).
  - Establish appropriations of \$700,000 in Contribution for Trial Courts, Contribution to Other Agencies, to support increased costs in enhanced collection activities reimbursed to the Court, based on over realized revenues from fines and fees. **(4 VOTES)**

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

- Transfer appropriations of \$1,000,000 from the Public Safety Group, Services & Supplies, to the Contribution for Trial Courts, Other Charges, to support increased costs in enhanced collection activities reimbursed to the Court, based on General Fund transfer from the Public Safety Group Executive Office.
3. Increase the Public Defender's budget by \$1,800,000 to support Salaries & Benefits; the funding source is based on over-realized General Purpose Revenue.
    - Establish appropriations of \$1,800,000 in Public Defender, Salaries & Benefits, to support salary and benefit costs for which appropriations were reduced to support increasing costs in psychiatric evaluations, facility management, and professional expert services, based on over-realized General Purpose Revenue. **(4 VOTES)**
  4. Increase the Sheriff's budget by \$9,100,000 to support Salaries & Benefits; the funding source is based on over-realized General Purpose Revenue.
    - Establish appropriations of \$9,100,000 in the Sheriff's Office, Salaries & Benefits, to support salary and benefit costs for which appropriations were reduced to support increasing costs in facilities management, property insurance, and public liability as well as a reduction by Public Safety to support mandated critical infrastructure needs at San Diego Central Jail, based on over-realized General Purpose Revenue. **(4 VOTES)**
  5. Increase the County Service Area (CSA) 17 and CSA 69 budget accordingly to allow the transfer of remaining fund balances from the old to the new CSA funds.
    - Establish appropriations of \$140,000 in County Service Area (CSA) 17 San Dieguito Ambulance Fund (14065), Operating Transfers Out, and establish appropriations of \$140,000 in CSA 17 Fund (14995), Services & Supplies, to transfer unanticipated fund balance from old CSA 17 San Dieguito Ambulance Fund (14065) to new fund CSA 17 Fund (14995), based on the available prior year fund balance in the old fund. **(4 VOTES)**
    - Establish appropriations of \$240,000 in CSA 69 Heartland Paramedic Fund (14190), Operating Transfers Out, and establish appropriations of \$240,000 in the CSA 69 Fund (14996), Services & Supplies, to transfer unanticipated fund balance from old CSA 69 Heartland Paramedic Fund (14190) to new fund CSA 69 Fund (14996), based on the available prior year fund balance in the old fund. **(4 VOTES)**
  6. Increase the budget by \$18,791 in the Horse Creek Ridge Community Facilities District (CFD) to pay for fire personnel and operations costs; the funding source is available prior year CFD No. 2013-01 Horse Creek Ridge Maintenance – Special Tax C Fund fund balance.
    - Establish appropriations of \$18,791 in CFD No. 2013-01 Horse Creek Ridge Maintenance - Special Tax C fund, Services & Supplies, to support personnel and operations costs incurred by the North County Fire Protection District, based on available prior year CFD No. 2013-01 Horse Creek Ridge Maintenance – Special Tax C Fund fund balance. **(4 VOTES)**

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

7. Increase the budget by \$15,239 in the Meadowood Fire CFD to pay for fire personnel and operations costs; the funding source is available prior year CFD No. 2019-01 Meadowood Fire – Special Tax C Fund fund balance.
  - Establish appropriations of \$15,239 in CFD No. 2019-01 Meadowood Fire - Special Tax C fund, Services & Supplies, to support personnel and operations costs incurred by the North County Fire Protection District, based on available prior year CFD No. 2019-01 Meadowood Fire – Special Tax C Fund fund balance. **(4 VOTES)**
8. Transfer of \$30,700 in the Department of Parks and Recreation General Fund as a revenue swap for ARPA disallowed costs.
  - Transfer appropriations of \$30,700 from Department of Parks and Recreation, Services & Supplies, to Contribution to Capital Outlay Fund, Operating Transfers Out. This will enable a swap in revenue of \$30,700 in the Capital Outlay Fund for Capital Project 1027068 TJ River Valley Spooners Mesa Stormwater Improvement project (\$17,400), for Capital Project 1026654 Calavo Park Community Garden Project (\$9,000), and for Capital Project 1025464 Collier Park Community Garden Project (\$4,300) from ARPA to Operating Transfer In from the General Fund. There is no change to projects' total budget. **(4 VOTES)**
9. Increase the Department of Public Works budget by \$916,000 in the Road Fund to fund construction costs for the Goldentop Road Quality Improvement Project; the funding source is available prior year General Fund fund balance from Fiscal Year 2023-24.
  - Transfer appropriations of \$916,000 within Department of Public Works General Fund, Services & Supplies to Operating Transfers Out; and establish appropriations of \$916,000 in Department of Public Works Road Fund, Services & Supplies, for the Goldentop Road Water Quality Improvement Project, based on an Operating Transfer In from the General Fund. **(4 VOTES)**
10. Increase the Department of Public Works budget by \$3,075,000 in the Road Fund for a SANDAG grant received that will fund the Campo Road Reconfiguration project.
  - Establish appropriations of \$3,075,000 in the DPW Road Fund, Services & Supplies, for the Campo Road Reconfiguration project, based on a grant from SANDAG Housing Acceleration Program (\$2,500,000) and Regional Transportation Congestion Improvement Program (\$575,000). **(4 VOTES)**
11. Increase the Department of Public Works budget by \$750,000 in the Road Fund for increased costs to the Los Coches Trash Capture project; the funding source is available prior year General Fund fund balance in DPW.
  - Transfer appropriations of \$750,000 within DPW General Fund, Services & Supplies to Operating Transfers Out; and establish appropriations of \$750,00 in the DPW Road Fund, Services & Supplies, for the Los Coches Diversion to Sanitary Sewer and Trash Capture Pilot Project, based on an Operating Transfer In from the General Fund. **(4 VOTES)**

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

12. Increase the Department of Public Works budget by \$2,000,000 in the Road Fund for increased construction costs for the Rainbow Water Quality Improvement Project; the funding source is available prior year General Fund fund balance in DPW.
  - Transfer appropriations of \$2,000,000 within Department of Public Works General fund, Services & Supplies to Operating Transfers Out; and establish appropriations of \$2,000,000 in Department of Public Works Road Fund, Services & Supplies, for the Rainbow Water Quality Improvement Project, based on an Operating Transfer In from General Fund. **(4 VOTES)**
13. Transfer of \$750,000 within the Department of Public Works (DPW) to pay for increased costs of the Estrella Park Trash Capture Project in the San Diego County Flood Control District; the funding source is available prior year General Fund fund balance in DPW.
  - Transfer appropriations of \$750,000 within DPW General Fund, Services & Supplies to Operating Transfers Out, for the Estrella Park Biofiltration and Trash Capture Project in the San Diego County Flood Control District. **(4 VOTES)**
14. Increase the budget by \$117,000 in the Harmony Grove Community Facilities District (CFD) to fund increase costs of repairs to playground surfaces in the harmony grove community; the funding source is available prior year CFD fund balance.
  - Establish appropriations of \$117,000 in Harmony Grove Village CFD No. 2008-01 Other Services Special Tax B, Services & Supplies, for ongoing parks maintenance including a playground surface repair project, based on available prior year CFD fund balance. **(4 VOTES)**
15. Increase the Department of Parks and Recreation budget by \$189,725 for the Heritage Park project grant funds received.
  - Establish appropriations of \$189,725 in the Capital Outlay Fund for Capital Project 1023725 Heritage Park Building, to provide funding for construction of the project, based a grant awarded to the Department of Parks and Recreation by the California State Parks. **(4 VOTES)**
16. Increase the Public Liability Internal Service Fund (ISF) by \$9,953,895 to cover several major unanticipated legal settlements. This will be funded by higher than anticipated interest on deposits (\$1,138,353) and available Public Liability ISF fund balance (\$8,815,542).
  - Establish appropriations of \$9,953,895 in the Public Liability ISF, Services & Supplies, for several major unanticipated legal settlements based on higher than anticipated interest on deposits (\$1,138,353) and available Public Liability ISF fund balance (\$8,815,542). **(4 VOTES)**
17. Increase the Insurance ISF by \$2,167,000 for an increase in the property insurance premium due to natural disasters and other unanticipated cost pressures facing the insurance market and the mid-year addition of the Public Health Laboratory to the policy. This will be funded by

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

charges to the Finance and General Government Group Executive Office and the Health and Human Services Agency.

- Establish appropriations of \$2,167,000 in the Insurance ISF, Services & Supplies, to cover for the increase in the property insurance premium based on Charges in General Fund. **(4 VOTES)**
18. Increase the Facilities Management ISF by \$8,700,000 to support the increase in usage of contracted facilities services. The funding source is revenue from client departments.
- Establish appropriations of \$8,700,000 in the Department of General Services Facilities Management ISF, Services & Supplies, to support the continued increase in contracted services based on revenue from client departments. **(4 VOTES)**
19. Increase the Facilities Management ISF by \$3,200,000 to allow payment to the Fleet ISF for the purchase of various vehicles ordered in previous years. The funding source is available prior year Facilities Management ISF fund balance.
- Establish appropriations of \$3,200,000 in the Department of General Services Facilities Management ISF, Other Charges, to fund the purchase of various vehicles ordered in previous years to support current staff activities based on available prior year Facilities Management ISF fund balance. **(4 VOTES)**
20. Increase the Fleet ISF, Parts and Fuel by \$5,000,000 due to higher than anticipated usage of commercial repair contracts for modification of vehicles prior to being placed in service. The funding source is revenue from client departments.
- Establish appropriations of \$5,000,000 in the Department of General Services Fleet ISF Parts and Fuel, Services & Supplies, to support increased commercial repair costs based on revenue from client departments. **(4 VOTES)**
21. Allow \$20,676 of returned Community Enhancement grant funds to be allocated to new projects by establishing appropriations in the Community Enhancement Program budget.
- Establish appropriations of \$20,676 in the Community Enhancement Program budget (\$16,000 for District 1, \$2,863 for District 2, and \$1,813 for District 5 in Org 12900), Contribution to Other Agencies, based on the return of unused portions of prior year allocations so the funds can be allocated to other projects. **(4 VOTES)**
22. Allow \$24,669 of returned Neighborhood Reinvestment Program grant funds to be allocated to new projects by establishing appropriations in the Neighborhood Reinvestment Program budget.
- Establish appropriations of \$24,669 in the Neighborhood Reinvestment Program budget (\$4,669 for District 1 in Org 15650 and \$20,000 for District 4 in Org 15665), Other Charges, based on unused portions of prior year allocations that were returned in the current fiscal year so the funds can be allocated to other projects. **(4 VOTES)**
23. Increase the Treasurer-Tax Collector budget by \$681,628 to pay for change orders for the implementation of the Integrated Property Tax System (IPTs) using Banking Pool revenue.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

- Establish appropriations of \$681,628 in Treasurer-Tax Collector, Services & Supplies, for implementation of IPTS based on Banking Pool revenue. **(4 VOTES)**
24. This recommendation is a technical adjustment that reclassifies departmental maintenance and capital spending plans based on capitalization thresholds. The result is a net increase of budget in the MMCOF of \$717,453, which includes a transfer of savings from a nearly completed Parks MMCOF project (in the same area) to the Capital Outlay Fund and reclassification of major maintenance projects which are supported by existing department budgets.
- Transfer appropriations within departments between Services & Supplies and Operating Transfers Out, as noted in Appendix D, in the net amount of \$717,453 for major maintenance projects listed in Appendix D that were subsequently reclassified, based on capitalization thresholds, for financial reporting purposes; *and* establish, transfer and cancel appropriations, as noted in Appendix D for a net increase of \$717,453 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 25 through 32):**

25. Transfer \$500,000 from Capital Project 1023065 Sweetwater Summit Regional Park Campground Expansion Phase II to fund increased costs for Capital Project 1023728 Sweetwater Lane County Park Energy Upgrade.
- Transfer appropriations of \$500,000 within Capital Outlay Fund and related Operating Transfers In from the General Fund, to provide funding for Capital Project 1023728 Sweetwater Lane County Park Energy Upgrade, based on the transfer from Capital Project 1023065 Sweetwater Summit Regional Park Campground Expansion Phase II.
26. Transfer \$179,859.40 from Capital Project 1022934 Four Gee Park to Capital Project 1021983 Mt Wodson Parking Lot to help with construction costs.
- Transfer appropriations of \$179,859.40 within Capital Outlay Fund and related Operating Transfers In from the General Fund, to provide funding for construction of the project for Capital Project 1021983 Mt Woodson Parking Lot, based on the transfer from Capital Project 1022934 Four Gee Park.
27. Transfer \$23,720,000 from Capital Project 1023736 Central Region Community Based Care Facility to Capital Project 1025925 San Diego County Psychiatric Hospital within the County Health Complex Fund to optimize the cost structure and mix of beds at the San Diego County Psychiatric Hospital.
- Transfer appropriations of \$23,720,000 within the County Health Complex Fund to provide funding for Capital Project 1025925 San Diego County Psychiatric Hospital, based on a transfer of Intergovernmental Transfer (\$8,895,000) and Behavioral Health Realignment (\$14,825,000) from Capital Project 1023736, Central Region Community Based Care Facility.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

28. Transfer \$30,000 from the Neighborhood Reinvestment Program to the Sheriff's Office, Vista Patrol Station for the purchase of convertible car seats for children in need.
  - Transfer appropriations of \$30,000 from the Neighborhood Reinvestment Program (District 5, Org 15670), Services & Supplies, to the Sheriff's Office, Vista Patrol Station (Org 39560), Services & Supplies, to purchase convertible car seats for children in need.
29. Authorize the use of \$6.0 million in Opioid Settlement Funds for facility improvements within the County-owned Substance Use Residential and Treatment Services (SURTS) facility.
  - Authorize the use of up to \$6.0 million in Opioid Settlement Funds for facility improvements within the County-owned Substance Use Residential and Treatment Services (SURTS) facility that will provide recuperative care services for individuals with serious behavioral health conditions.
30. Reallocate \$10.0 million of the San Diego's Behavioral Health Workforce Committed Fund Balance to replace funding need in programs originally supported by Realignment revenue.
  - Cancel and reestablish appropriations of \$10,000,000 in the Health and Human Services Agency, Services & Supplies, to reallocate appropriations for San Diego's Behavioral Health Workforce to realigned programs based on funding from the Committed Fund Balance originally to expand the capacity of the Behavioral Health Workforce.
31. Reallocate \$9.0 million of Screening to Care General Purpose Revenue to fund costs originally funded by Realignment in Public Health Services.
  - Authorize the reallocation of up to \$9.0 million of General Purpose Revenue for Screening to Care Behavioral Health Support services to be used for costs originally funded by Health Realignment in Public Health Services. This will create Realignment capacity to support operational costs in Public Health Services in the Fiscal Year 2025-26 budget. Screening to Care services will be funded through the Mental Health Services Act in Fiscal Year 2024-25 and 2025-26.
32. This recommendation will cancel the remaining budget of Capital Projects that are anticipated to be completed or cancelled by the end of the Fiscal Year. The remaining funds will be returned to the original funding sources.
  - Cancel appropriations and related revenue of up to \$4,924,997.27 as noted in Schedule C for Capital Projects that will be completed/cancelled and closed by the end of Fiscal Year 2024-25. This is composed of \$3,985,111.44 in the Capital Outlay Fund and \$939,885.83 in the Library Projects Capital Outlay Fund.

**EQUITY IMPACT STATEMENT**

After the Board of Supervisors adopts the Operational Plan, it is monitored by the departments, Groups, and the Board. Departments are expected to work within their respective budgets. Budgets



**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

may, however, be modified during the year as circumstances warrant. In conjunction with the fund balance projection process, the Chief Administrative Officer meets with each Group to review accomplishments, emergent issues, and budget status. Department heads are required to communicate any potential problems or errors to the appropriate authority. Groups complete fund balance projections quarterly providing explanations of significant variances of their budget. The recommended actions are intended to provide resources to address inequities in County services and to identify disparities, develop meaningful outcomes, and create a County government culture of equity, belonging, and racial justice.

**SUSTAINABILITY IMPACT STATEMENT**

Today's actions support the sustainability measures across the County considering the environment, economy, health/wellbeing, and/or social aspects of the community by aligning the County's available resources with services to maintain fiscal stability and ensure long-term solvency.

**FISCAL IMPACT**

Funds associated with today's recommendations are partially included in the Fiscal Year 2024-25 Operational Plan. If approved, in the General Fund these actions will result in an increase to the overall budget of \$12,326,973, transfers between budgetary funds of \$5,592,004, transfers within budgetary funds of \$1,030,000 and no cancellation of appropriations. The funding sources for the increases are over-realized General Purpose Revenue (\$10,900,000), over-realized revenue from fines and fees (\$700,000), Banking Pool revenue (\$681,628), unused portions of prior year allocations for Neighborhood Reinvestment Program (\$24,669), and unused portions of prior year allocations for Community Enhancement Program (\$20,676).

In all other funds combined, these actions will result in a net increase to the overall budget of \$32,275,106, transfers between budgetary funds of \$1,892,757, transfers within budgetary funds of \$24,399,859, and cancellation of appropriations of \$8,299,653. The funding sources for the net increase are revenue from client departments (\$13,700,000), available prior year Public Liability ISF fund balance (\$8,815,542), available prior year Facilities Management ISF fund balance (\$3,200,000), SANDAG Housing Acceleration Program (\$2,500,000), charges in General Fund (\$2,167,000), Operating Transfers In from various non-General Fund (\$1,862,757), interest on deposits (\$1,138,353), Regional Transportation Congestion Improvement Program (\$575,000), Operating Transfers In from the General Fund (\$507,666), available prior year CSA 17 & 69 fund balance (\$380,000), Office of Grants and Local Services (OGALS) State grant (\$189,725), available prior year Harmony Grove Community Facilities District fund balance (\$117,000), available prior year CFD No. 2013-01 Horse Creek Ridge Maintenance – Special Tax C Fund fund balance (\$18,791), and available prior year CFD No. 2019-01 Meadowood Fire – Special Tax C Fund fund balance (\$15,239). These are offset by decreases in American Rescue Plan Act (ARPA) (\$2,900,000) and Park's Trust Fund (\$11,968).

**BUSINESS IMPACT STATEMENT**

N/A

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**ADVISORY BOARD STATEMENT**

N/A

**BACKGROUND**

As shown in Schedule A, the General Fund year-end fund balance projection of \$52.6 million is based on the estimate that expenditures will be approximately \$156.8 million less than the Fiscal Year 2024-25 Amended Budget and revenues will be a net \$104.2 million less than the Fiscal Year 2024-25 Amended Budget. The Amended Budget consists of the Adopted Budget plus encumbrances carried over from the prior year, plus approved year-to-date changes. The projected balance for all other funds combined is a net of \$126.5 million.

Attachments to this letter have been included to provide additional detail of these fund balance projections. Schedule A summarizes the fund balance projection by business group, department, and fund category. Schedule B shows the projected General Fund fund balance by business group split between operating and reserve balances. The Notes to Schedules A and B explain variances from budget by department, fund and for General Purpose Revenue. The Notes to the General Fund Variances details General Fund Variances by expenditure and revenue as well as additional notes regarding COVID-19 response costs funded via the federal government; these are also summarized briefly below.

**GENERAL FUND EXPENDITURE VARIANCES**

The third quarter expenditure variances in the General Fund of \$156.8 million is primarily due to Salary & Benefits (\$31.9 million), Services & Supplies (\$97.1 million), Other Charges (\$13.7 million), Capital Asset/Land Acquisition (\$8.5 million), Capital Assets Equipment (\$6.0 million), Expenditure Transfer & Reimbursements (\$3.6 million), and Operating Transfers Out (\$3.2 million). The lower than budget expenditures in Salary & Benefits is primarily due to the following: attrition, vacancies and modified positions in PSG; longer timeframes to hire staff, including hard to recruit classifications and vacancies due to attrition in HHSA; vacancies and under-filled positions in LUEG; unanticipated vacancies and staff attrition in FGG. The lower than budgeted expenditures in Services & Supplies is primarily due to expenditure variances in the following departments: in PSG, \$6.6 million in the Department of Child Support Services and San Diego County Fire; in HHSA, \$65.2 million in various departments, including positive variances in Behavioral Health Services (BHS), Public Health Services (PHS), Homeless Solutions and Equitable Communities, Aging & Independence Services and Child, Family Well-Being (CFWB) and Administrative Support as well as an offsetting negative variance in Self-Sufficiency Services and Housing & Community Development Services; in LUEG, \$11.0 million in various departments, including the Department of Planning & Development Services, LUEG Executive Office, Department of Environmental Health and Quality (DEHQ) and in Department of Public Works (DPW); and in FGG, \$14.2 million in various departments, including Assessor/Recorder/County Clerk (ARCC), Department of Human Resources (DHR), Registrar of Voters (ROV), and Office of County Counsel. Expenditure variances are described in detail in the Notes to the General Fund Variances.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**GENERAL FUND REVENUE VARIANCES**

The third quarter revenue variances in the General Fund of \$104.2 million is primarily due to \$36.6 million in over-realized revenue offset by \$140.8 million in under-realized revenue. The over-realized revenue is primarily due to Taxes Other Than Current Secured (\$24.1 million), Taxes Current Property (\$6.7 million), Other Financing Sources (\$4.2 million) and in Fines, Forfeitures & Penalties (\$1.6 million). The under-realized revenue is primarily due to lower Intergovernmental Revenues (\$109.5 million) in PSG, HHSA, LUEG and FGG; lower Charges for Current Services (\$19.1 million); lower Revenue from Use of Money & Property (\$5.5 million) from declining interest revenue; Miscellaneous Revenues (\$3.5 million); and Licenses, Permits & Franchises (\$3.2 million). Revenue variances are described in detail in the Notes to the General Fund Variances.

County staff actively monitor all revenue sources, including federal sources which the County may have incurred to manage past emergency response efforts. A summary of these past response costs related to COVID-19 are described in the Notes to the General Fund Variances.

**Adjustments to the Fiscal Year 2024-25 Amended Budget**

Transfers and revisions to the amended budget can be made by formal action of the Board of Supervisors in accordance with the California County Budget Act, Government Code 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 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 24):**

**Recommendation 2**

The Court operates collection and enhanced collection activities on court-ordered debt per MOU between the Court and the County. The Court uses comprehensive collection service practices as specified in Penal Code section 1463.007 to conduct enhanced collections activities on delinquent accounts in order to maximize collections on court-ordered debt. The enhanced collection amount budgeted for Fiscal Year 2024-25 is based on the Court's estimate, costs related to enhanced collection functions, which includes labor efforts and associated services and supplies. A true up amount is provided during the year, and costs are expected to be higher than anticipated. If approved, this request will establish appropriations of \$700,000 in the Contribution for Trial Courts based on over realized revenues from fines and fees and a transfer of appropriations of \$1,000,000 from the Public Safety to support increases related to enhance collection activities. If recommendations are not approved the County will not be able to make its required payment to the Courts and will not be in compliance per MOU.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**Recommendation 3**

This recommendation will establish appropriations of \$1,800,000 in the Public Defender, Salaries & Benefits. During the development of the Fiscal Year 2024-26 Operational Plan, the Public Defender reduced Salaries & Benefits budget and reallocated to Services & Supplies to fund increasing costs in forensic psychological evaluations, facility management and professional expert services such as accident reconstruction and video analysis. The proposed adjustment of \$1,800,000 will mostly mitigate the shortfall based on over-realized General Purpose Revenue to support Salaries & Benefits costs along with the transfer of appropriations savings from other services and supplies accounts.

**Recommendation 4**

This recommendation will establish appropriations of \$9,100,000 in the Sheriff's Office, Salaries & Benefits. During the development of the Fiscal Year 2024-26 Operational Plan, the Sheriff reduced Salaries & Benefits budget and reallocated to Services & Supplies to offset increased operational costs in facilities management, property insurance, and public liability as well as a budget reduction and reallocation by Public Safety to support mandated critical infrastructure needs at San Diego Central Jail. In the current fiscal year, the Sheriff's Office has maintained lower vacancy rate compared to prior years therefore not realizing the Salaries & Benefits savings, resulting in the need for additional appropriations to cover salary and benefit costs. The funding source for the \$9.1 million is based on over-realized General Purpose Revenue.

**Recommendation 5**

In Fiscal Year 2021-22, the Board approved the reorganization to transfer Emergency Medical Services (EMS) under San Diego County Fire (Public Safety Group) to enhance the alignment of the integrated functions of San Diego County Fire and EMS. These recommendations will transfer the remaining fund balances of \$140,000 from old fund (14065) to new fund (14995) for County Service Area 17 and \$240,000 from old fund (14190) to new fund (14996) for County Service Area 69. The remaining fund balance was generated due to a prior year adjustment associated with the reclassification of deferred revenue from the old funds.

**Recommendation 6**

This recommendation will establish appropriations of \$18,791 in Community Facilities District (CFD) No. 2013-01 Horse Creek Ridge Maintenance, to support personnel and operations costs incurred by the North County Fire Protection District. On February 26, 2014, the Board authorized the levy of a special tax C to pay for associated fire services within CFD No. 2013-01 Horse Creek Ridge Maintenance by the North County Fire Protection District. These costs include engineers' salaries and benefits and operations costs. Funding source is prior year savings in the CFD. The funds in the CFD pay for the fire protection services in these neighborhoods. The increase in appropriation is due to unanticipated revenue that was received after budget development. This recommendation was originally included in the Fiscal Year 2024-25 Second Quarter Operational Plan Status Report and Budget Adjustments (03/11/2025 (item# 14, recommendation 10)).

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**Recommendation 7**

This recommendation will establish appropriations of \$15,239 in Community Facilities District (CFD) No. 2019-01 Meadowood Fire - Special Tax C fund, to support personnel and operations costs incurred by the North County Fire Protection District. On April 10, 2019, the Board authorized the levy of a special tax C to pay for associated fire services within CFD No. 2019-01 Meadowood Fire by the North County Fire Protection District. These costs include personnel salaries and benefits and operations costs. Funding source is prior year savings in the CFD. The funds in the CFD pay for the fire protection services in these neighborhoods. The increase in appropriation is due to unanticipated revenue that was received after budget development. This recommendation was originally included in the Fiscal Year 2024-25 Second Quarter Operational Plan Status Report and Budget Adjustments (03/11/2025 (item# 14, recommendation 11)).

**Recommendation 8**

This recommendation will transfer appropriations of \$30,700 from the Department of Parks and Recreation to Capital Project 1027068 TJ River Valley Spooners Mesa Stormwater Improvement project (\$17,400), Capital Project 1026654 Calavo Park Community Garden Project (\$9,000), and Capital Project 1025464 Collier Park Community Garden Project (\$4,300) for disallowed American Rescue Plan Act (ARPA) costs. There is no change to projects' total budget. Funding source is available prior year General Fund fund balance in the Department of Parks and Recreation (DPR). This recommendation was originally included in the Fiscal Year 2024-25 Second Quarter Operational Plan Status Report and Budget Adjustments (03/11/2025 (item# 14, recommendation 13)).

Transfers appropriations of \$30,700 to swap revenue sources for community garden projects that were funded by ARPA. The funding source is savings in DPR to cover disallowed costs from ARPA guidelines. The three capital projects are: TJ River Valley Spooners Mesa Stormwater Improvement project, Calavo Park Community Garden Project, and Collier Park Community Garden Project.

**Recommendation 9**

This recommendation will establish appropriations of \$916,000 in the Department to Public Works Road Fund to fund the construction for the Goldentop Road Water Quality Improvement Project. Capital project bid pricing is anticipated to be higher than currently budgeted. If approved, this request will establish the appropriations to ensure funding is available when the construction is anticipated to be awarded. The total estimated project cost is \$2,108,327 and is anticipated to be completed by December 2025. The funding source is available prior year General Fund fund balance from Fiscal Year 2023-24. This recommendation was originally included in the Fiscal Year 2024-25 Second Quarter Operational Plan Status Report and Budget Adjustments (03/11/2025 (item# 14, recommendation 8)).

**Recommendation 10**

On June 24, 2020 (12), the Board of Supervisors adopted a resolution authorizing LUEG departments to apply and accept grant funds for the implementation of projects and programmatic activities in support of the County's vision and strategic initiatives, through the end of Fiscal Year

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

2024-25. In October 2024, Planning & Development Services received award notification for the SANDAG Housing Acceleration Program (HAP) grant. This recommendation will establish appropriations of \$3,075,000 in the Department to Public Works Road Fund to fund the final design and engineering for the Campo Road Reconfiguration project. If approved, this request will establish appropriations to ensure funding is available when the design and engineering is anticipated to be awarded. The total estimated project cost is \$3,075,000 and is anticipated to be completed by March 2026. The funding source is grant from the SANDAG HAP (\$2,500,000) and Regional Transportation Congestion Improvement Program (\$575,000). This recommendation was originally included in the Fiscal Year 2024-25 Second Quarter Operational Plan Status Report and Budget Adjustments (03/11/2025 (item# 14, recommendation 9)).

**Recommendation 11**

This recommendation will establish appropriations of \$750,000 in Department of Public Works Road Fund due to increase cost for Los Coches Diversion to Sanitary Sewer and Trash Capture Project (Project). This green infrastructure project improves stormwater quality by implementing Best Management Practices (BMPs) to control water quality and quantity year-round. It includes a subsurface trash capture device that meets State Trash Amendment requirements, diverts flows to the sanitary sewer at 5 gallons per minute, and contributes to the East County Advanced Water Purification Program for potable water treatment. The project addresses 193 upstream acres in the unincorporated community of Lakeside. This request will provide additional funding to manage the completion of the project. The total estimated project cost is \$2,455,646 and is anticipated to be completed by June 2025. The funding source is available prior year General Fund fund balance in DPW.

**Recommendation 12**

This recommendation will establish appropriations of \$2,000,000 in the Department to Public Works Road Fund to fund the construction for the Rainbow Water Quality Improvement Project. Capital project bid pricing is anticipated to be higher than currently budgeted. If approved, this request will establish the appropriations to ensure funding is available when the construction is anticipated to be awarded. The total estimated project cost is \$15,918,000 and is anticipated to be completed by November 2026. The funding source is available prior year General Fund fund balance in DPW.

**Recommendation 13**

This recommendation will transfer appropriations of \$750,000 within the Department of Public Works (DPW) for the construction of the Estrella Park Biofiltration and Trash Capture Project for the San Diego County Flood Control District (Flood Control District). This project includes the addition of a subsurface trash capture device that meets State Trash Amendment requirements, as well as treating stormwater flows from 22 upstream acres, in the unincorporated community of Casa de Oro. Additionally, it incorporates several other community improvements, including a new sidewalk, an ADA-compliant parking lot, enhancing access and connectivity, and portable EV charging station. The project highlights a partnership between the DPW Watershed Protection Program and Flood Control District, Department of Parks and Recreation, and Department of General Services to efficiently combine community benefits, elements of sustainability and water

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

quality treatment. The total estimated project cost is \$5,819,200 and is anticipated to be completed in June 2025. The funding source is available prior year General Fund fund balance in DPW.

**Recommendation 14**

This recommendation will establish appropriations of \$117,000 to provide funds for ongoing park maintenance and a playground resurfacing project in the Harmony Grove CFD 2008-01 Other Services Special Tax B Fund. This is due to increased costs for parks operations & maintenance such as landscaping, trash, and utilities. The funding source is available prior year Harmony Grove Village CFD 08-01 Other Services Special Tax B Fund fund balance. The Harmony Grove Village Community Facility District, CFD No. 2008-01 (HGV CFD), Other Services Special Tax B Fund, provides park maintenance to that community.

**Recommendation 15**

On November 18, 2020 (item# 14), the Board of Supervisors adopted a resolution authorizing the Director of the County of San Diego Department of Parks and Recreation, or designee, to submit, negotiate, accept and execute all documents necessary to apply for and secure grant funding through the State Department of Parks and Recreation Per Capita Grant Program. This recommendation will establish appropriations of \$189,725 for Capital Project 1023725 Heritage Park Building, to provide funding for construction of the project, based on an amendment to an existing Office of Grants and Local Services (OGALS) State grant awarded to the Department of Parks and Recreation. Notice of additional funding availability was given September 2024 after the Fiscal Year 2024-25 budget process and the contract amendment for the additional \$189,725 was executed November 2024.

**Recommendation 16**

The Public Liability ISF was established in Fiscal Year 1994-95 for the purpose of financial tracking, reporting and expenditures for public risk management activities. Each year, County Counsel works with an independent actuarial firm to determine the financial risks of potential legal actions against the County, and County Counsel proposes a budget to address those risks. A significant portion of the Public Liability ISF budget is determined by potential legal settlement and judgment costs. Several major matters reached settlement during Fiscal Year 2024-25, which were anticipated for the prior fiscal year, and payments are estimated to exceed budgeted appropriations in this fund. Today's recommendation will establish appropriations of \$9,953,895 in the Public Liability ISF Services & Supplies for the purpose of paying these settlements based on higher than anticipated interest on deposits (\$1,138,353) and available Public Liability ISF fund balance (\$8,815,542).

**Recommendation 17**

The Insurance ISF was established in Fiscal Year 2024-25 for the purpose of financial tracking and reporting of expenditures for countywide insurance activities. A significant portion of the Insurance ISF budget is determined by the countywide automobile, property, helicopter, and cyber insurance premiums. The property insurance premium is expected to be approximately \$2,167,000 higher than originally anticipated, for a total estimated cost of \$11,046,000 in Fiscal Year 2024-25. The unanticipated increase is due to natural disasters, increasing costs and other factors

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

impacting consumer insurance markets, and the estimated cost for the mid-year addition of the Public Health Laboratory. Today's recommendation will establish appropriations of \$2,167,000 in the Insurance ISF for the purpose of paying the increased property insurance premium. This increase is based on Charges in General Fund to the Finance & General Government Group where there are anticipated savings from a completed enterprise IT project and the Health & Human Services Agency for the Public Health Laboratory premium.

**Recommendation 18**

Countywide Fiscal Year 2024-25 appropriations for facilities contracted services were budgeted at \$74,900,000 based on historical and anticipated costs. The cost for security, landscaping, and chilled water services has increased more than anticipated in the current year. This recommendation will establish appropriations of \$8,700,000 million in the Facilities Management ISF to align appropriations with anticipated expenditures reflecting the increased utilization of security, landscaping, and chilled water services in the current year due to a combination of new service requests and higher than expected service requests. The funding source is charges to client departments.

**Recommendation 19**

This request will establish appropriations of \$3,200,000 in the Facilities Management ISF for the purchase of 37 new vehicles and 76 replacement vehicles ordered in previous fiscal years due to the cost of new and replacement vehicles being higher than anticipated. These vehicles support current staff activities to complete building maintenance across four regions in the County and pick up and deliver mail to County facilities.

**Recommendation 20**

Countywide Fiscal Year 2024-25 appropriations for commercial repair was budgeted at \$3,600,000 based on anticipated costs. The cost for commercial repair has increased more than anticipated in the current year due to the use of standalone contracts in the Fleet Parts and Fuel ISF for the addition of equipment or modification of a vehicle prior to being placed into service. This one-time increase in the Fleet Parts and Fuel ISF will not be required in future years since these costs will be combined in one contract with the vehicle purchase under the Fleet Vehicle Acquisition ISF, eliminating a separate charge impacting the Fleet Parts and Fuel ISF. This recommendation will add \$5,000,000 in appropriations to the Fleet Parts and Fuel ISF based on charges to client departments.

**Recommendation 21**

This recommendation establishes appropriations of \$20,676 in the Community Enhancement Program budget (\$16,000 for District 1, \$2,863 for District 2, and \$1,813 for District 5 in Org 12900) based on unused portions of prior year allocations that were returned in the current fiscal year. This will allow the recently returned funds to be allocated to other projects.

**Recommendation 22**

This recommendation establishes appropriations of \$24,669 in the Neighborhood Reinvestment Program budget (\$4,669 for District 1 in Org 15650 and \$20,000 for District 4 in Org 15655) based



**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

on unused portions of prior year allocations that were returned in the current fiscal year. This will allow the recently returned funds to be allocated to other projects.

**Recommendation 23**

The Integrated Property Tax System (IPTS) project will replace the IT systems that the Treasurer-Tax Collector and Auditor & Controller currently use to collect and distribute property tax revenues. The IPTS will enable current systems to be retired, thereby reducing operational risks, increasing capabilities, and providing a robust and modern infrastructure to sustain operations for years to come. The IPTS implementation project is expected to be completed in 2025. To enhance the functionality of IPTS upon implementation, change orders were initiated for the Treasurer-Tax Collector to add payment processing features and to ensure the ability to appropriately collect and process property tax collections and revenue for the County of San Diego. These change orders have a total estimated project cost of \$831,253. This recommendation will establish appropriations of \$681,628 of the total project cost for these change orders that will be funded by Banking Pool revenue. The remaining \$212,625 will be funded by existing General Purpose Revenue in the Treasurer-Tax Collector.

**Recommendation 24**

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 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 appropriation in the MMCOF of \$717,453, which includes a transfer of savings from a nearly completed Parks MMCOF project (in the same area) to the Capital Outlay Fund and reclassification of major maintenance projects which are supported by existing department budgets.

**Transfers Within Budgetary Funds and/or Cancellation of Appropriations  
(Recommendations 25 through 32):**

**Recommendation 25**

This recommendation will transfer appropriations of \$500,000 from Capital Project 1023065 Sweetwater Summit Regional Park Campground Expansion Phase II to provide funding for Capital Project 1023728 Sweetwater Lane County Park Energy Upgrade. The Sweetwater Summit Regional Park Campground Expansion Phase II project is nearing completion, and the funding is available to fund construction of the carpools with solar panel roofs in the existing parking lot in Sweetwater Lane County Park.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**Recommendation 26**

This recommendation will transfer appropriations of \$179,859.40 from the Capital Project 1022934 Four Gee Park, to provide funding for the construction for Capital Project 1021983 Mt Woodson Parking Lot. Project Four Gee Park has been completed, and the remaining funding will fund the additional construction cost of the Mt. Woodson parking lot. The additional costs are due to existing site conditions.

**Recommendation 27**

On October 11, 2022 (14) the Board approved the San Diego County Psychiatric Hospital (SDCPH) capital project for planning and design related to facility improvements to support future programming, based on Realignment (\$2,500,000) and Intergovernmental Transfer revenues (\$2,500,000). The project will be designed to include subacute care and identify the optimal array of new services which will likely include a smaller psychiatric acute inpatient unit, a crisis stabilization unit, adult residential facility and other long term care components. Today's recommendation increases the SDCPH project budget by \$23,720,000 to a total of \$28,720,000, consisting of Intergovernmental Transfer Revenue (\$11,395,000) and Behavioral Health Realignment funding (\$17,325,000). The total estimated SDCPH project costs are \$123,512,244. The remaining \$94,792,244 will be funded in future Operational Plans.

The Central Region Community Based Care (CBC) Facility, formerly known as 3rd Avenue Mental Health Inpatient Facility Hub, was established in the Fiscal Year 2020-21 Operational Plan. The current budget is \$32,000,000 based on Realignment (\$20,000,000) and Intergovernmental Transfer revenues (\$12,000,000). The project will include design, environmental, and construction of a residential facility located in the central region of the County with a home-like environment providing a variety of residential services for adults living with behavioral health conditions. Today's recommendation will decrease the CBC project budget to \$8,280,000, consisting of Intergovernmental Transfer Revenue (\$3,105,000) and Behavioral Health Realignment Funding (\$5,175,000), to accommodate the transfer of \$23,720,000 to the SDCPH project. This remaining amount will support the exploration of a potential public-private partnership, or P3 model, that would allow the County to better leverage dollars from private developers. While the total estimated project costs for the CBC are \$58,200,000, it is anticipated a significant amount of the unfunded \$49,920,000 would be leveraged from private developers and will be addressed in future Operational Plans. This project is currently in pre-construction status and is estimated to be completed in 2029.

If approved, today's action will transfer appropriations of \$23,720,000 from Capital Project 1023736, Central Region Community Based Care Facility to Capital Project 1025925, San Diego County Psychiatric Hospital. This transfer allows for responsiveness to realize planned changes to SDCPH that will enable the County to not only continue to provide traditional acute inpatient beds, but also provide beds for the Incompetent to Stand Trial population, which the State is requiring counties to develop local resources for, as well as a third set of beds for a step down level of care in alignment with the Optimal Care Pathways goals. This will also allow the County to lower the overall cost structure and maximize federal revenue opportunities by optimizing the mix of available beds. The resulting savings in local and realignment funds will allow for reinvestment of

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

local funding in ongoing needs and help to lessen budgetary pressures. The SDCPH project has a targeted completion in 2031.

**Recommendation 28**

This recommendation will allocate \$30,000 from the Neighborhood Reinvestment Program (District 5, Org 15670) to the Sheriff's Office, Vista Patrol Station (Org 39560) to purchase convertible car seats for children in need. This award promotes safety, awareness and education for new parents. The San Diego County Sheriff's Office provides quality public safety service to everyone in San Diego County. The Vista Sheriff's Station has been the hub for law enforcement services in the City of Vista and the surrounding unincorporated areas for more than 50 years. More than 150 sworn, professional, and volunteer staff members strive to provide prompt and courteous customer service, while ensuring the safety and security of those living, working, and visiting the area.

**Recommendation 29**

On October 8, 2024 (05), the Board approved the use of \$6.0 million in General Purpose Revenue (GPR) through the American Rescue Plan Act (ARPA) revenue loss strategy designated as capital funding for expanding recuperative care capacity to be reallocated for facility improvements within the County-owned Substance Use Residential and Treatment Services (SURTS) facility that will provide recuperative care services for individuals with serious behavioral health conditions. This recommendation would authorize the use of Opioid Settlement Funds (OSF) in support of the OSF Framework activities and eligible uses for the SURTs facility, in place of GPR through ARPA revenue loss strategy as noted above. This would result in the ability to maximize GPR for alternative uses allowing reinvestment of local funding to help to lessen budgetary pressures. SURTS qualifies as an allowable expenditure under OSF guidance specifically as an expansion of warm hand-off recovery service, providing comprehensive wrap-around services to individual in recovery. Additionally, OSF guidance states that no less than 50% of the funds received by a California Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more defined High Impact Abatement Activities (HIAA). This project qualifies as an HIAA under the category of, "Creating new or expanded substance use disorder (SUD) treatment infrastructure." The facility is anticipated to be completed in March 2026, with services commencing following licensing of the facility.

**Recommendation 30**

On February 27, 2024 (11), the Board allocated the remaining balance of the Evergreen component of the ARPA Framework to expand San Diego's Behavioral Health Workforce. This recommendation will allow the use of the Committed Fund Balance to replace funding for programs originally supported by Realignment revenue driven by sales tax receipts which have not kept pace with cost increases. This will create capacity to continue to fund Health and Human Services (HHSA) programs as Realignment and other revenue streams recover, and additional mitigations are put into place over time, as part of HHSA's Realignment Bridge strategy. The San Diego's Behavioral Health workforce was re-budgeted in the Fiscal Year 2025-26 CAO Recommendation Operational Plan funded by Tobacco Settlement Funds.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**Recommendation 31**

Screening to Care was operationalized as part of the American Rescue Plan Act (ARPA) Framework to address the mental health treatment needs for middle school students, in partnership with the San Diego County School Board Association and school districts across the county. Beginning in Fiscal Year 2024-25, costs were shifted to the Mental Health Services Act (MHSA) which will be used to fund Screening to Care services through Fiscal Year 2025-26. The utilization of MHSA will free up General Purpose Revenue (GPR) that is currently earmarked under the ARPA Framework for Screening to Care Services to be reprogrammed to support the operations of Public Health Services in the current year's budget, which will allow Health Realignment dollars to be carried forward to be programmed for Public Health Services as part of the Fiscal Year 2025-26 budget. This will create capacity to continue to fund Health and Human Services (HHSA) programs as Realignment and other revenue streams recover, and additional mitigations are put into place over time, as part of HHSA's Realignment Bridge strategy.

**Recommendation 32**

By the end of Fiscal Year 2024-25, a total of 8 capital projects are anticipated to be completed (5), cancelled (3), and eventually closed and capitalized. These projects are listed in Schedule C. Appropriations of up to \$4,924,997.27 related to these projects will be cancelled, of which \$3,985,111.44 in the Capital Outlay Fund and \$939,885.83 in the Library Projects Capital Outlay 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, Park's Trust Fund and American Rescue Plan Act (ARPA).

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions support the Strategic Initiatives of Sustainability, Equity, Empower, Community and Justice in the County of San Diego's 2025-2030 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



EBONY N. SHELTON  
Chief Administrative Officer

**ATTACHMENT(S)**

Schedules A and B

Notes to Schedules A and B

Notes to the General Fund Variances

Schedule C: Capital Projects for Completion & Cancellation

Appendix D: MMCOF Adjustments

FY 2024-25 3rd Quarter  
Projected Year-End Results  
(in thousands)

Schedule A

COUNTY SUMMARY

General Fund

	Expenditure Variance	Revenue Variance	3rd Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			
Public Safety	\$ 9,942	\$ (24,287)	\$ (14,345)	-0.6%
Health & Human Services Agency	99,729	(85,781)	13,947	0.4%
Land Use & Environment	20,877	(19,303)	1,574	0.3%
Finance & General Government	14,941	(9,349)	5,592	1.3%
Total Agency/Group	145,488	(138,720)	6,768	0.1%
General Purpose Revenue	0	33,052	33,052	1.7%
Finance Other	11,273	1,506	12,780	1.8%
Total General Fund	\$ 156,762	\$ (104,162)	\$ 52,600	0.7%

Non-General Funds:

Special Revenue Funds

Public Safety	\$ 1,739	\$ (306)	\$ 1,433	0.3%
Health & Human Services Agency	0	0	0	0.0%
Land Use & Environment	112,646	(14,275)	98,371	17.9%
Total Special Revenue Funds	\$ 114,385	\$ (14,581)	\$ 99,804	9.6%

Capital Program

Finance Other	\$ 4,933	\$ (4,933)	\$ 0	0.0%
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Internal Service Funds Departments

Land Use & Environment	\$ 27	\$ 799	\$ 826	2.9%
Finance & General Government	1,518	1,261	2,779	0.4%
Finance Other	1,051	153	1,204	0.8%
Total Internal Service Funds	\$ 2,595	\$ 2,213	\$ 4,809	0.6%

Enterprise Fund Departments

Public Safety Group	\$ 1,505	\$ (1,505)	\$ (0)	0.0%
Land Use & Environment	7,203	533	7,736	12.5%
Total Enterprise Funds	\$ 8,709	\$ (973)	\$ 7,736	10.9%

Special District Funds Departments

Public Safety Group	\$ 52	\$ 1,332	\$ 1,383	2.6%
Land Use & Environment	8,737	3,413	12,149	9.6%
Total Special District Funds	\$ 8,788	\$ 4,744	\$ 13,533	7.6%

Other County Funds Departments

HHSA - Red./Redev. Successor Agency	\$ 0	\$ 0	\$ 0	0.0%
HHSA - Housing & Community Development	0	14	14	50.2%
Total Other County Funds	\$ 0	\$ 14	\$ 14	0.2%

Debt Service - Pension Obligation Bonds	\$ 40	\$ 530	\$ 570	0.7%
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Total Non-General Fund	\$ 139,450	\$ (12,984)	\$ 126,466	4.1%
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Total County Year-End Operating Balance	\$ 296,212	\$ (117,146)	\$ 179,066	1.6%
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**FY 2024-25 3rd Quarter  
Projected Year-End Results  
(in thousands)**

Schedule A

**PUBLIC SAFETY GROUP**

Expenditure Variance	Revenue Variance	3rd Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
Favorable/(Unfavorable)			

**General Fund Departments**

Animal Services	\$ 241	\$ (241)	\$ 0	0.0%
Child Support	3,595	(2,039)	1,556	2.7%
District Attorney	1,821	(1,000)	821	0.3%
Emergency Services	285	(283)	2	0.0%
Medical Examiner	478	(380)	99	0.4%
Probation	(0)	(0)	(0)	0.0%
Public Defender	(0)	(1,876)	(1,876)	-1.3%
Public Safety Executive Office	355	(200)	155	0.2%
San Diego County Fire	3,152	(3,117)	35	0.0%
Sheriff	16	(15,152)	(15,137)	-1.1%
<b>Total General Fund</b>	<b>\$ 9,942</b>	<b>\$ (24,287)</b>	<b>\$ (14,345)</b>	<b>-0.6%</b>

**Special Revenue Funds Departments**

District Attorney (Asset Forfeiture - State & Federal)	\$ 0	\$ 0	\$ 0	0.0%
Probation - Asset Forfeiture	0	0	0	0.0%
Probation - Incarcerated Peoples' Welfare Program	0	0	0	0.0%
Sheriff - Asset Forfeiture	(0)	1,184	1,184	17.3%
Sheriff - Incarcerated Peoples' Welfare Program	1,739	(1,490)	249	3.0%
Criminal Justice Facility	0	0	0	0.0%
Courthouse	0	0	0	0.0%
Penalty Assessment	0	0	0	0.0%
Public Safety - Proposition 172	0	0	0	0.0%
<b>Total Special Revenue Funds</b>	<b>\$ 1,739</b>	<b>\$ (306)</b>	<b>\$ 1,433</b>	<b>0.3%</b>

**Enterprise Funds**

Jail Commissary Enterprise Fund	\$ 1,505	\$ (1,505)	\$ (0)	0.0%
<b>Total Enterprise Funds</b>	<b>\$ 1,505</b>	<b>\$ (1,505)</b>	<b>\$ (0)</b>	<b>0.0%</b>

**Special District Funds**

Sheriff (Regional 800 MHz)	\$ 0	\$ 2	\$ 2	0.7%
County Service Areas	2	1,191	1,192	6.8%
Community Facilities Districts	50	(50)	0	0.0%
County Service Areas 17 & 69	(0)	189	189	0.6%
<b>Total Special District Funds</b>	<b>\$ 52</b>	<b>\$ 1,332</b>	<b>\$ 1,383</b>	<b>2.6%</b>

<b>Total Public Safety Group</b>	<b>\$ 13,238</b>	<b>\$ (24,767)</b>	<b>\$ (11,528)</b>	<b>-0.4%</b>
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**FY 2024-25 3rd Quarter**  
**Projected Year-End Results**  
(in thousands)

Schedule A

**HEALTH & HUMAN SERVICES AGENCY**

	Expenditure Variance	Revenue Variance	3rd Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			
<b>General Fund Programs</b>				
Administrative Support	\$ 3,285	\$ (2,456)	\$ 829	0.4%
Aging & Independence Services	6,149	(6,149)	0	0.0%
Behavioral Health Services	29,299	(29,299)	0	0.0%
Child and Family Well-Being	4,916	(4,872)	44	0.0%
Public Health Services	36,447	(23,383)	13,064	5.4%
Regional Operations	3	0	3	100.0%
Self-Sufficiency Services	651	(651)	(0)	0.0%
Medical Care Services	1,617	(1,617)	(0)	0.0%
Housing & Community Development Services	537	(962)	(425)	-0.2%
Homeless Solutions and Equitable Communities	16,824	(16,392)	432	0.3%
<b>Total General Fund</b>	<b>\$ 99,729</b>	<b>\$ (85,781)</b>	<b>\$ 13,947</b>	<b>0.4%</b>
<b>Special Revenue Funds</b>				
Tobacco Securitization Fund	\$ 0	\$ 0	\$ 0	0.0%
<b>Total Special Revenue Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0.0%</b>
<b>Other County Funds Departments</b>				
Housing & Community Development	\$ 0	\$ 14	\$ 14	50.2%
Red. Agency/Redevelopment Successor Agency	0	0	0	0.0%
<b>Total Other County Funds Departments</b>	<b>\$ 0</b>	<b>\$ 14</b>	<b>\$ 14</b>	<b>0.2%</b>
<b>Total Health &amp; Human Services Agency</b>	<b>\$ 99,729</b>	<b>\$ (85,767)</b>	<b>\$ 13,961</b>	<b>0.4%</b>

**FY 2024-25 3rd Quarter  
Projected Year-End Results  
(in thousands)**

Schedule A

**LAND USE & ENVIRONMENT GROUP**

**General Fund Departments**

	Expenditure Variance	Revenue Variance	3rd Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			
Agriculture, Weights & Measures	\$ 1,597	\$ (1,592)	\$ 5	0.0%
Department of Environmental Health and Quality	4,463	(3,259)	1,204	1.7%
Land Use & Environment Group Exec Office	2,710	(2,360)	350	1.1%
Parks & Recreation	(0)	0	(0)	0.0%
Planning & Development Services	9,328	(9,313)	15	0.0%
Public Works	2,779	(2,779)	0	0.0%
<b>Total General Fund</b>	<b>\$ 20,877</b>	<b>\$ (19,303)</b>	<b>\$ 1,574</b>	<b>0.3%</b>

**Special Revenue Funds/Departments**

Parks & Recreation (Grazing and Fish & Game Commission)	\$ 0	\$ 77	\$ 77	166.7%
Parks & Recreation - PLDO	0	723	723	4.2%
DPW - Aviation Funds	0	0	0	0.0%
DPW - Road Fund	109,365	(19,886)	89,479	20.3%
DPW - Survey Monument Preservation	100	(100)	0	0.0%
DPW - Inactive Waste	60	(45)	15	0.2%
DPW - Waste Planning and Recycling	1,951	(123)	1,828	23.9%
Library Services	1,171	5,079	6,249	8.5%
<b>Total Special Revenue Funds</b>	<b>\$ 112,646</b>	<b>\$ (14,275)</b>	<b>\$ 98,371</b>	<b>17.9%</b>

**Internal Service Funds**

Public Works - DPW Equip. ISF Prg. (35525-35700)	\$ 27	\$ 799	\$ 826	2.9%
<b>Total Internal Service Funds</b>	<b>\$ 27</b>	<b>\$ 799</b>	<b>\$ 826</b>	<b>2.9%</b>

**Enterprise Funds**

Airport Enterprise Fund	\$ 4,955	\$ 2,781	\$ 7,736	15.8%
Wastewater Management Enterprise Fund	2,248	(2,248)	0	0.0%
<b>Total Enterprise Funds:</b>	<b>\$ 7,203</b>	<b>\$ 533</b>	<b>\$ 7,736</b>	<b>12.5%</b>

**Special District Funds/Departments**

Parks and Recreation	\$ (0)	\$ 39	\$ 39	0.6%
Parks - Community Facilities Districts	(34)	157	123	5.2%
DPW - SD County Sanitation Districts	409	1,488	1,897	2.2%
DPW - CSAs	350	15	365	44.8%
DPW - PRDs	6,632	454	7,086	70.7%
DPW - Community Facilities Districts	303	41	344	26.0%
DPW - Flood Control	24	1,136	1,160	8.3%
DPW - Street Lighting District	1,053	83	1,136	30.5%
<b>Total Special Districts Funds:</b>	<b>\$ 8,737</b>	<b>\$ 3,413</b>	<b>\$ 12,149</b>	<b>9.6%</b>

**Total Land Use & Environment Group**

<b>\$ 149,490</b>	<b>\$ (28,833)</b>	<b>\$ 120,657</b>	<b>9.9%</b>
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**FY 2024-25 3rd Quarter**  
**Projected Year-End Results**  
(in thousands)

Schedule A

**FINANCE & GENERAL GOVERNMENT  
GROUP**

Expenditure Variance	Revenue Variance	3rd Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
Favorable/(Unfavorable)			

**General Fund Departments**

Law Enforcement Review Board	\$ 109	\$ 0	\$ 109	5.4%
Assessor/Recorder/County Clerk	8,365	(8,260)	105	0.1%
Auditor & Controller	155	(16)	139	0.3%
Board of Supervisors	1,902	0	1,902	10.2%
Chief Administrative Office	85	(85)	0	0.0%
Civil Service Commission	15	(0)	15	2.1%
Clerk of the Board of Supervisors	161	53	214	3.8%
County Communications Office	446	(387)	59	1.2%
County Counsel	734	1,257	1,991	4.1%
County Technology Office	0	0	0	0.0%
Finance & GG Exec Office	365	(365)	0	0.0%
General Services	(0)	0	(0)	0.0%
Grand Jury	46	0	46	5.8%
Human Resources	1,246	(1,474)	(229)	-0.6%
Purchasing & Contracting	0	0	0	—
Registrar of Voters	1,105	(273)	832	1.7%
Treasurer-Tax Collector	208	201.8	409	1.5%
<b>Total General Fund</b>	<b>\$ 14,941</b>	<b>\$ (9,349)</b>	<b>\$ 5,592</b>	<b>1.3%</b>

**Internal Service Funds Departments**

CTO - Information Technology	\$ (0)	\$ 0	\$ 0	0.0%
Facilities Management	0	(0)	(0)	0.0%
Major Maintenance ISF	0	4	4	0.0%
Fleet Management	0	0	0	0.0%
Purchasing & Contracting	1,518	1,257	2,775	11.9%
<b>Total Internal Service Funds</b>	<b>\$ 1,518</b>	<b>\$ 1,261</b>	<b>2,779</b>	<b>0.4%</b>

**Total Finance & General  
Government Group**

<b>\$ 16,458</b>	<b>\$ (8,087)</b>	<b>\$ 8,371</b>	<b>0.7%</b>
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**FY 2024-25 3rd Quarter**  
**Projected Year-End Results**  
(in thousands)

**GENERAL PURPOSE REVENUE &  
FINANCE OTHER**

**General Fund**

General Purpose Revenue:

	Expenditure Variance	Revenue Variance	3rd Quarter FY24-25 Projected Fund Balance	% of Proj FB to Budget
	Favorable/(Unfavorable)			
All Current Property Taxes	\$ 0	\$ 6,710	\$ 6,710	0.7%
All Other Taxes-Local	0	24,059	24,059	3.4%
Licenses, Permits & Franchises	0	(181)	(181)	-4.8%
Fines, Forfeitures & Penalties	0	4,507	4,507	18.6%
Revenue for Use of Money & Property	0	(5,836)	(5,836)	-9.4%
Intergovernmental Revenue	0	2,617	2,617	1.3%
Charges for Current Services	0	1,174	1,174	55.9%
Miscellaneous Revenue	0	0	0	0.0%
<b>Total General Purpose Revenue</b>	<b>\$ 0</b>	<b>\$ 33,052</b>	<b>\$ 33,052</b>	<b>1.6%</b>

General County Expenses:

Cash Borrowing Program	\$ 0	\$ 0	\$ 0	—
Community Enhancement	0	0	0	0.0%
Contribution to County Library	15	0	15	100.0%
Contributions to the Capital Outlay Fund	2,023	0	2,023	0.6%
Lease Payments - Bonds	735	(1)	733	2.9%
Local Agency Formation Comm Admin	0	0	0	0.0%
Neighborhood Reinvestment Program	0	0	0	0.0%
Appropriation for Contingencies	8,395	0	8,395	45.8%
Countywide Expenses	106	1,507	1,613	0.6%
Total Finance Other Expenses	11,273	1,506	12,780	1.8%
<b>Total General Fund</b>	<b>\$ 11,273</b>	<b>\$ 34,558</b>	<b>\$ 45,831</b>	<b>6.4%</b>

**Capital Program Funds**

Capital Program	\$ 4,933	\$ (4,933)	\$ 0	0.0%
<b>Total Capital Program Funds</b>	<b>\$ 4,933</b>	<b>\$ (4,933)</b>	<b>\$ 0</b>	<b>0.0%</b>

**Internal Service Funds Departments**

Workers Compensation	\$ 1,051	\$ 13	\$ 1,063	1.8%
Unemployment Insurance	0	0	0	0.0%
Insurance ISF	0	33	33	0.3%
Public Liability	0	107	107	0.1%
<b>Total ISF Funds</b>	<b>\$ 1,051</b>	<b>\$ 153</b>	<b>\$ 1,204</b>	<b>0.8%</b>

**Debt Service Funds Departments**

Pension Obligation Bonds	\$ 40	\$ 530	\$ 570	0.7%
<b>Total Debt Service Funds</b>	<b>\$ 40</b>	<b>\$ 530</b>	<b>\$ 570</b>	<b>0.7%</b>

**Total General Purpose Revenue & Finance  
Other**

<b>\$ 17,296</b>	<b>\$ 30,309</b>	<b>\$ 47,605</b>	<b>2.6%</b>
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**FY 2024-25 3rd Quarter**  
**Projected Year-End Results**  
(in thousands)

Schedule B

Category	Projected Appropriation for Contingencies	Projected Operating Balances	3rd Quarter FY24-25 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund			
Public Safety	\$ 0	\$ (14,345)	\$ (14,345)
Health and Human Services Agency	0	13,947	13,947
Land Use and Environment	0	1,574	1,574
Finance & General Government	0	5,592	5,592
Agency/Group Totals	\$ 0	\$ 6,768	\$ 6,768
General Purpose Revenue	\$ 0	\$ 33,052	\$ 33,052
General County Expenses	0	4,384	4,384
Appropriation for Contingencies	8,395	0	8,395
Total General Purpose Revenue & General County Expense	\$ 8,395	\$ 37,436	\$ 45,831
Total General Fund	\$ 8,395	\$ 44,205	\$ 52,600

**COUNTY OF SAN DIEGO  
NOTES TO SCHEDULES A and B  
Fiscal Year 2024-25 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.

*Appropriation for Contingency*

The County's General Fund budget includes Appropriation for Contingency pursuant to Government Code §29084. Transfers and revisions to the appropriation for contingencies may be made by formal action of the Board of Supervisors, by a four-fifths vote (Government Code §29125). Schedule B presents projection of the Appropriation for Contingency.

*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. No Management Reserves were budgeted in Fiscal Year 2024-25.

*Variance Reporting*

Departments project variances from the Operational Plan based on revised expectations or on actual revenues/expenditures to date. Significant variances (greater than \$500,000) in total expenditures, total revenue, net variance, or object variance are discussed below and categorized by fund.

**3rd Quarter Operational Fund Balance for Fiscal Year 2024-25**

*Schedule A* summarizes the County's Fiscal Year 2024-25 operational results, measured by fund balance from current year operations, excluding anticipated designation of fund balance (restricted, committed, assigned) or final adjustments to take place in the annual comprehensive financial report (ACFR). Projected fund balance for the General Fund is \$52.6 million, and for all budgetary funds combined is projected to be \$179.1 million. In the General Fund, all business groups are projected to produce operating balances

except for Public Safety Group: Health and Human Services Agency (\$13.9 million), Land Use and Environment Group (\$1.6 million), Finance and General Government Group (\$5.6 million) and Finance Other (\$45.8 million); offset by negative fund balance in Public Safety Group (\$14.3 million).

The balance for all other funds combined are projected to be \$126.5 million and consist of positive fund balance in Special Revenue Funds (\$99.8 million), Special District Funds (\$13.5 million), Enterprise Funds (\$7.7 million), Internal Service Funds (\$4.8 million) and Debt Services – Pension Obligation Bonds (\$0.6 million).

## **PUBLIC SAFETY GROUP**

The Public Safety Group is projecting a negative overall variance of \$11.5 million, of which \$14.3 million is tied to negative variance in the General Fund and \$2.8 million is tied to positive variances in all other funds combined. The details of these variances are noted below.

### **General Fund**

#### *Child Support*

A positive variance of \$1.6 million is projected for the Department of Child Support Services.

A positive expenditure variance of \$3.6 million is projected. A positive variance of \$1.3 million in Salaries & Benefits is due to vacant and modified positions, \$2.8 million in Services & Supplies due to lower expenses related to facility projects, information technology, and contracted services, and \$0.1 million in Capital Assets/Land Acquisition, offset by a negative variance of \$0.6 million in Expenditure Transfer & Reimbursements, due to lower than anticipated expenditures in the Bureau of Public Assistance Investigations for cost of staffing and services reimbursed by Health and Human Services Agency.

A negative revenue variance of \$2.0 million is projected. A negative variance \$2.1 million in Intergovernmental Revenues is due to lower than anticipated State and federal reimbursement revenue related to expenditure savings mentioned above, offset by a positive variance of \$0.1 million in Charges For Current Services, due to higher payments from the California Department of Child Support Services.

#### *District Attorney*

A positive variance of \$0.8 million is projected for the District Attorney's Office.

A positive expenditure variance of \$1.8 million is projected in Salaries & Benefits due to attrition, vacant and modified positions.

A negative revenue variance of \$1.0 million is projected in Intergovernmental Revenues due to less than anticipated expenditures funded by the Community Corrections Subaccount.

### *Probation*

There is no overall variance projected for the Probation Department.

No expenditure variance is projected.

No overall revenue variance is projected. Although no variance is projected, there is a negative revenue variance of \$5.1 million in Intergovernmental Revenues, primarily due to lower costs associated with implementation of the California Advancing and Innovating Medi-Cal program and Community Corrections Subaccount-funded programs. A positive revenue variance of \$5.1 million in Other Financing Sources is due to the use of available Proposition 172 fund balance to offset lower projected receipts and to fund increased costs related to health care contracts.

### *Public Defender*

A negative variance of \$1.9 million is projected in the Public Defender.

No expenditure variance is projected. Although no variance is projected, the Public Defender originally projected a negative expenditure variance of \$2.0 million in Salaries & Benefits. This projection will be partially mitigated by the transfer of appropriations from Services & Supplies and a 3<sup>rd</sup> Quarter Status Adjustment that will provide \$1.8 million in appropriations based on over-realized General Purpose Revenue to support salaries and benefits costs. The department will continue to monitor costs to ensure costs stay within budget.

A negative revenue variance of \$1.9 million is projected in Intergovernmental Revenues due to lower than anticipated reimbursements for eligible case activities funded by CARE Act, Edward Byrne Memorial Justice Assistance Grant (JAG) and State mandated reimbursements, offset by unanticipated reimbursements from the Public Defense Pilot Program.

### *San Diego County Fire*

There is no significant overall variance projected for the San Diego County Fire.

A positive expenditure variance of \$3.1 million is projected. A positive variance of \$0.1 million in Salaries & Benefits due to vacancies, \$2.8 million in Services & Supplies due to lower contracted services resulting from delays in obtaining Environmental Historical Preservation report approval from FEMA for Home Hardening projects, and \$0.2 million in Other Charges due to lower payments to reimburse fire agencies managed by County Fire.

A negative revenue variance of \$3.1 million is projected primarily in Intergovernmental Revenues due to lower grant reimbursements related to expenditures mentioned above.

### *Sheriff*

A negative variance of \$15.2 million is projected for the Sheriff's Office.

No significant expenditure variance is projected.

The Sheriff's Office originally projected a negative expenditure variance of \$24.8 million in Salaries & Benefits due to the centralized salary adjustment which reduced appropriations available for budgeted positions. This variance will be mitigated by a 3<sup>rd</sup> Quarter Status Adjustment that will provide \$9.1 million in appropriations based on over-realized General Purpose Revenue. This projection also takes into consideration the transfer of \$15.7 million in appropriations from Services & Supplies (\$11.8 million), Other Charges (\$3.5 million) and Capital Assets Equipment (\$0.4 million) to support Salaries & Benefits costs. The positive variances are related to lower costs in various accounts supporting operations such as uniform allowance, vehicle maintenance, lease, fuel and contributions to ISF, travel and investigative expenses as well as expenditures supporting incarcerated persons. These are offset by higher than anticipated costs related to increased services in jails for temporary medical staffing and lab equipment maintenance and supplies. The positive variances include one-time software, professional and specialized services and equipment associated with the CA Fentanyl Abatement Funding, Community Project Funding, Cal-ID program, Regional Communication System (RCS), and Medi-Cal Transformation PATH that will be rebudgeted in Fiscal Year 2025-26.

A negative revenue variance of \$15.2 million is projected. A negative variance of \$8.6 million is projected in Intergovernmental Revenues due to lower than anticipated costs for Medi-Cal Transformation PATH, Community Corrections Subaccount, CA Fentanyl Abatement Funding and Community Project Funding mentioned above, offset by positive variances due to higher than anticipated revenue from the federal government for the State Criminal Alien Assistance Program, in Citizen's Options for Public Safety and from the State reimbursement of costs to provide a jail-based competency treatment program. Projected negative variances of \$3.3 million in Fines, Forfeitures & Penalties is due to lower costs for the Cal-ID program as mentioned above, \$1.5 million in Miscellaneous Revenues due to lower expenditures in RCS projects mentioned above and lower than anticipated costs for Opioid Settlement, \$1.2 million in Charges For Current Services due to a lower reimbursement for law enforcement services due to vacancies and lower than anticipated reimbursement from the Trial Court Security Subaccount, and \$1.0 million in Other Financing Sources due to lower transfers from the Incarcerated Peoples' Welfare Fund and Jail Commissary Enterprise Fund associated with vacant positions. These are offset by a projected positive revenue variance of \$0.4 million in Licenses, Permits and Franchises due to higher collections from license fees.

### **Special Revenue Funds**

### *Sheriff's Asset Forfeiture Program*

A positive variance of \$1.2 million is projected in the Sheriff's Asset Forfeiture Program (US Department of Justice, US Treasury Department and State).

No expenditure variance is projected.

A positive revenue variance of \$1.2 million is projected. A positive variance of \$0.6 million in Fines, Forfeitures & Penalties is based on increased asset forfeiture from State seizures, \$0.4 million in Intergovernmental Revenues due to increased asset forfeiture from US Department of Justice, and \$0.2 million in Revenue from Use of Money & Property for higher interest earnings.

### *Sheriff's Incarcerated Peoples' Welfare Fund*

A positive variance of \$0.2 million is projected for the Incarcerated Peoples' Welfare Fund.

A positive expenditure variance of \$1.7 million is projected. A positive variance of \$1.2 million in Services & Supplies is due to lower operational costs related to scheduling challenges and meeting required facility safety and security protocols for classes provided to incarcerated people. A positive variance of \$0.5 million is projected in Operating Transfers Out associated with vacant positions in the General Fund.

A negative revenue variance of \$1.5 million is projected in Other Financing Sources due to a decrease in operating transfers from the Sheriff's Jail Commissary Enterprise Fund based on lower than anticipated proceeds generated by the Jail Stores Commissary. Penal Code 4025 requires that all proceeds by the Jail Stores Commissary be deposited in the Sheriff's Incarcerated Peoples' Welfare Fund.

### *Proposition 172*

There is no overall variance projected for Proposition 172 (Prop 172) Special Revenue Fund.

No expenditure or revenue variance projected. There are lower receipts projected for the current fiscal year (\$5.2 million) and over-accrual in the prior year (\$2.0 million). Operating Transfers Out will be requested by General Fund departments as budgeted in Fiscal Year 2024-25. This will result in Proposition 172 Special Revenue reimbursements from available Fund Balance to account for the revenue shortfall.

## **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 \$1.5 million is projected in Operating Transfers Out due to a decrease in the transfer of commissary proceeds to the Sheriff's Incarcerated Peoples' Welfare Fund.

A negative revenue variance of \$1.5 million is projected in Miscellaneous Revenues due to lower than projected sales generated by commissary sales.

## **Special District Funds**

### *San Diego County Fire Protection District*

A positive variance of \$1.2 million is projected for San Diego County Fire Protection District.

No significant expenditure variance is projected.

A positive revenue variance of \$1.2 million is projected. A positive revenue variance of \$1.3 million is projected in Miscellaneous Revenues due to reimbursement from REV Renewables and Energy Storage for the Otay Mesa Battery Fire incident response, offset by a negative variance of \$0.1 million in Revenue From Use of Money due to lower interest apportionment.

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

The Health and Human Services Agency is projecting a positive overall variance of \$13.9 million, tied to a positive variance in the General Fund. The details of these variances are noted below.

### **General Fund**

#### *Administrative Support*

Administrative Support is projecting an overall positive variance of \$0.8 million.

A positive expenditure variance of \$3.3 million is projected and includes positive variances of \$1.7 million in Salaries & Benefits tied to vacant positions and attrition, and \$1.6 million in Services & Supplies primarily due to lower than anticipated IT costs.

A negative revenue variance of \$2.5 million is projected in Intergovernmental Revenues and consists of negative variances of \$1.7 million in Public Health revenues primarily tied to the Future of Public Health (FOPH) revenue aligning with State's revised allocation, lower-than-anticipated COVID-19 Expanding Laboratory Capacity grant funding, offset by the Health Disparities grant to fund staffing costs and mitigate the impact of FOPH revenue loss; \$1.0 million in Realignment to align with spending; and \$0.6 million in social services administrative revenues to align with anticipated federal and State funding and projected expenditures. These negative variances are offset by a positive variance of \$0.8 million in Federal Emergency Management Agency (FEMA) revenue associated with local health emergency response costs.

### *Aging & Independence Services*

There is no overall variance projected for Aging & Independence Services (AIS).

A positive expenditure variance of \$6.1 million is projected and includes a negative variance of \$2.3 million in Salaries & Benefits due to a lower vacancy rate than budgeted, a positive variance of \$7.7 million in Services & Supplies, a negative variance of \$0.1 million in Other Charges due to an increase in indigent burials by the Public Administrator, and a positive variance of \$0.8 million in Operating Transfers Out due to In-Home Supportive Services (IHSS) Public Authority increased fraud investigation and background checks tied to increased cases. The \$7.7 million positive variance in Services & Supplies is primarily tied to positive variances of \$5.7 million in contracted services in Home Safe and California Department of Aging (CDA) programs and the roll out of Modernizing Older California Act (MOCA) and CDA American Rescue Plan Act programs over future fiscal years; an adjustment of \$1.7 million to align the budget to the anticipated IHSS Maintenance of Effort (MOE) for IHSS Individual Providers; \$0.9 million due to the phased implementation needed to accommodate the increasing number of participants in the San Diego Veterans Independence Service at Any Age (SD-VISA) program; and a \$0.5 million to align with CDA Area Plan revised allocations. These positive variances are partially offset by a negative variance of \$1.1 million in various services and supplies tied to program operational need and increased IT costs.

A negative revenue variance of \$6.1 million is projected and includes negative variances of \$5.5 million in Intergovernmental Revenues, \$0.6 million in Miscellaneous Revenues mainly tied to funding from the U.S. Department of Veterans Affairs due to lesser expenditures in the SD-VISA program as noted above, and \$0.2 million in Other Financing Sources due to Tobacco Securitization Funds reallocated and projected in Behavioral Health Services, partially offset by a positive variance of \$0.2 million in Current Services due to an increase in Public Administrator estate fees. The negative variance of \$5.5 million in Intergovernmental Revenues includes \$5.1 million in Realignment revenue to align with spending and \$0.4 million in federal and State funding primarily associated with reduced expenditures in the IHSS MOE, CDA Area Plan services due to allocation reduction, and utilizing CDA one-time only funding in future years as noted above.

### *Behavioral Health Services*

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

There is no overall variance projected for BHS.

A positive expenditure variance of \$29.3 million is projected and includes positive variances of \$4.4 million in Salaries & Benefits attributed to longer timeframes to hire staff, hard to recruit classifications, and vacancies due to attrition, \$24.6 million in Services & Supplies, and \$0.3 million in Other Charges due to less usage of housing funds as new processes are being implemented. The positive variance of \$24.6 million in Services & Supplies is driven by a net positive variance of \$26.5 million to align contracted services with anticipated spending associated with a range of mental health (MH) and substance use disorder (SUD) programs adjusting for contractor staffing vacancies and projected utilization in both MH and SUD residential bed days, partially offset by negative variances in one-time IT resource needs and temporary staffing costs at the SDCPH. Additionally, the operating variance is also offset by a negative variance of \$1.9 million for an estimated penalty tied to Incompetent to Stand Trial (IST) determinations. The Welfare & Institutions Code section 4336 establishes a growth cap for each county for felony Incompetent to Stand Trial determinations and includes a county penalty if a county exceeds a growth cap based on Fiscal Year 2021-22 data. The County's growth cap was exceeded in Fiscal Year 2023-24 and \$3.8 million for penalties related to the IST is to be paid to the California Department of State Hospitals (DSH) based on a formula. This penalty is for any county that exceeds its baseline IST determination count regardless of whether the county contracts with DSH for IST community-based restoration or IST diversion. The total penalty is estimated to be \$3.8 million of which \$1.9 million is projected in HHSA and \$1.9 million is projected within the Public Safety Group.

A negative revenue variance of \$29.3 million is projected and includes negative variances of \$25.5 million in Intergovernmental Revenues, \$3.3 million in Charges for Current Services tied to a decrease in Intergovernmental Transfer (IGT) revenue primarily due to decrease in census enrollment days for Medi-Cal, and \$1.1 million in Miscellaneous Revenues due to the recoupment of payments in contracted services from prior year adjustments. This is partially offset by positive variances of \$0.4 million in Revenue From Use Of Money & Property primarily for interest on deposits and investments and \$0.2 million in Other Financing Sources due to reallocation of Tobacco Securitization Funds from AIS. The \$25.5 million negative variance in Intergovernmental Revenues is tied to aligning Mental Health Services Act and Behavioral Health Realignment funding to anticipated expenditures, offset by additional federal and State funding tied to anticipated billable service units under payment reform.

*Child and Family Well Being*

There is no overall variance projected for Child and Family Well-Being (CFWB).

A positive expenditure variance of \$4.9 million is projected and includes positive variances of \$0.9 million in Salaries & Benefits due to vacancies and attrition, \$2.4 million in Services & Supplies due to a variance from budget in various services and supplies tied to program operational need, and \$1.6 million in Other Charges largely due to slower-than-expected ramp-up of Complex Care projects and alignment with revised projected caseloads in assistance programs.

A negative revenue variance of \$4.9 million is projected in Intergovernmental Revenues and includes negative variances of \$6.7 million in Realignment revenue to align with spending and \$1.6 million in social services administrative revenues to align with anticipated federal and State funding and projected expenditures mentioned above, partially offset by \$3.4 million in State assistance payment revenues associated with revised caseload projections.

#### *Homeless Solutions and Equitable Communities*

Homeless Solutions and Equitable Communities (HSEC) consists of the following: Office of Homeless Solutions (OHS), Office of Equitable Communities (OEqC), Office of Immigrant and Refugee Affairs (OIRA) and HSEC Administration (HSEC Admin).

Effective December 13, 2024, HSEC operations have transitioned and integrated under several Agency departments to better streamline services and maximize efficiencies. The following programs are now operationally realigned as follows: OHS is now part of Housing and Community Development Services, OEqC has now joined Administrative Support in the Office of Strategy and Innovation, and OIRA has joined Self Sufficiency Services. The budget and ongoing financial reporting for HSEC will continue to be reflected under its current financial structure until the end of this fiscal year. As of July 1, 2025, the organizational structure will be fully transitioned to reflect both updated operations and financial reporting.

An overall positive variance of \$0.4 million is projected for Homeless Solutions and Equitable Communities (HSEC).

A positive expenditure variance of \$16.8 million is projected and includes positive variances of \$4.1 million in Salaries & Benefits due to vacancies and attrition, and \$12.7 million in Services & Supplies. The positive variance of \$12.7 million in Services & Supplies includes positive variances of \$12.6 million tied to the Federal Emergency Management Agency Shelter and Services Program as the program was never developed due to changes in available funding; \$1.9 million primarily to align projected spending for CDC Community Health Worker Resilient grant, projected lower costs tied to the Community Services Block Grant (CSBG) Communities in Action program, and overall contract savings primarily tied to outreach, conflict resolution and refugee support services that were carried forward from the prior year; and \$1.6 million primarily tied to refugee services due to lower than projected eligible population. These positive variances are offset by negative variances of \$2.0 million tied to Senate Bill (SB) 109 to support asylum-seeking migrants with their onward travel and \$1.4 million in various ISF accounts primarily tied to rents and leases.

A negative revenue variance of \$16.4 million is projected and includes negative variances of \$16.3 million in Intergovernmental Revenues and \$0.1 million in Charges for Current Services mainly due to revised estimated dispute resolution fees, aligning it with projected spending on contracted mediation services. The negative variance of \$16.3 million in Intergovernmental Revenues consists of \$13.1 million tied to the Federal Emergency Management Agency revenue for the Shelter and Services Program mentioned above, \$1.6 million in social services administrative revenues to align with revised allocations, \$1.3 million in Refugee grant to align with projected cost associated with refugee services, \$1.4 million tied to the ending of one-time grants associated with Community Health Workers Resilient grant and Health Disparities grant, \$1.0 million in Realignment revenue to align with spending, \$0.1 million tied to Medi-Cal Administrative Activities (MAA) revenues based on estimated receipts, and \$0.1 million tied to CSBG due to projected costs as noted above. These negative variances are partially offset by additional revenues of \$2.0 million tied to SB109 for supplemental migrant support services and \$0.3 million tied to Local Immigrant Integration and Inclusion Grant.

### *Housing & Community Development Services*

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

An overall negative variance of \$0.4 million is projected for HCDS.

A positive expenditure variance of \$0.5 million is projected and includes a positive variance of \$1.3 million in Salaries & Benefits due to attrition and vacant positions, a negative variance of \$1.5 million in Services & Supplies, and a positive variance of \$0.7 million in Other Charges primarily in HOME Tenant Based Rental Assistance (TBRA) due to lower-than-anticipated referrals and a gradual transition in enrolling newly eligible participants under the Transitional Aged Youth (TAY) program. The negative variance of \$1.5 million in Services & Supplies includes negative variances of \$1.0 million in the Inclement Weather Program that provides safe temporary housing to impacted individuals during inclement weather, \$0.4 million in temporary staff helping to mitigate online application portal issues that would have impacted the opening of waitlists for three new Project Based Voucher developments, and \$0.1 million in the landlord incentive program to increase access to housing for our homeless clients in support of the County's effort to end homelessness for veterans.

A negative revenue variance of \$0.9 million is projected in Intergovernmental Revenues mainly to align federal revenues with projected costs associated with the HOME TBRA as noted above.

### *Medical Care Services*

There is no overall variance projected for Medical Care Services (MCS).

A positive expenditure variance of \$1.6 million is projected and includes a positive variance of \$2.5 million in Salaries and Benefits primarily due to vacancies, and a negative variance of \$0.9 million in Services and Supplies. The negative variance of \$0.9 million in Services and Supplies includes \$0.4 million primarily for increased in Medi-Cal Administrative Activities (MAA) and Targeted Case Management (TCM) administrative fees associated with higher program revenue, as fees are calculated as a percentage of revenue received, \$0.3 million for California Home Visiting Program (CHVP) grant funded costs such as educational supplies and resources for families to encourage participation in the program, and \$0.2 million for temporary help associated with Pharmacy operational needs.

A negative revenue variance of \$1.6 million is projected and includes a negative variance of \$1.9 million in Intergovernmental Revenues offset by a positive variance of \$0.3 million in Miscellaneous Revenues tied to the Sharp Rural Health and Pharmacy dispensing fees. The negative variance of \$1.9 million Intergovernmental Revenues includes a negative variance of \$6.4 million in Realignment due to the reallocation to Public Health Services and to align with spending, partially offset by positive variances of \$2.4 million for Medi-Cal Administrative Activities revenues based on estimated receipt, and \$2.1 million primarily related to additional revenue for the CHVP to support evidenced based home visiting.

## *Public Health Services*

An overall positive variance of \$13.1 million is projected for Public Health Services (PHS).

A positive expenditure variance of \$36.5 million is projected and includes a positive variance of \$2.2 million in Salaries & Benefits due to vacancies and attrition, a positive variance of \$30.2 million in Services & Supplies, a negative variance of \$0.4 million in Other Charges tied to additional housing cost for temporary lodging, a positive variance of \$4.4 million in Capital Assets Equipment associated with longer than anticipated delivery of equipment, and a positive variance of \$0.1 million in Expenditure Transfer & Reimbursement due to additional water testing payments. The positive variance of \$30.2 million in Services & Supplies consists of \$16.8 million resulting primarily from procurement delays associated with identification and timing of equipment delivery, installation, and validation testing, \$6.7 million in IT project delays due to ongoing contract negotiations, \$4.6 million for the Immunizations program to align projected spending with the grant resources and workplan, and \$2.1 million in contracted temporary staffing costs associated with the demobilization of COVID-19 associated activities. Epidemiology & Laboratory Capacity Enhancing Detection, Epidemiology & Laboratory Capacity Enhancing Detection Expansion, and Epidemiology & Laboratory Capacity Infection Prevention Control grants were terminated early by the US Health & Human Services Agency. A Temporary Restraining Order was subsequently issued by the U.S. District Court for the District of Rhode Island that affected all grant recipients nationwide, reinstating the original funding pending a final court ruling. Third Quarter projections assume continuity of these federal funds.

A negative revenue variance of \$23.4 million is projected and includes negative variances of \$23.3 million in Intergovernmental Revenues and \$0.4 million in Charges for Current Services primarily to align projected reimbursements and fees in Vital Records, offset by a positive variance of \$0.3 million in Miscellaneous Revenues based on an anticipated grant allocation to support the development of Public Health professionals. The negative variance of \$23.3 million in Intergovernmental Revenues is primarily tied to negative variances of \$19.3 million in COVID-19 Expanding Laboratory Capacity, \$5.8 million in COVID Health Disparities grant to align with projected spending as noted above, \$5.1 million in Immunization Action Plan grant to align with workplan, \$3.0 million in Medi-Cal Administrative Activities revenues based on estimated receipt, \$2.4 million in Future of Public Health due to revised allocation estimate, and \$1.1 million in California Children's Services (CCS) tied to prior year revenue adjustments. These negative variances are offset by positive variances of \$12.9 million in Federal Emergency Management Agency (FEMA) revenue for prior year expenditures associated with local health emergency response costs and \$0.5 million in Realignment revenue due to reallocation from Medical Care Services and to align with spending.

### *Self-Sufficiency Services*

There is no overall variance projected for Self-Sufficiency Services (SSS).

A positive expenditure variance of \$0.7 million is projected and includes a positive variance of \$1.8 million in Salaries & Benefits primarily tied to vacancies, a negative variance of \$11.7 million in Services & Supplies, and a positive variance of \$10.6 million in Other Charges. The negative variance of \$11.7 million in Services & Supplies is primarily tied to increases in contracted services based on revised allocations for the California Work Opportunity and Responsibility to Kids (CalWORKs) Housing Support Program due to the California Department of Social Services redistribution of unspent prior year funding. The positive variance of \$10.6 million in Other Charges is tied to positive variances of \$12.2 million in the Participant Benefits programs mainly in Child Care Stage 1 due to revised projected caseloads and \$8.3 million in EBT Skimming mainly tied to estimated EBT Fraud payments, partially offset by negative variances of \$5.1 million in the CalWORKs support services programs based on projected cost and caseload levels, and \$4.8 million in the General Relief program based on revised estimated caseload levels.

A negative revenue variance of \$0.7 million is projected and includes a negative variance of \$2.1 million in Intergovernmental Revenues to align social services administrative revenues to final allocations and projected spending, offset by positive variances of \$0.8 million in Miscellaneous Revenues tied to contractor overpayments from Fiscal Year 2023-24, \$0.4 million in Revenue from Use of Money and Property tied to unanticipated GASB 87 lease revenue, and \$0.2 million in Fines, Forfeitures & Penalties based on reimbursement of eligible costs for the Physician Emergency Services program.



## **LAND USE AND ENVIRONMENT GROUP**

The Land Use and Environment Group is projecting a positive overall variance of \$120.7 million, of which \$1.6 million is tied to a positive variance in the General Fund and \$119.1 million is tied to positive variances in all other funds combined. The details of these variances are noted below.

### **GENERAL FUND**

#### *Land Use and Environment Group (LUEG) Executive Office*

An overall positive variance of \$0.3 million is projected for the Land Use and Environment Group Executive Office.

A positive expenditure variance of \$2.7 million is projected. A positive variance of \$0.3 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$2.4 million in Services & Supplies is due to grant project related to air purifier that will no longer be managed through the LUEG Executive Office. The grant and program will be managed by the Air Pollution Control District.

A negative revenue variance of \$2.4 million is projected. Negative variances of \$2.2 million in Intergovernmental Revenues and \$0.2 million in Miscellaneous Revenues are due to grant project and associated revenue to be managed by the Air Pollution Control District.

#### *Environmental Health and Quality*

An overall positive variance of \$1.2 million is projected for the Department of Environmental Health and Quality.

A positive expenditure variance of \$4.5 million is projected. A positive variance of \$2.1 million in Salaries & Benefits is due to vacancies and under-filled positions. A positive variance of \$2.4 million in Services & Supplies resulting from reduced contract costs due to contracts not being awarded and a modified scope of work for a major maintenance project.

A negative revenue variance of \$3.3 million is projected. A negative variance of \$2.1 million is projected in Licenses, Permits & Franchises due to fewer permit renewals. A negative variance of \$1.3 million in Charges for Current Services due to less than anticipated services requested by customers. A positive variance of \$0.1 million in Fines, Forfeitures & Penalties due to increased permit late fee collection.

### *Agriculture, Weights & Measures*

No significant variance is projected for the Department of Agriculture, Weights & Measures

A positive expenditure variance of \$1.6 million is projected. A positive variance of \$1.7 million in Salaries & Benefits is due to vacancies and under-filled positions, and a negative variance of \$0.1 million in Expenditure Transfer & Reimbursements due to lower than anticipated service requests from other General Fund County departments.

A negative revenue variance of \$1.6 million is projected. A negative variance of \$0.9 million in Intergovernmental Revenues due to less than anticipated reimbursements related to State contracts. A negative variance of \$0.7 million in Licenses, Permits & Franchises is due to less than anticipated permits issued related to export certificates. A negative variance of \$0.1 million in Charges For Current Services is due to lower than anticipated service requests from non-General Fund County departments partially offset by a positive variance of \$0.1 million in Fines, Forfeitures & Penalties due to an error in revenue posting.

### *Planning and Development Services*

No significant variance is projected for the Department of Planning & Development Services.

A positive expenditure variance of \$9.3 million is projected. A positive variance of \$4.8 million in Salaries & Benefits is due to vacancies and under-filled positions. A positive variance of \$4.2 million in Services & Supplies is primarily due to schedule changes to one-time only information technology (IT) projects, reduced consultant contract spending, and delayed spending related to grants. A positive variance of \$0.3 million in Expenditure Transfer & Reimbursements due to a higher than anticipated service requests from other General Fund County departments.

A negative revenue variance of \$9.3 million is projected. A negative variance of \$7.7 million in Charges for Current Services due to a decline in billable activities for land development, project planning, and building projects due to staff vacancies. A negative variance of \$1.6 million in Intergovernmental Revenues is due to delays in grant related projects.

### *Department of Public Works*

No variance projected for Department of Public Works – General Fund.

A positive expenditure variance of \$2.8 million is projected. A positive variance of \$0.7 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$2.1 million

in Services & Supplies is due to less than anticipated Fleet ISF costs and road materials for Closed Landfills due to utilizing asphalt grindings at no cost.

A negative revenue variance of \$2.8 million is projected. A negative variance of \$1.7 million in Miscellaneous Revenues due to less than anticipated reimbursement from the Environment Trust Fund due to savings in landfills road materials, as noted above. A negative variance of \$0.7 million in Charges For Current Services due to reduced labor charges for land development projects due to staff vacancies. A negative variance of \$0.4 million in Revenue From Use of Money & Property due to less than anticipated rents and leases revenue in Closed Landfills.

## **SPECIAL REVENUE FUNDS**

### *Department of Public Works – Road Fund*

An overall positive variance of \$89.5 million is projected for the Department of Public Works Road Fund.

A positive expenditure variance of \$109.4 million is projected. A positive variance of \$6.7 million in Salaries & Benefits is due to staff vacancies and under-filled positions. A positive variance of \$101.7 million in Services & Supplies is due to scheduled project changes in Capital Improvement Program (CIP) Detailed Work Plan that will be re-budgeted in Fiscal Year 2025-26 and savings in consultant contracts due to County staff performing services in lieu of consultants and contractors. A positive variance of \$1.0 million in Other Charges is due to right-of-way easement scheduled project changes for Camino del Rey project that will be re-budgeted in Fiscal Year 2025-26.

A negative revenue variance of \$19.9 million is projected. A negative variance of \$11.7 million in Taxes Other than Current Secured is due to TransNet project schedule changes. A negative variance of \$9.3 million in Intergovernmental Revenues is due to project schedule changes for State and federal grant funded capital projects (\$13.0 million); offset by a positive variance of \$3.7 million due to anticipated increases in State Gas Tax and State/federally funded grant projects. A negative variance of \$4.6 million in Charges For Current Services is due to schedule changes for other County funded capital projects (\$3.3 million) and due to Helix Water District funding a portion of the cost for Bradley Avenue capital projects (\$1.3 million). A negative variance of \$0.4 million in Licenses, Permits & Franchise due to a decrease in anticipated SDG&E franchise fees. A positive variance of \$6.0 million in Revenue from Use of Money & Property due to anticipated increase in interest earned. A positive variance of \$0.1 million in Other Financing Sources due to General Fund funded bike lane improvement projects.

### *Department of Public Works – County Waste Management and Recycling*

An overall positive variance of \$1.8 million is projected for County Waste Management and Recycling.

A positive expenditure variance of \$1.9 million is projected. A positive variance of \$0.1 million in Salaries & Benefits is due to vacancies. A positive variance of \$1.8 million in Services & Supplies is mostly due to less than anticipated professional and specialized services and consultant contracts due to delays in contract procurement.

A negative revenue variance of \$0.1 million is projected. A negative variance of \$0.3 million in Intergovernmental Revenues is due to prior fiscal year deposit correction. A positive variance of \$0.2 million in Fines, Forfeitures & Penalties is due to an increase in Construction & Demolition (C&D) forfeitures.

#### *San Diego County Library*

An overall positive variance of \$6.2 million is projected for the San Diego County Library.

A positive expenditure variance of \$1.1 million is projected. A positive variance of \$0.1 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$1.0 million in Services & Supplies is due to savings in IT costs and Minor Equipment.

A positive revenue variance of \$5.1 million is projected. A positive variance of \$3.9 million in Taxes Current Property is due to assessed value growth from property taxes. A positive variance of \$1.0 million in Intergovernmental Revenues is due to higher than anticipated funding for the telecommunications and information program. A positive variance of \$0.2 million in Revenue From Use of Money & Property is due to an increase in interest earnings.

#### *Department of Parks and Recreation - Parkland Dedication Fund*

An overall positive variance of \$0.7 million is projected in the Parkland Dedication Fund.

No significant expenditure variance is projected.

A positive revenue variance of \$0.7 million is projected. A positive variance of \$0.4 million in Revenue From Use of Money & Property is due to higher than anticipated interest earned. A positive variance of \$0.3 million in Licenses, Permits & Franchises due to higher than anticipated land development activity resulting in additional revenue from Park Land Dedication fees.

### **SPECIAL DISTRICT FUNDS**

#### *Department of Public Works - Sanitation Districts*

An overall positive variance of \$1.9 million is projected in the Sanitation Districts.

A positive expenditure variance of \$0.4 million is projected. A positive variance of \$0.4 million is projected in Services & Supplies due to less than anticipated costs in major maintenance for Live Oak Springs and routine maintenance in Sanitation District due to fewer needed repairs.

A positive revenue variance of \$1.5 million is projected. A positive variance of \$1.8 million in Revenue From Use of Money & Property is due to higher than anticipated interest earned. A negative variance of \$0.3 million in Charges For Current Services due to less than anticipated sewer service fees.

*Department of Public Works – Permanent Roads Divisions*

An overall positive variance of \$7.1 million is projected for the Department of Public Works Permanent Road Divisions.

A positive expenditure variance of \$6.6 million is projected in Services & Supplies due to lower than anticipated road maintenance work.

A positive revenue variance of \$0.5 million is projected. A positive variance of \$0.2 million in Revenue From Use of Money & Property is due to higher than anticipated interest earned. A positive variance of \$0.2 million in Charges For Current Services is due to higher than anticipated revenue from special assessments. A positive revenue variance of \$0.1 million in Taxes Current Property due to assessed value growth from property taxes.

*Department of Public Works – Street Lighting Districts*

An overall positive variance of \$1.1 million is projected for the Department of Public Works Street Lighting District.

A positive expenditure variance of \$1.1 million is projected in Services & Supplies due to lower than anticipated expenses for as-needed contracting services for maintenance and repairs of streetlights.

No significant revenue variance is projected.

*Department of Public Works – Flood Control District*

An overall positive variance of \$1.1 million is projected for the Department of Public Works Flood Control District.

No significant expenditure variance is projected.

A positive revenue variance of \$1.1 million is projected. A positive revenue variance of \$0.8 million in Taxes Current Property is due to assessed value growth from property taxes. A positive revenue variance of \$0.2 million in Revenue From Use of Money & Property is due to higher than anticipated interest earned. A positive revenue variance of \$0.1 million in Intergovernmental Revenues is due to unanticipated grant revenue from the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP).

## **ENTERPRISE FUNDS**

### *Department of Public Works – Wastewater Management Enterprise Fund*

No variance is projected for Wastewater Management Enterprise Fund.

A positive expenditure variance of \$2.2 million is projected. A positive variance of \$0.5 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$1.7 million in Services & Supplies is due to reduced consultant contract spending.

A negative revenue variance of \$2.2 million is projected. A negative variance of \$2.2 million in Charges For Current Services is due to reduced billable activities for San Diego County Sanitation District support due to staff vacancies.

### *Department of Public Works – Airport Enterprise Fund*

An overall positive variance of \$7.7 million is projected in the Airport Enterprise Fund.

A positive expenditure variance of \$5.0 million is projected. A positive variance of \$0.3 million in Salaries & Benefits is due to staff vacancies. A positive variance of \$2.7 million in Supplies & Services is due to major maintenance projects schedule changes and lower than anticipated costs from security and landscaping contracts. A positive variance of \$1.6 million in Capital Assets/Land Acquisition is due to the completion of capital projects. A positive variance of \$0.4 million in Capital Assets Equipment is due to lower than anticipated costs in vehicle purchases.

A positive revenue variance of \$2.7 million is projected. A positive variance of \$1.5 million in Intergovernmental Revenues is due to an increase in Federal Aviation Administration grant reimbursement for capital projects. A positive variance of \$1.1 million in Revenue From Use of Money & Property is due to increases in lease payments and landing fees from expanded commercial airline operations. A positive variance of \$0.1 million in Licenses, Permits & Franchises is due to expanded commercial airline operations.

## **INTERNAL SERVICE FUNDS**

### *Department of Public Works – Equipment ISF Fund*

An overall positive variance of \$0.8 million is projected in the Equipment ISF Fund.

No significant expenditure variance is projected.

A positive revenue variance of \$0.8 million is projected. A positive variance of \$0.7 million in Revenue From Use of Money & Property due to higher than anticipated interest earned. A positive revenue variance of \$0.1 million in Other Financing Sources is due to unanticipated revenue from sales of vehicles through County auction.

## **FINANCE AND GENERAL GOVERNMENT GROUP**

The Finance and General Government Group is projecting a positive overall variance of \$8.4 million, of which \$5.6 million is tied to a positive variance in the General Fund and \$2.8 million is tied to positive variances in all other funds combined. The details of these variances are noted below.

### **General Fund**

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

An overall positive variance of \$0.1 million is projected for the Assessor/ Recorder/ County Clerk.

A positive expenditure variance of \$8.4 million is projected, which includes positive variances of \$0.1 million in Salaries & Benefits due to vacancies and attrition; \$7.0 million in Services & Supplies due to the delay or cancellation of trust fund funded projects, postponement of the procurement of new software for the Archive Collection Management System, and delay of the digitization microfilm and quality control projects; and \$1.3 million in Fixed Assets Equipment due to the replacement of the fire suppression system in the East County Office (ECO) Archives no longer being needed.

A negative revenue variance of \$8.3 million is projected and includes:

- A negative variance of \$0.1 million in Licenses Permits & Franchises due to less than anticipated marriage licenses issued.
- A negative variance of \$8.2 million in Charges for Current Services, which includes:
  - A negative variance of \$8.3 million in Recorder Trust Funds revenues due to the postponement of the procurement of a new software for Archive Collection Management System, non-necessity of the replacement of the fire suppression system in the ECO Archives, and delay of the digitization microfilm and quality control projects;
  - A negative variance of \$2.1 million in AB 2890 Recovered Costs due to lower supplemental tax payments than anticipated;
  - A negative variance of \$0.3 million in Notary Public Fees due to less than anticipated program collections;
  - A negative variance of \$0.2 million in Recording Document and Filing Documents due to less than anticipated number of recorded documents because of higher interest rates;
  - A positive variance of \$1.3 million in Property Tax Administration fees due to higher than anticipated fee allocated to the department;
  - A positive variance \$0.8 million in Social Security Truncation Trust Fund revenue due to higher than anticipated productivity on truncation projects;
  - A positive variance of \$0.2 million in Recording Document fees due to a slight increase in the number of documents recorded;

- A positive variance of \$0.2 million in Marriage Ceremonies and Duplicating/Filing Fees due to higher than anticipated marriage ceremonies performed and duplicating and filing services provided;
- A positive variance of \$0.2 million in Recording Fees due to increased requirements for vital records.

### *Board of Supervisors*

A positive variance of \$1.9 million is projected for the Board of Supervisors.

A positive expenditure variance of \$1.9 million includes \$1.2 million in Salaries & Benefits due to unanticipated staff vacancies and staff turnover and \$0.7 million in Services & Supplies due to lower than anticipated one-time expenses.

No revenue variance is projected.

### *County Counsel*

An overall positive variance of \$2.0 million is projected for the Office of County Counsel.

A positive expenditure variance of \$0.7 million includes \$0.2 million in Salaries & Benefits due to staff attrition and departmental vacancies and \$1.3 million in Services & Supplies due to the cancellation of facilities-related and technology-related projects, offset by a negative \$0.8 million variance in Expenditure Transfer & Reimbursements due to less than anticipated staff cost reimbursements in the health services area.

A positive revenue variance of \$1.3 million is projected in Charges for Current Services primarily due to an increase in legal services provided on roads, real property, purchasing and contracting, and airports matters.

### *Human Resources*

An overall negative variance of \$0.2 million is projected for the Department of Human Resources.

A positive expenditure variance of \$1.3 million includes \$2.3 million in Services & Supplies due to lower than anticipated costs for workers compensation services and cancellation of information technology (IT) projects. This is offset by a \$1.0 million negative variance in Expenditure Transfer & Reimbursements due to the cancellation of IT projects.

A negative revenue variance of \$1.5 million includes \$0.1 million in Charges for Current Services due to less than anticipated services requested by customers and \$1.4 million in Miscellaneous Revenues due to less than anticipated workers compensation services administrative costs charged to the Employee Benefit Internal Service Fund.

### *Registrar of Voters*



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

A positive expenditure variance of \$1.1 million includes \$0.1 million in Salaries & Benefits due to vacancies and attrition, \$2.1 million in Services & Supplies due to delays with an IT project for a new voter registration system and lower than anticipated ballot printing costs, and \$0.4 million in Operating Transfers Out from the closure of a major maintenance project for building security and ballot tabulation area expansion. This is partially offset by a \$1.5 million negative variance in Expenditure Transfer & Reimbursements tied to the delayed IT project.

A negative revenue variance of \$0.3 million includes \$1.4 million in Intergovernmental Revenues primarily due to lower than anticipated use of State funding for reimbursable costs. This is offset by a \$1.1 million positive variance in Charges for Current Services due to higher than anticipated reimbursements from local jurisdictions for their share of election costs.

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

#### *Employee Benefits ISF*

An overall positive variance of \$1.1 million is projected for the Employee Benefits ISF.

A positive expenditure variance of \$1.1 million is projected in Services & Supplies due to lower than anticipated costs for administration of workers compensation claims.

No revenue variance is projected.

#### *Purchasing and Contracting ISF*

An overall positive variance of \$2.8 million is projected for the Purchasing and Contracting ISF.

A positive expenditure variance of \$1.5 million includes \$0.3 million in Salaries & Benefits due to vacancies and attrition, \$0.3 million in Other Charges for lower than anticipated depreciation cost, and \$0.9 million in Capital Assets attributed to the capitalization of the completed iValua IT project.

A positive revenue variance of \$1.3 million includes \$0.1 million in Revenue from Use of Money & Property due to higher earned interest in bank deposits, \$1.1 million in Charges for Current Services from over-realized ISF revenue, and \$0.1 million in Miscellaneous Revenues due to an increase in proceeds from usage rebates.

## **GENERAL PURPOSE REVENUE & GENERAL COUNTY EXPENSES**

A positive variance of \$33.0 million is projected in General Purpose Revenue (GPR) primarily in:

- \$9.0 million - Pass-through distributions and residual balance estimates from Redevelopment Successor Agencies
- \$6.8 million – Current Secured Property Taxes
- \$6.0 million – Teeter Taxes
- \$5.3 million – Property In-lieu of Vehicle License Fees
- \$4.5 million – Penalties and Delinquent Taxes
- \$2.8 million – Documentary Transfer Taxes
- \$2.8 million – Other Tax Aircraft
- \$1.9 million – Sales & Use Tax
- \$1.7 million – Transit Occupancy Tax
- \$1.3 million – Prior Secured Supplemental Property Taxes
- \$1.1 million – Prior Secured Property Taxes
- \$1.0 million – Prior Unsecured Supplemental Property Taxes
- \$0.2 million – Other various GPR revenues
- (\$5.8 million) – Interest on Deposit & Investment
- (\$5.6 million) – City of San Diego Booking Fees

A positive variance of \$12.8 million is projected in General County Expenses primarily in:

- \$8.4 million – Appropriations for Contingencies
- \$2.0 million – Contributions to Capital Outlay Fund
- \$1.6 million – Countywide General Expenses
- \$0.7 million – Lease Payments - Bonds

### **General Purpose Revenue**

The County's General Purpose Revenue is directly influenced by the economy. Employment showed an overall positive gain from February 2024 to February 2025, with majority of the increase in jobs from Private Education and Health Services by 9,300, Government by 9,000, and in Leisure and Hospitality by 4,100, but decreased in Professional and Business Services by 5,100, Manufacturing by 3,300, Financial Activities by 1,600, Information by 1,000, Trade, Transportation and Utilities by 700, and in other sectors by a total of 1,200.

The County's GPR related to property tax revenues improved, supported by the increase in assessed values. For Fiscal Year 2024-25, 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 preliminary rate of 4.4% in February 2025, up from 4.3% the year-ago. In comparison, this is below the unemployment rate of 5.5% for California and 4.5% for the nation during the same period.

- Consumer spending, as measured by taxable sales, will increase significantly in the unincorporated area boosted mainly by a state audit correction made to recover previously misallocated revenues. During the 3rd Quarter of 2024-25, unadjusted local point of sales tax revenue increased by 16.66% in the unincorporated area, 2.25% in the Southern California Region, 2.22% in the statewide level, and 7.75% in the San Diego regional level, compared to the same time period last year.
- There are positive and negative indicators in the housing market in the County.
  - Increase in median housing prices for Single Family Homes (up 6.6%) and for Existing Attached Homes (up 2.4%) for January-February 2025 average compared to the same time period last year.
  - Notices of Default higher by 28% in January-March 2025 compared to the same period in 2024.
  - Foreclosure activity lower by 19% in January-March 2025 compared to the same period in 2024.

### *Current Property Taxes All Categories*

The four categories of Current Property Taxes (i.e., Property Taxes Current Secured, Property Taxes Current Supplemental, Property Taxes Unsecured, and Property Taxes Current Unsecured Supplemental) combined are estimated to show a net positive variance to budget of \$6.7 million.

- *Property Taxes Current Secured*

Current Secured Property Taxes are projected to be \$6.8 million higher than budget primarily due to greater than anticipated assessed value (AV) growth.

The budgeted current secured property taxes assumed a local secured assessed value increase of 4.63%, but the actual assessed value (AV) increased by 5.46% (gross less regular exemptions). (Note: The 5.46% increase represents the change in the assessed value for only the secured roll. This is lower than the countywide overall increase published by the Assessor/Recorder/County Clerk on June 30, 2024, of 5.58%, which includes all assessed value components, secured and unsecured.)

- *Property Taxes - Current Unsecured*

Current Unsecured Property Taxes are projected to be \$1.9 million higher than budget due to projected higher revenue based on prior year receipts. 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*

Property Taxes Current Supplemental are projected to be \$2.0 million lower than budget due to the decrease in supplemental billings in Fiscal Year 2024-25 compared to prior year.

#### *Taxes Other Than Current Secured*

Taxes Other Than Current Secured are anticipated to be \$24.0 million above budget.

- *Property Tax Prior Secured*

Property Tax Prior Secured are projected to be \$1.1 million higher than budget based on year-to-date current year actuals going higher than expected.

- *Property Tax Prior Secured Supplemental*

Property Tax Prior Secured Supplemental are projected to be \$3.9 million higher than budget based on year-to-date current year actuals going higher than expected. However, \$0.8 million was appropriated to provide funding for one-time needs (Q1) and \$1.8 million will be appropriated in Public Defender's Office for resource allocation due to increased operational costs that resulted in the reallocation of salaries and benefits appropriations (Q3), which will result in adjusted projection of \$1.3 million.

- *Property Tax Prior Year Unsecured Supplemental*

Property Tax Prior Year Unsecured Supplemental are projected to be \$1.0 million higher than budget based on year-to-date current year actuals going higher than expected.

- *Sales & Use Taxes*

Sales & Use Taxes are projected to be \$11.0 million higher than budget. This is mostly boosted by a state audit correction made to recover previously misallocated revenues as well as significant increase in business-industry related revenue. However, \$9.1 million will be appropriated in Sheriff's Office for resource allocation due to increased operational costs that resulted in the reallocation of salaries and benefits appropriations (Q3), which will result in adjusted projection of \$1.9 million.

- *Other Tax Aircraft*

Other Tax Aircraft is projected to be \$2.8 million higher than budget based on year-to-date current year actuals going higher than expected.

- *Transient Occupancy Tax*

Transient Occupancy Tax is projected to be \$1.7 million higher than budget. This is based on prior year receipts and continued growth in the hotel industry and tourism as a whole.

- *Documentary Transfer Taxes*

Documentary Transfer Taxes are projected to be \$2.8 million higher than budget due to projected home prices remaining high despite having projected lower sales volume.

- *Property Tax in Lieu of Vehicle License Fees*

Property Tax in Lieu of Vehicle License Fees (VLF) are projected to be \$5.3 million higher than budget due to higher than budgeted growth in assessed valuation.

- *Teeter Tax Reserve Excess*

Teeter Tax Reserve Excess is projected to be \$2.2 million higher than budget. This is based on returned excess Teeter Tax Reserve requirement, current penalty and interest collections and available data on the outstanding receivables and projections through the end of the fiscal year.

- *Teeter Property Tax Prior Year and Cumulative Prior Years*

Teeter Property Tax Prior Year and Cumulative Prior Years are projected to be \$3.8 million higher than budget. The increase is based on a higher collection of receivables from prior fiscal year.

### *Licenses, Permits, and Franchises*

Licenses, Permits and Franchises are projected to be \$0.2 million lower than budget due to lower-than-expected payments from Franchise Fees.

### *Fines, Forfeitures and Penalties*

Fines, Forfeitures and Penalties are projected to be \$4.5 million higher than budget due to higher than budgeted growth in assessed valuation. Revenues in this account reflect the 10% penalty that is assessed on late current secured and unsecured property tax payments.

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

Revenue from Use of Money & Property are projected to be \$5.8 million lower than budget. The decrease is due to a lower projected average daily cash balance than what was budgeted which was used to calculate the interest revenue.

### *Intergovernmental Revenues*

Intergovernmental Revenues are projected to be \$2.6 million higher than budget primarily due to pass-through distributions and residual balance estimates in Aid from Redevelopment Successor Agencies (\$9.0 million), offset by lower than budget in Aid from

City of San Diego (\$5.6 million), in State Aid for Homeowners Property Tax Relief (HOPTR) (\$0.5 million), and State Aid for Booking Fees (\$0.3 million) due to lower-than-expected payments. The pass-through distributions continue to increase due to continued growth in the project areas. In addition, residual balance estimates tied to Redevelopment Successor Agencies continue to increase.

### *Charges for Current Services*

Charges for Current Services are projected to be \$1.2 million higher than budget due to higher-than-expected revenues received in A-87 Cost Allocation Plan.

## **General County Expenses**

### *Countywide General Expense*

A positive variance of \$1.6 million is projected in Countywide General Expense.

A positive expenditure variance of \$0.1 million is projected in Services & Supplies due to cancellation of prior year encumbrances that are no longer anticipated to be needed in the current fiscal year.

A positive revenue variance of \$1.5 million is projected in Miscellaneous Revenues due to reimbursement from the Small Business Loan Program and various departmental escheatment.

### *Appropriation for Contingency*

Of the \$15.0 million budgeted for Appropriation for Contingency in Fiscal Year 2024-25, \$8.4 million is projected to be unspent at year-end with \$6.6 million projected to be used for the cost of special elections. On January 14, 2025, the Board of Supervisors voted 4-0 to call a special election for April 8, 2025, and if necessary, a general election for July 1, 2025, to determine the candidate to fill the vacant seat of Board of Supervisors First District.

### *Lease Payments – Bonds*

A positive variance of \$0.7 million is projected for the Lease Payments – Bonds Fund.

A positive expenditure variance of \$0.7 million is projected in Other Charges due to lower than anticipated principal and interest payments. The annual lease payments from the County are budgeted and paid for from this fund in an amount sufficient to satisfy the principal and interest payments due to the bondholders of the County's outstanding Certificates of Participation and Lease Revenue Bonds. Amounts invested in these interest-bearing trust accounts generate additional funds which can be used to offset payments to bondholders. The interest recognized is related to the outstanding debt for the Youth Transition Campus, Series 2021; County Operations Center Refunding, Series

2016A; Edgemoor Refunding, Series 2014A; Justice Facilities Refunding, Series 2019; and CAC Waterfront Park Refunding, Series 2020.

There is no significant revenue variance projected.

### *Contributions to Capital*

A positive variance of \$2.0 million is projected in Contributions to Capital.

A positive expenditure variance of \$2.0 million is projected. This includes a positive variance of \$2.0 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 2024-25. The following Capital projects will be closed or cancelled (including the amount of related appropriations cancelled).

- Mount Laguna Fire Station #49 (\$0.2 million)
- East Otay Mesa Fire Station #38 (\$0.6 million)
- Jamul Fire Station 36 Land Acquisition (\$0.2 million)
- Rancho San Diego Library Expansion (\$0.2 million)
- Lakeside Library (\$0.8 million)

## **Capital Program Funds**

### *Capital Outlay Fund*

There is zero variance projected for the Capital Outlay Fund.

A positive expenditure variance of \$4.0 million is projected. A projected positive variance in Capital Assets/Land Acquisition is due to lower than anticipated expenses related to the following capital projects that will be closed or cancelled and are listed on Schedule C: Mount Laguna Fire Station #49; East Otay Mesa Fire Station #38; and Jamul Fire Station #36 Land Acquisition.

A negative revenue variance of \$4.0 million is projected. A negative variance in Intergovernmental Revenue (\$2.9 million) and Other Financing Sources (\$1.1 million) is due to the closure or cancellation of the capital projects listed above.

### *Library Projects Capital Outlay Fund*

There is zero variance projected for the Library Projects Capital Outlay Fund.

A positive expenditure variance of \$0.9 million is projected. A projected positive variance in Capital Assets/Land Acquisition is due to lower than anticipated expenses related to the following capital projects that will be closed or cancelled and are listed on Schedule C: Rancho San Diego Library Expansion; and Lakeside Library.

A negative revenue variance of \$0.9 million is projected. A negative variance in Other Financing Sources is due to the closure or cancellation of the capital projects listed above.

#### *Edgemoor Development Fund*

There is no significant variance projected for the Edgemoor Development Fund.

No significant expenditure variance is projected.

No significant revenue variance is projected. A negative variance of \$7.5 million is projected in Other Financing Sources due to the revised timeline in the projected payment for Santee Residential Property 1 partially offset by a positive variance of \$1.0 million in Revenue Use Money & Property tied to interest received from the Santee Residential Property 2 installment payment and prior year transaction to correct the overstatement of fund balance in FY 2023-24. This will result in a reimbursement from available Fund Balance from the Edgemoor Development Fund (26125) to account for the revenue shortfall of 6.5 million.

#### **Debt Service Funds**

##### *Pension Obligation Bonds (POBs)*

A positive variance of \$0.5 million is projected in the Pension Obligation Bonds.

No significant expenditure variance is projected.

A positive revenue variance of \$0.5 million is projected. This includes a positive variance of \$0.5 million in higher than anticipated interest earnings due to a higher investment interest rate environment.



**COUNTY OF SAN DIEGO  
GENERAL FUND VARIANCES  
Fiscal Year 2024-25 3rd Quarter**

**GENERAL FUND EXPENDITURE VARIANCES**

The projected lower than budgeted expenditures generating an overall positive expenditure variance of \$156.8 million in the General Fund are primarily attributable to the following:

**Salary & Benefits**

\$31.9 million in projected overall positive Salary & Benefits appropriation variance. As of April 16, 2025, the vacancy rate (including newly added positions) was 6.9% (1,407 of 20,478 positions).

*Public Safety Group*

In PSG, the projected overall positive expenditure variance of \$3.6 million is due to attrition, vacancies and modified positions. A projected negative variance in Sheriff's Office will be mitigated by an adjustment that will provide \$9.1 million in appropriations based on over-realized General Purpose Revenue and a projected negative variance in the Public Defender's Office will be partially mitigated by an adjustment that will provide \$1.8 million in appropriations based on over-realized General Purpose Revenue. These shortfalls are attributed to increased operational costs that resulted in the reallocation of Salaries & Benefits appropriations during the development of the Fiscal Year 2024-25 Operational Plan. The vacancy savings did not materialize for these departments due to lower department vacancy rates so additional appropriations are needed to cover the reallocation of Salaries & Benefits. The increased operational costs in the Sheriff's Office and Public Defender's Office are proposed to be addressed with additional appropriations supported by overrealized revenue this fiscal year, and will be resolved with today's recommendations. Ongoing funding strategies for these costs have been identified, and will be included in the upcoming Fiscal Year 2025-26 CAO Recommended Operational Plan.

*Health and Human Services Agency*

In HHSA, the projected overall positive expenditure variance of \$16.5 million is attributed to longer timeframes to hire staff, including hard to recruit classifications and vacancies due to attrition.

*Land Use and Environment Group*

In LUEG, the projected overall positive expenditure variance of \$9.7 million is primarily due to vacancies and under-filled positions.

### *Finance and General Government Group*

In FGG, the projected overall positive expenditure variance of \$2.1 million is primarily unanticipated vacancies and staff attrition.

### **Services & Supplies**

\$97.1 million in projected positive appropriation variance in Services & Supplies across the County.

### *Public Safety Group*

In PSG, projected overall positive expenditure variance of \$6.6 million primarily in the Department of Child Support Services due to lower than anticipated expenses related to facility projects, information technology (IT), and contracted services, and in San Diego County Fire due to lower contracted services resulting from delays in obtaining Environmental Historical Preservation report approval from FEMA for Home Hardening projects.

### *Health and Human Services Agency*

In HHSA, projected overall positive variance of \$65.2 million in various departments. This consists of positive variances in:

- Behavioral Health Services (BHS) primarily due to contracted services associated with a range of mental health and substance use disorder programs to align with anticipated spending which adjusts for contractor staffing vacancies and projected utilization in residential bed days;
- Public Health Services (PHS) primarily from procurement delays associated with identification and timing of lab equipment delivery, installation, and validation testing, IT project delays due to ongoing contract negotiations, lesser use of contracts in Immunizations program to align with projected spending with the grant resources and workplan, and in contracted temporary staffing costs associated with the demobilization of COVID-19 associated activities;
- Homeless Solutions and Equitable Communities (HSEC) tied to the Federal Emergency Management Agency Shelter and Services Program as the program was never developed due to changes in available funding; to align projected spending for CDC Community Health Worker Resilient grant, projected lower costs tied to the Community Services Block Grant (CSBG) Communities in Action program, and overall contract savings primarily tied to outreach, conflict resolution and refugee support services that were carried forward from the prior year; and tied to refugee services due to lower than projected eligible population;
- Aging & Independence Services (AIS) tied to lesser use in contracted services in Home Safe and California Department of Aging (CDA) programs and the roll out of Modernizing Older California Act (MOCA) programs over future fiscal years, an adjustment to align the budget to the anticipated In-Home Support Services (IHSS) Maintenance of Effort (MOE) for IHSS Individual Providers, and due to the phased

- implementation needed to accommodate the increasing number of participants in the San Diego Veterans Independence Service at Any Age (SD-VISA) program;
- Child and Family Well-Being (CFWB) due to a variance from budget in various services and supplies tied to program operational need.

These are offset by negative variance in Self-Sufficiency Services (SSS) primarily due to increases in contracted services based on revised allocations for CalWORKs Housing Support Program due to California Department of Social Services redistribution of unspent prior year funding and in Housing & Community Development Services (HCDS) due to increased cost in the Inclement Weather Program that provides safe temporary housing to impacted individuals during inclement weather and in temporary staff helping to mitigate online application portal issues that would have impacted the opening of waitlists for three new Project Based Voucher developments.

### *Land Use and Environment Group*

In LUEG, projected overall positive variance of \$11.0 million primarily in the Department of Planning & Development Services (PDS) primarily due to schedule changes to one-time only IT projects and reduced consultant contract spending and delayed spending related to grants, in LUEG Executive Office due to grant project related to air purifier that will no longer be managed through the LUEG Executive Office and will be managed by the Air Pollution Control District, in Department of Environmental Health and Quality (DEHQ) due to a reduction in contract costs as a result of contracts not being awarded and a modified scope of work for a major maintenance project and in Department of Public Works due to less than anticipated Fleet ISF costs and road materials for Closed Landfills due to utilizing asphalt grindings at no cost.

### *Finance and General Government Group*

In FGG, projected overall positive variance of \$14.2 million primarily in Assessor/Recorder/County Clerk (ARCC) due to delay or cancellation of trust fund funded projects, in Registrar of Voters (ROV) due to delays associated with an IT project for a new voter registration system and lower than anticipated ballot printing costs, in Department of Human Resources (DHR) due to lower than anticipated costs for workers compensation services and cancellation of IT projects, in Office of County Counsel due to the cancellation of facilities-related and technology-related projects and in Board of Supervisors due to lower than anticipated one-time expenses.

### **Other Charges**

A projected positive appropriation variance of \$13.7 million in Other Charges primarily (HHS) in SSS tied to Participant Benefits programs mainly in Child Care Stage 1 due to revised projected caseloads and in EBT Skimming mainly tied to estimated EBT Fraud payments, in CFWB largely due to slower-than-expected ramp-up of Complex Care projects and to align with the revised projected caseloads in assistance programs, and in Housing & Community Development Services (HCDS) primarily in HOME Tenant Based

Rental Assistance (TBRA) due to lower-than-anticipated referral and a gradual transition in enrolling newly eligible participants under the Transitional Aged Youth (TAY) program.

### **Capital Asset/Land Acquisition**

\$8.4 million budgeted for appropriations for contingency pursuant to Government Code §29084 is projected to be unspent at year-end in Capital Asset/ Land Acquisition.

### **Capital Assets Equipment**

A projected positive appropriation variance of \$6.0 million in Capital Assets Equipment in HHSA primarily in PHS associated with longer than anticipated delivery of equipment, and in FGG primarily in ARCC due to the replacement of the fire suppression system in the East County Office (ECO) Archives.

### **Expenditure Transfer & Reimbursements**

A projected negative appropriation variance of \$3.6 million in Expenditure Transfer & Reimbursements in FGG primarily in ROV due to delayed IT project, in DHR due to the cancellation of IT projects and in County Counsel due to less than anticipated reimbursements for staff costs in the health services area.

### **Operating Transfers Out**

A projected positive appropriation variance of \$3.2 million in Operating Transfers Out in Finance Other due to lower than anticipated expenses related to capital projects that are closed or being cancelled by the end of Fiscal Year 2024-25 and in HHSA primarily in AIS due to In-Home Support Services (IHSS) Public Authority increased fraud investigation and background checks tied to increased cases.

## **GENERAL FUND REVENUE VARIANCES**

The projected under-realized revenue of \$52.6 million includes positive variances totaling \$36.6 million and negative variances of \$140.8 million. In many instances, the negative revenue variances are directly associated with the positive expenditure variances described above, that is, the County does not receive the supporting revenue when a cost is not incurred.

*The projected **positive revenue variance** of \$36.6 million is primarily attributable to the following categories:*

### **Taxes Other Than Current Secured**

Taxes Other Than Current Secured are anticipated to be \$34.9 million above budget, and of this amount, \$10.9 million total will be appropriated in Sheriff's Office (\$9.1 million) and in Public Defender's Office (\$1.8 million), resulting in an adjusted projection of \$24.0 million.

The amounts appropriated in the Sheriff's Office and the Public Defender's Office are due to increased costs that resulted in the reallocation of Salaries & Benefits appropriations during the development of the Fiscal Year 2024-25 Operational Plan. The vacancy savings did not materialize for these departments due to lower department vacancy rates. The increased operational costs in the Sheriff's Office and Public Defender's Office will be resolved with today's recommendations, supported by overrealized revenue. Ongoing funding strategies for these costs have been identified, and will be included in the upcoming Fiscal Year 2025-26 CAO Recommended Operational Plan.

The revenue variances in Taxes Other Than Current Secured are mainly in Sales and Use Taxes mostly boosted by a state audit correction made to recover previously misallocated revenues as well as significant increase in business-industry related revenue, in Property Tax in Lieu of Vehicle License Fees (VLF) due to higher than budgeted growth in assessed valuation, in Teeter Taxes based on a higher collection of receivables from prior fiscal year and projected returned excess Teeter Tax Reserve requirement, in Property Tax Prior Secured Supplemental due to the increase in supplemental billings compared to prior year, in Other Tax Aircraft, Property Tax Prior Secured and Property Tax Prior Year Unsecured Supplemental due to higher than budget based on year-to-date current year actuals going higher than expected, in Document Transfer Taxes due to projected home prices remaining high despite having projected lower sales volume and in Transient Occupancy Tax due to the continued growth in the hotel industry and tourism as a whole.

### **Taxes Current Property**

Taxes Current Property (\$6.7 million) primarily in Current Secured Property Taxes due to greater than anticipated assessed value growth and in Current Unsecured Property Taxes due to projected higher revenue based on prior year receipts.

## **Other Financing Sources**

Other Financing Sources (\$4.2 million) primarily due to the use of available Proposition 172 fund balance to offset lower projected receipts and to fund increased costs related to health care contracts.

## **Fines, Forfeitures & Penalties**

Fines, Forfeitures & Penalties (\$1.6 million) primarily due to higher than budget reflected from 10% penalty that is assessed on late current secured and unsecured property tax payments.

*The projected **negative revenue variance** of \$140.8 million is primarily attributed to:*

## **Intergovernmental Revenues**

\$109.5 million in projected negative revenue variance in Intergovernmental Revenues across the County.

### *Public Safety Group*

In PSG (\$22.7 million), primarily due to lower than anticipated costs for Medi-Cal Transformation PATH, Community Corrections Subaccount, CA Fentanyl Abatement Funding and Community Project Funding, due to lower costs associated with implementation of the California Advancing and Innovating Medi-Cal program and Community Corrections Subaccount-funded programs, due to lower grant reimbursements related to the expenditures from delays in obtaining Environmental Historical Preservation report approval from FEMA for Home Hardening projects, due to lower than anticipated State and federal reimbursement revenue related to expenditure savings related to facility projects, IT, and contracted services, and due to lower than expected eligible case activities funded by CARE Act and staff attritions during mid-year funded by Justice Assistance Grant and state mandated reimbursements.

### *Health and Human Services Agency*

In HHSA (\$82.9 million), primarily tied to aligning projected spending and includes reductions in Behavioral Health Realignment and Mental Health Services Act funding offset by increases in federal funding tied to anticipated billable service units under payment reform, in COVID-19 Expanding Laboratory Capacity and in COVID Health Disparities grant to align with projected spending, in Immunization Action Plan (IAP) grant to align with workplan, in Medi-Cal Administrative Activities revenues based on estimated receipt, in Future of Public Health due to revised allocation estimate, and in California Children's Services (CCS) tied to prior year revenue adjustments, tied to the Federal Emergency Management Agency revenue for the Shelter and Services Program, in social

services administrative revenues to align with revised allocations, in Refugee grant to align with projected cost associated with refugee services, tied to the ending of one-time grants associated with Community Health Workers Resilient grant and Health Disparities grant, and in Realignment revenue to align with spending, in Realignment based on estimated receipts and in social services administrative revenues to align with anticipated federal and State funding and projected expenditures, tied to the ending of one-time Community Health Workers Resilient grant and Health Disparities grant, due to Future of Public Health (FOPH) revenue aligning with the State's revised allocation and lower-than-anticipated COVID-19 Expanding Laboratory Capacity grant funding, and in federal revenue primarily to align with projected costs associated with the HOME Tenant Based Rental Assistance (TBRA).

#### *Land Use and Environment Group*

In LUEG (\$4.8 million), primarily due to delays in grant related projects, in grant project and associated revenue to be managed by the Air Pollution Control District, and due to less than anticipated reimbursements related to state contracts.

#### *Finance and General Government Group*

In FGG (\$1.7 million), primarily due to lower than anticipated use of State funding for reimbursable costs.

#### *Finance Other*

These are offset by a positive variance in Finance Other (\$2.6 million), primarily due to pass-through distributions and residual balance estimates in Aid from Redevelopment Successor Agencies.

### **Charges for Current Services**

Charges for Current Services (\$19.1 million) primarily in Recorder Trust Funds revenues due to the postponement of the procurement of a new software for Archive Collection Management System, non-necessity of the replacement of the fire suppression system in the ECO Archives, and delay of the digitization microfilm and quality control projects, due to a decline in billable activities for land development, project planning, and building projects due to staff vacancies, and tied to a decrease in Intergovernmental Transfer (IGT) revenue primarily due to decrease in census enrollment days for Medi-Cal.

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

Revenue from Use of Money & Property (\$5.5 million) primarily due to a lower projected average daily cash balance than what was budgeted which was used to calculate the interest revenue.

## **Miscellaneous Revenues**

Miscellaneous Revenues (\$3.5 million) primarily due to less than anticipated reimbursement from the Environment Trust Fund due to savings in landfills road materials, due to lower expenditures in Regional Communication System (RCS) projects, due to less than anticipated workers compensation services administrative costs charged to the Employee Benefit Internal Service Fund and due to the recoupment of payments in contracted services from prior year adjustments.

## **Licenses, Permits & Franchises**

Licenses, Permits & Franchises (\$3.2 million) primarily due to under-realized permit payment revenue resulting from less staff to perform services.

## **GENERAL FUND PROJECTION NOTES**

The General Fund year-end fund balance projection includes COVID-19 response costs primarily funded through American Rescue Plan Act (ARPA) funds and anticipates receipt of additional Federal Emergency Management Agency (FEMA) revenue to cover costs incurred. Total FEMA costs are currently estimated at \$438.7 million. This includes \$436.3 million of costs incurred from the beginning of the pandemic through May 11, 2023, when FEMA eligibility ended, and \$2.4 million for Fiscal Year 2024-25 for allowable administrative costs to manage the grant beyond the FEMA eligibility date. To date, a total of \$293.5 million in FEMA reimbursement payments have been received and projections anticipate receiving an additional \$6.4 million by December 31, 2025, for prior year efforts. The remaining balance of \$138.8 million, which includes the 10% withhold amount as part of the FEMA close out process, is anticipated to be received in future fiscal years. County staff continue to actively monitor federal actions and legislation, which may impact FEMA reimbursements or other federal revenues, and evaluating the potential impacts of these actions.



SCHEDULE C

Fiscal Year 2024-25 3rd Quarter

Capital Projects Anticipated for Completion/Cancellation

Oracle Project Number	Account	Project Name	Complete d OR Cancelled	Total Budget as of 05-01-25	Total Expenditures as of 05-01-25	Amount Capitalized as of 05-01-25	Minor Equipment & FA	Amount Cancelled
** Capital Outlay Fund (Fund 26000 ) **								
1021892	26000	Mt. Laguna Fire Station #49	1	6,250,000.00	6,096,689.76	6,042,057.42	54,632.34	153,310.24
1023723	26000	East Otay Mesa Fire Station #38	1	20,300,000.00	16,768,934.97	16,400,364.18	355,155.47	3,531,065.03
1024598	26000	San Diego Botanic Gardens Master Plan	1	662,000.00	650,032.44	-	-	11,967.56
1021135	26000	Jamul Fire Station 36 Land Acquisition	2	300,000.00	11,231.39	-	-	288,768.61
1023730	26000	San Luis Rey River Park Bonsall Bridge Staging Area	2	-	-	-	-	-
1024895	26000	Valley Center Senior Center	2	-	-	-	-	-
TOTAL				27,512,000.00	23,526,888.56	22,442,421.60	409,787.81	3,985,111.44
** County Health Complex Fund (Fund 26025) **								
TOTAL				-	-	-	-	-
** Justice Facility Construction Fund (Fund 26050) **								
TOTAL				-	-	-	-	-
** Library Projects Capital Outlay Fund (Fund 26075) **								
1021917	26075	Rancho San Diego Library Expansion	1	1,950,000.00	1,765,564.48	1,743,316.01	22,480.44	184,435.52
1021160	26075	Lakeside Library	1	17,945,000.00	17,189,549.69	15,925,828.27	1,251,524.30	755,450.31
TOTAL				19,895,000.00	18,955,114.17	17,669,144.28	1,274,004.74	939,885.83
TOTAL CAPITAL PROJECTS			8	47,407,000.00	42,482,002.73	40,111,565.88	1,683,792.55	4,924,997.27

Note:

1

Completed Project

2

Cancelled Project

DPR Projects

DGS Projects

Appendix D: Major Maintenance Capital Outlay Fund (MMCOF) Adjustments for Fiscal Year 2024-2025 (3RD QUARTER)

GROUP	DEPT.	PROJECT NUMBER	PROJECT NAME	FUNDING SOURCE			NOTES	DEPARTMENTS (Acct - 56321 Opt Transfer Out)	(Acct - 5XXXX Services & Supplies) or (Acct - 56311 Opt Trx Out)	MMCOF (Acct - 54202 Fixed Asset)	COF (Acct - 54202 Fixed Asset)	RATIFICATION	Description
				FUND	ORG	ACCOUNT	1 thru 11	Inc (Dec)	Inc (Dec)	Inc (Dec)	Inc (Dec)	Yes/No	
Increase (Decrease) of Appropriation													
PSG	SHF	1024625	MMCOF7827 SDCJ Security and Emergency Power Equipment Modernization	10100	39884	52737	3	25,000	(25,000)	25,000		No	Spending plan amendment
HHS	HHS	1026953	MMCOF7A41 SDCPH Pharmacy Relocation	10100	45005	52737	3	250,000	(250,000)	250,000		No	Spending plan amendment
LUG	DPR	1022949	MMCOF7699 Lindo Lake Playground Structure Replacement	10100	52811	52737	4	(96,000)	96,000	(96,000)	96,000	No	Spending plan amendment; Transferred to COFD CP 1022931
			Subtotal General Fund					179,000	(179,000)	179,000	96,000.00		
FGG	GSM	1027661	MMCOF7A63 Las Colinas Detention Facility EV Project	26005	7999D	54202	2	N/A	N/A	500,000		No	New Walk-In Project (DGS Energy); Transferred from CP 1026825
FGG	GSM	1027662	MMCOF7A64 Gillespie Field Airport EV Project	26005	7999D	54202	2	N/A	N/A	500,000		No	New Walk-In Project (DGS Energy); Transferred from CP 1026825
FGG	GSM	1026824	MMCOF7998 Energy Measures Implementation at Various RMS Facilities	37600/26005	87875/7890D	52370/54202	3	200,000	(200,000)	450,000		No	Spending plan amendment (DGS Energy); Transferred from CP 1025461 (\$250k)
LUG	LIB	1025453	MMCOF7882 Fallbrook Library Zero Net Energy	12200/26005	57330/7873D/7877D	52737/54202	3	148,696	(148,696)	275,000		No	Spending plan amendment; Transferred from CP's 1025445 (\$100k) & 1025448 (\$25.4k)
PSG	SHF	1026872	MMCOF7A40 Las Colinas Detention and Reentry Facility ADA Upgrade	10100/26005	39884/7A49D	52737/54202	3	1,985,189	(1,985,189)	2,985,189		No	Spending plan amendment; Transferred from CP 1027416 (\$1M)
PSG	SHF	1025536	MMCOF7900 San Diego Fire Arms Training Center South AV System Replacement	26005	7A32D	54202	3	N/A	N/A	50,000		No	Spending plan amendment; Transferred from CP 1026859
PSG	SHF	1026119	MMCOF7961 East Otay Mesa Regional Firearms Training Center HVAC Replacement	26005	7A32D	54202	3	N/A	N/A	85,000		No	Spending plan amendment; Transferred from CP 1026859
PSG	SHF	1026123	MMCOF7965 Astrea Sheriff Aviation HVAC Unit Replacements	26005	7963D	54202	3	N/A	N/A	55,802		No	Spending plan amendment; Transferred from CP 1026121
PSG	SHF	1026862	MMCOF7A35 Valley Center Substation Improvements	26005	7896D/7907D	54202	3	N/A	N/A	10,630		No	Spending plan amendment; Transferred from CP's 1025532 (\$1.9k) & 1025543 (\$8.6k)
PSG	SHF	1022041	MMCOF7642 GBDF Replace Security Controls and Cameras	26005	7648D/7964D/7962D/7774D/7906D/7A32D/7901D	54202	3	N/A	N/A	305,720		No	Spending plan amendment; Transferred from CP's 1025537 (\$148k), 1022046 (\$806.46), 1026122 (\$13.9k), 1026120 (\$9.9k), 1023702 (\$67.8k), 1025542 (\$49.6k) & 1026859 (\$15k)
FGG	GSM	1027412	MMCOF7A47 East County Regional Center EV Project	26005	7999D/7924D	54202	3	N/A	N/A	295,767		No	Spending plan amendment; Transferred from CP 1026825 (\$200k) & 1026034 (\$95.7k)
FGG	GSM	1026243	MMCOF7976 AWM Hazard Way Electric Vehicle Charging Stations	26005	7999D	54202	3	N/A	N/A	50,000		No	Spending plan amendment; Transferred from CP 1026825
FGG	GSM	1026246	MMCOF7979 San Marcos Offices Electric Vehicle Charging Stations	26005	7999D	54202	3	N/A	N/A	50,000		No	Spending plan amendment; Transferred from CP 1026825
FGG	GSM	1025461	MMCOF7890 EMJDF Exterior Paint, Water Heater, Air Duct Repair, Window Replacements	37600	87875	52737	4	(150,000)	150,000	(400,000)		No	Spending plan amendment; Transferred to CP 1026824 (\$250k)
FGG	GSM	1026825	MMCOF7999 EV Roadmap For Various Locations	26005	7999D	54202	4	N/A	N/A	(1,300,000)		No	Spending plan amendment; Transferred to CP's 1027412 (\$200k), 1026243 (\$50k) ,1026246 (\$50k), 1027661 (\$500k) & 1027662 (\$500k)
			Subtotal Other Funds					2,183,885	(2,183,885)	3,913,109			
LUG	LIB	1025466	MMCOF7875 Rancho San Diego Library Bathroom Remodel and Shade Sail	12200	57330	52737	5	(104,176)	104,176	(104,176)		No	Project is complete and can be closed
LUG	LIB	1024591	MMCOF7810 Crest Library Remodel	12200	57330	52737	5	(24,372)	24,372	(24,372)		No	Project is complete and can be closed
FGG	ROV	1026091	MMCOF7933 ROV COC Security Enhancements Ballot Tabulation Expansion and HR Redesign	10100	47484/47481	54958/52332	5	(372,193)	372,193	(372,193)		No	Project is complete and can be closed
PSG	DAO	1025244	MMCOF7852 El Cajon City Hall 6th Floor Renovation	10100	37475	52396	5	(793,128)	793,128	(793,128)		No	Project is complete and can be closed
PSG	OES	1023626	MMCOF7752 San Pasqual Fire Station Emergency Generator	10100	30231	52737	5	(47,202)	47,202	(47,202)		No	Project is complete and can be closed
PSG	OES	1023627	MMCOF7753 Lake Morena Fire Station Emergency Generator	10100	30231	52737	5	(1,235)	1,235	(1,235)		No	Project is complete and can be closed
PSG	OES	1023628	MMCOF7754 Deerhorn Fire Station Emergency Generator	10100	30231	52737	5	(3,973)	3,973	(3,973)		No	Project is complete and can be closed
PSG	OES	1023629	MMCOF7755 Sunshine Summit Fire Station Emergency Generator	10100	30231	52737	5	(8,494)	8,494	(8,494)		No	Project is complete and can be closed
PSG	OES	1024620	MMCOF7822 Ranchita FS 58 Stormwater Repairs and Paving	10100	30231	52737	5	(65,095)	65,095	(65,095)		No	Project is complete and can be closed
PSG	OES	1024619	MMCOF7821 Julian Fire Station 56 Pavement and Asphalt	10100	30231	52737	5	(32,984)	32,984	(32,984)		No	Project is complete and can be closed

Appendix D: Major Maintenance Capital Outlay Fund (MMCOF) Adjustments for Fiscal Year 2024-2025 (3RD QUARTER)

GROUP	DEPT.	PROJECT NUMBER	PROJECT NAME	FUNDING SOURCE			NOTES	DEPARTMENTS (Acct - 56321 Opt Transfer Out)	(Acct - 5XXXX Services & Supplies) or (Acct - 56311 Opt Trx Out)	MMCOF (Acct - 54202 Fixed Asset)	COF (Acct - 54202 Fixed Asset)	RATIFICATION	Description
				FUND	ORG	ACCOUNT	1 thru 11	Inc (Dec)	Inc (Dec)	Inc (Dec)	Inc (Dec)	Yes/No	
Increase (Decrease) of Appropriation													
PSG	SHF	1022046	MMCOF7648 CCA Renovation Rock Mountain Detention Facility	26005	7648D	54202	6	N/A	N/A	(806)		No	Project is complete and can be closed; Transferred to CP 1022041
PSG	SHF	1026122	MMCOF7964 Pine Valley Sheriff Substation Lobby Hardening and Display Reconditioning	26005	7964D	54202	6	N/A	N/A	(13,925)		No	Project is complete and can be closed; Transferred to CP 1022041
PSG	SHF	1026120	MMCOF7962 Julian Sheriff Substation Lobby Hardening and Display Reconditioning	26005	7962D	54202	6	N/A	N/A	(9,933)		No	Project is complete and can be closed; Transferred to CP 1022041
PSG	SHF	1023702	MMCOF7774 Lakeside Substation Emergency Generator and ATS Installation	26005	7774D	54202	6	N/A	N/A	(67,836)		No	Project is complete and can be closed; Transferred to CP 1022041
PSG	SHF	1025542	MMCOF7906 Ranchita Substation Awning and Parking Lot Repairs	26005	7906D	54202	6	N/A	N/A	(49,607)		No	Project is complete and can be closed; Transferred to CP 1022041
PSG	SHF	1026121	MMCOF7963 Santee Sheriff SAR Vehicle Storage Security Camera System Replacement	26005	7963D	54202	6	N/A	N/A	(55,802)		No	Project is complete and can be closed; Transferred to CP 1026123
PSG	SHF	1025532	MMCOF7896 COC Building 209 Crime Lab Security	26005	7896D	54202	6	N/A	N/A	(1,952)		No	Project is complete and can be closed; Transferred to CP 1026862
PSG	SHF	1025543	MMCOF7907 IB Sheriff Trailer Roof and HVAC Replacement	26005	7907D	54202	6	N/A	N/A	(8,678)		No	Project is complete and can be closed; Transferred to CP 1026862
LUG	LIB	1025445	MMCOF7873 COC Library HQ Shades and Lobby Security Upgrade	26005	7873D	54202	6	N/A	N/A	(100,830)		No	Project is complete and can be closed; Transferred to CP 1025453
LUG	LIB	1025448	MMCOF7877 Crest Library HVAC Rooftop Package Unit Replacement	26005	7877D	54202	6	N/A	N/A	(25,475)		No	Project is complete and can be closed; Transferred to CP 1025453
FGG	GSM	1026034	MMCOF7924 DPW Road Maintenance Spring Valley Phase 1	26005	7924D	54202	6	N/A	N/A	(95,767)		No	Project is complete and can be closed; Transferred to CP 1027412
LUG	LIB	1025444	MMCOF7872 Ramona Library Moisture Barrier, Shade Sail, Bollards	12200	57330	52737	8	(121,032)	121,032	(121,032)		No	Project is cancelled
LUG	LIB	1026094	MMCOF7936 Alpine Library Security Cameras Safety Improvement	12200	57330	52737	8	(71,547)	71,547	(71,547)		No	Project is cancelled
PSG	SHF	1026859	MMCOF7A32 South Bay Regional Center Judges Parking Lot Cameras	26005	7A32D	54202	9	N/A	N/A	(150,000)		No	Project is cancelled; Transferred to CP's 1025536 (\$50k), 1026119 (\$85k) & 1022041 (\$15k)
PSG	SHF	1027416	MMCOF7A49 Vista Detention Facility CCTV Upgrades	26005	7A49D	54202	9	N/A	N/A	(1,000,000)		No	Project is cancelled; Transferred to CP 1026872
PSG	SHF	1025537	MMCOF7901 East Mesa Reentry Facility Panels and Switch Gear Cover Replacements	26005	7901D	54202	9	N/A	N/A	(148,613)		No	Project is cancelled; Transferred to CP 1022041
			Subtotal Completed/Cancelled Projects					(1,645,432)	1,645,432	(3,374,656)			
Total Increase (Decrease) of Appropriation								717,453	(717,453)	717,453	96,000		

NOTES:

- 1

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

MMISF Project identified as MMCOF
- 3

MMCOF Spending plan increased
- 4

MMCOF Spending plan decreased
- 5

MMCOF Project complete and remaining funds are transferred to Dept. Services & Supplies
- 6

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

MMCOF Project complete and remaining funds are transferred to a new MMCOF walk-in project
- 8

MMCOF Project cancelled and funding source returned to Services & Supplies for department's operation
- 9

MMCOF Project cancelled and funding transferred to an existing MMCOF project
- 10

MMCOF Project cancelled and funding transferred to a new MMCOF walk-in project
- 11

Completed MMCOF to MMCOF transfers that have already been processed
- 12

Change in revenue source



# San Diego County Sanitation District

## GOVERNING BODY

VACANT  
First District

JOEL ANDERSON  
Second District

TERRA LAWSON-REMER  
Third District

MONICA MONTGOMERY STEPPE  
Fourth District

JIM DESMOND  
Fifth District

## AGENDA ITEM

**DATE:** May 20, 2025

# SA01

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

### SUBJECT

**FISCAL YEAR 2024-25 THIRD QUARTER SAN DIEGO COUNTY SANITATION  
DISTRICT OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS  
(DISTRICTS: ALL)**

### OVERVIEW

This item recommends budget adjustment in the San Diego County Sanitation District as part of the Fiscal Year 2024-25 Third Quarter Operational Plan budget adjustments.

### RECOMMENDATION(S)

#### CHIEF ADMINISTRATIVE OFFICER

1. Increase the San Diego County Sanitation District (Sanitation District) budget by \$1,575,000 to fund increased costs of the Jamacha Main Sewer Improvement project; the funding source is available prior year Sanitation District Fund fund balance.
  - Establish appropriations of \$1,575,000 in the Sanitation District, Capital Assets Land/Acquisitions, to support increased construction cost in Jamacha Force Main Sewer Improvement Project 1022027, based on available prior year Sanitation District Fund fund balance. **(4 VOTES)**
2. Increase the Sanitation District budget by \$800,000 to fund increased maintenance and fuel costs in their fleet; the funding source is available prior year Sanitation District Fund fund balance.
  - Establish appropriation of \$800,000 in the Sanitation District, Services & Supplies, for increased cost associated with vehicle usage, based on available prior year Sanitation District Fund fund balance. **(4 VOTES)**

### EQUITY IMPACT STATEMENT

The recommended actions are intended to provide resources to address inequities in County services and to identify disparities, develop meaningful outcomes, and create a County government culture of equity, belonging, and racial justice.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**SUSTAINABILITY IMPACT STATEMENT**

Today's actions support the sustainability measures across the County considering the environment, economy, health/wellbeing, and/or social aspects of the community by aligning the County's available resources with services to maintain fiscal stability and ensure long-term solvency.

**FISCAL IMPACT**

Funds associated with today's recommendations are not included in the Fiscal Year 2024-25 Operational Plan in the San Diego County Sanitation District (Sanitation District). If approved, this action will result in cost and revenue of \$2,375,000 to fund increased costs of the Jamacha Main Sewer Improvement project (\$1,575,000) and for increased cost associated with vehicle usage (\$800,000). The funding source is available prior year Sanitation District Fund fund balance. There will be no change in net General Fund cost and no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

**ADVISORY BOARD STATEMENT**

N/A

**BACKGROUND**

**Recommendation 1**

This recommendation will establish appropriations of \$1,575,00 in the San Diego County Sanitation District (Sanitation District) for Jamacha Force Main Sewer Improvement Project. The Jamacha Force Main Sewer Improvement Project will improve the sewer pipeline by modernizing the existing sewer infrastructure to provide reliable and continued services for the District rate payers. This pipeline runs through Jamacha Blvd in the unincorporated community of Spring Valley. If approved, this request will establish appropriations to ensure funding is available for construction cost that are anticipated to be higher due to current market conditions for similar projects. The total estimated project cost is \$13,000,000 and is anticipated to be completed by October 2026. The funding source is available prior year Sanitation District Fund fund balance.

**Recommendation 2**

This recommendation will establish appropriations of \$800,000 in the Sanitation District Fund for increased cost in fleet operations, maintenance and fuel costs. This request will provide additional funding for continued fleet operations for sewer maintenance. The funding source is available prior year Sanitation District Fund fund balance.

**ENVIRONMENTAL STATEMENT**

N/A

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions support the Strategic Initiatives of Sustainability, Equity, Empower, Community and Justice in the County of San Diego's 2025-2030 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ebony N. Shelton', written in a cursive style.

EBONY N. SHELTON  
Chief Administrative Officer

**ATTACHMENT(S)**  
N/A



# San Diego County Flood Control District

## AGENDA ITEM

### GOVERNING BODY

VACANT  
First District

JOEL ANDERSON  
Second District

TERRA LAWSON-REMER  
Third District

MONICA MONTGOMERY STEPPE  
Fourth District

JIM DESMOND  
Fifth District

**DATE:** May 20, 2025

**FL01**

**TO:** Flood Control Board of Directors

### SUBJECT

**FISCAL YEAR 2024-25 THIRD QUARTER SAN DIEGO COUNTY FLOOD CONTROL DISTRICT OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

### OVERVIEW

This item recommends budget adjustment in the San Diego County Flood Control District as part of the Fiscal Year 2024-25 Third Quarter Operational Plan budget adjustments.

### RECOMMENDATION(S)

#### CHIEF ADMINISTRATIVE OFFICER

1. Increase the San Diego County Flood Control District budget by \$750,000 to pay for increased costs of the Estrella Park Trash Capture Project; the funding source is available prior year General Fund fund balance in DPW.
  - Establish appropriations of \$750,000 in the San Diego County Flood Control District, Services & Supplies, for the Estrella Park Biofiltration and Trash Capture Project, based on an Operating Transfer In from the Department of Public Works (DPW) General Fund. **(4 VOTES)**

### EQUITY IMPACT STATEMENT

The recommended actions are intended to provide resources to address inequities in County services and to identify disparities, develop meaningful outcomes, and create a County government culture of equity, belonging, and racial justice.

### SUSTAINABILITY IMPACT STATEMENT

Today's actions support the sustainability measures across the County considering the environment, economy, health/wellbeing, and/or social aspects of the community by aligning the County's available resources with services to maintain fiscal stability and ensure long-term solvency.

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**FISCAL IMPACT**

Funds associated with today's recommendation are not included in the Fiscal Year 2024-25 Operational Plan in the San Diego County Flood Control District. If approved, this action will result in cost and revenue of \$750,000 for the Estrella Park Biofiltration and Trash Capture Project. The funding source is Operating Transfer In from the DPW General Fund. There will be no change in net General Fund cost and no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

**ADVISORY BOARD STATEMENT**

N/A

**BACKGROUND**

This recommendation will establish appropriations of \$750,000 in the San Diego County Flood Control District (Flood Control District) for the construction of the Estrella Park Biofiltration and Trash Capture Project due to unanticipated construction costs impacted by storms and minor redesign. This project includes the addition of a subsurface trash capture device that meets State Trash Amendment requirements, as well as treating stormwater flows from 22 upstream acres, in the unincorporated community of Casa de Oro. Additionally, it incorporates several other community improvements, including a new sidewalk, an ADA-compliant parking lot, enhancing access and connectivity, and portable EV charging station. The project highlights a partnership between the Department of Public Works (DPW) Watershed Protection Program and Flood Control District, Department of Parks and Recreation, and Department of General Services to efficiently combine community benefits, elements of sustainability and water quality treatment. The total estimated project cost is \$5,819,200 and is anticipated to be completed in June 2025. The funding source is available prior year General Fund fund balance in DPW.

**ENVIRONMENTAL STATEMENT**

N/A



**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN  
STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS:  
ALL)**

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions support the Strategic Initiatives of Sustainability, Equity, Empower, Community and Justice in the County of San Diego's 2025-2030 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



EBONY N. SHELTON  
Chief Administrative Officer

**ATTACHMENT(S)**

N/A