The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to San Diego County, California for its annual budget for the fiscal year beginning July 2020. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

This award is valid for a period of one year only. The County believes that the current budget continues to conform to program requirements, and will submit it to GFOA to determine its eligibility for another award.
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Note: This map reflects the Supervisorial District boundaries as adopted by the Board of Supervisors on September 27, 2011.
Organizational Chart

- Animal Services
- Child Support Services
- District Attorney*
- Emergency Services
- Executive Office
- Medical Examiner
- Probation
- Public Defender
- San Diego County Fire
- Sheriff*

- Administrative Support
- Aging & Independence Services
- Behavioral Health Services
- Child Welfare Services
- County Successor Agency
- Housing & Community Development Services
- Public Health Services
- Self Sufficiency Services

- Agriculture,Weights & Measures
- Air Pollution Control District**
- Environmental Health and Quality
- Executive Office
- Library
- Parks & Recreation
- Planning & Development Services
- Public Works
- University of California Cooperative Extension

- Assessor/Recorder/County Clerk*
- Auditor & Controller
- Citizens’ Law Enforcement Review Board
- Civil Service Commission
- Clerk of the Board of Supervisors
- County Communications Office
- County Counsel
- County Technology Office
- Executive Office
- General Services
- Grand Jury
- Human Resources
- Purchasing & Contracting
- Registrar of Voters
- Treasurer - Tax Collector*

* Elected Officials
** Effective March 1, 2021, the Air Pollution Control District no longer functions within the organizational structure of the County due to the restructuring of the APCD governing board pursuant to AB423.

Rev. 5/21

ADOPTED OPERATIONAL PLAN FISCAL YEARS 2021–22 AND 2022–23
It’s a New Day

It’s a new day at the County! We have built an operational plan that is more responsive to community voices than ever and builds upon a bold new Framework for the Future established by the Board of Supervisors.

As we introduce this new budget, you will see that the framework places equity at the forefront of all that we do and strengthens outcome-based programs and services to best meet the needs of our region. It also focuses on helping our residents and businesses come back strong after the devastating impacts of this pandemic.

Consistent with the framework, this budget sets a new foundation built upon racial equity, social and environmental justice, sustainability and economic opportunity. We are also examining all we do through a renewed focus on transparency and inclusion, one that brings community to the table and one that will strengthen our operations.

We remain focused on fiscal responsibility while prioritizing our resources based on data analysis and community need. While we continue to hold our core values of integrity, stewardship and service commitment at the forefront of our operations, we are also re-examining all our policies and programs to tear down structural racism and ensure equity is considered at every level of government programs and services.

The County of San Diego’s adopted budget is designed to help improve the lives of all San Diegans, especially the most vulnerable. This year’s budget will increase by 10.4% or nearly $0.7 billion over last year’s budget to more than $7 billion in Fiscal Year 2021–22.

Our top priority has always been and remains serving the residents of San Diego County by striving for excellence in everything we do.

The future is promising. Together we are strong, and together with the community and our Board, we will build upon the lessons learned in 2020 and strengthen our vision of a County that equitably builds better health, ensures safe living and thrives.

Helen N. Robbins-Meyer
Chief Administrative Officer
Executive Summary

Adopted Budget by Group/Agency: All Funds

Total Adopted Budget: $7.23 billion

<table>
<thead>
<tr>
<th>Group/Agency</th>
<th>Fiscal Year 2020-21 Adopted Budget</th>
<th>Fiscal Year 2021-22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety</td>
<td>$2,047.0</td>
<td>$2,247.6</td>
<td>$200.5</td>
<td>9.8</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>2,532.9</td>
<td>2,842.4</td>
<td>309.5</td>
<td>12.2</td>
</tr>
<tr>
<td>Land Use and Environment*</td>
<td>650.1</td>
<td>615.4</td>
<td>(34.7)</td>
<td>(5.3)</td>
</tr>
<tr>
<td>Finance and General Government</td>
<td>776.4</td>
<td>778.5</td>
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<td>0.3</td>
</tr>
<tr>
<td>Capital Program</td>
<td>129.7</td>
<td>282.7</td>
<td>153.0</td>
<td>117.9</td>
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<tr>
<td>Finance Other</td>
<td>415.8</td>
<td>466.5</td>
<td>50.7</td>
<td>12.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,551.9</strong></td>
<td><strong>$7,233.0</strong></td>
<td><strong>$681.1</strong></td>
<td><strong>10.4</strong></td>
</tr>
</tbody>
</table>

Note: In the chart and table, the sum of individual amounts may not total due to rounding.

*Includes the Air Pollution Control District transition from the Land Use and Environment Group (LUEG) to an independent agency, removing its budget ($80.1 million) from LUEG. Adjusted to exclude this transition, the LUEG budget increases by 8.0% or $45.4 million when compared to Fiscal Year 2020-21 Adopted Budget.

Appropriations total $7.23 billion in the Adopted Budget for Fiscal Year 2021-22. This is an increase of $681.1 million or 10.4% for Fiscal Year 2021-22 from the Fiscal Year 2020-21 Adopted Budget. Looking at the Operational Plan by Group/Agency, there are appropriation increases in all County business groups to respond to community voices and to build upon the new Framework for the Future established by the Board of Supervisors to prioritize resources building upon equity, social and environmental justice, sustainability and economic opportunity.
Adopted Budget by Select Program

**Fiscal Year 2021-22**

- Behavioral Health Services: $817.6M
- Sheriff Non-Detention: $637.7M
- Eligibility/Self-Sufficiency Services: $611.5M
- Child Welfare/Child Support: $463.3M
- Public Health Services: $377.8M
- Public Works/Roads: $355.7M
- Sheriff Detention: $313.4M
- Capital: $282.7M
- District Attorney: $233.8M
- County Technology Office: $230.4M
- Youth Development & Community Support Services: $128.6M
- Sheriff Medical Services: $122.8M
- Housing: $113.7M
- Public Defender: $110.5M
- Adult Reintegration & Community Supervision Services: $105.0M
- Seniors: $94.3M
- Assessor/Recorder/County Clerk: $78.8M
- San Diego County Fire: $68.3M
- Parks and Recreation: $60.1M
- County Library: $57.6M
- Environmental Health and Quality: $55.1M
- Planning and Development Services: $50.5M
- Homeless Solutions and Equitable Communities: $48.0M
- Registrar of Voters: $29.5M
- Treasurer-Tax Collector: $24.1M
- Board of Supervisors: $12.9M
- Animal Services: $9.6M
- Chief Administrative Office: $9.1M
- Office of Emergency Services: $7.9M
The Adopted Budget overall increase is primarily due to increases in Services & Supplies of $255.3 million. The Services & Supplies increase is primarily in the Health and Human Services Agency with over half of the increase driven by continued costs for COVID-19 response including Test, Trace, Treat strategy (T3), vaccination efforts, and to prepare and prevent future infectious diseases. Additional increases are driven by new investments which build upon priority areas and meet increased need for essential services, including investments to the Behavioral Health Continuum of Care to expand access and redesign services to improve outcomes, investments in additional employment supports for CalWORKs recipients to align with additional federal and State funding, and funding for new pilot programs to support mothers and families. Additional funding are included to support affordable housing; expanding mobile crisis response teams; support for the new Office of Immigrant and Refugee Affairs, Office of Environmental and Climate Justice, Office of Evaluation Performance and Analytics and Office of Labor Standards and Enforcement; additional fire apparatus engineers to increase response capabilities; establish a toxicology program in
the Sheriff’s Department; support Medication Assisted Treatment (MAT) services startup costs; study the capacity for recycling facilities; add microtrenching and conduit along State Route 67; develop agricultural and residential ordinances; increase water quality monitoring and testing in South County; explore public banking options; improve youth workforce development; as well as various rebudgets in multiple departments. Salaries & Benefits are increasing by $193.3 million, primarily due to retirement contributions, negotiated labor increases, and Adopted Staffing changes. Capital Assets/Land Acquisition are increasing by $168.1 million, which will aid in developing the Board of Supervisor’s robust Capital Program. Other Charges are decreasing by $32.1 million which is largely driven by a restructuring in LUEG; effective March 1, 2021, the Air Pollution Control District (APCD) had to comply with Assembly Bill 423 and became a fiduciary fund held by the County of San Diego. As a result, APCD had no recommended budget in Fiscal Year 2021-22 and will prepare and adopt its own budget. Providing teleworking stipends to eligible County employees slightly offsets the decrease in Other Charges caused by the LUEG organizational change. Additional changes to the budget are driven by internal operating transfers and expenditure transfers between budget units and funds.
Adopted Budget by Categories of Revenues: All Funds

<table>
<thead>
<tr>
<th></th>
<th>Fiscal Year 2020-21 Adopted Budget</th>
<th>Fiscal Year 2021-22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Revenue</td>
<td>$1,788.3</td>
<td>$1,850.0</td>
<td>61.8</td>
<td>3.5</td>
</tr>
<tr>
<td>Property and Other Taxes</td>
<td>1,348.9</td>
<td>1,446.7</td>
<td>97.8</td>
<td>7.3</td>
</tr>
<tr>
<td>Charges for Services, Fees and Fines</td>
<td>1,177.2</td>
<td>1,223.4</td>
<td>46.3</td>
<td>3.9</td>
</tr>
<tr>
<td>Federal Revenue</td>
<td>1,036.5</td>
<td>1,348.1</td>
<td>311.6</td>
<td>30.1</td>
</tr>
<tr>
<td>Operating Transfers and Other Financing Sources, Use of Money &amp; Property, and Misc. Revenues</td>
<td>636.2</td>
<td>799.5</td>
<td>163.4</td>
<td>25.7</td>
</tr>
<tr>
<td>Use of Fund Balance/Fund Balance Component Decrease</td>
<td>421.0</td>
<td>394.0</td>
<td>(27.0)</td>
<td>(6.4)</td>
</tr>
<tr>
<td>Other Intergovernmental Revenue</td>
<td>143.8</td>
<td>171.2</td>
<td>27.3</td>
<td>19.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$6,551.9</td>
<td>$7,233.0</td>
<td>$681.1</td>
<td>10.4</td>
</tr>
</tbody>
</table>

Note: In the chart and table, the sum of individual amounts may not total due to rounding.

For Fiscal Year 2021-22, the combination of State Revenue ($1.9 billion), Federal Revenue ($1.3 billion) and Other Intergovernmental Revenue ($171.2 million) supplies 46.6% of the funding sources for the County’s budget. These Intergovernmental Revenues represent the most significant changes. Together, they increased by $400.7 million from the Adopted Budget. Federal revenues increased by $311.6 million primarily due to increased federal funding to prevent and prepare for future infectious dis-
eases and capital projects. Federal revenues also increased due to American Rescue Plan Act (ARPA) funding in the Adopted Budget for fee waivers in LUEG departments; staff support for the administration and monitoring of ARPA funds; and to fund new County departments and capital projects. State revenues increased by $61.8 million primarily due to changes in projected sales tax receipts and vehicle license fees which impact Realignment revenues that support HHSA and PSG operations. Additional State revenues were received for a grant tied to establishing a toxicology program and for San Diego River Conservancy and Proposition 8 grants to fund the Lindo Lakes Improvements project. Other Intergovernmental Revenues increased by $27.3 million due to primarily due to the recognition of higher residual revenue from the distribution of former redevelopment funds. Meanwhile, Property and Other Taxes increased by $97.8 million due to a strong real estate market and lower than anticipated property tax delinquencies.

Finally, Use of Fund Balance/Fund Balance Component Decreases are decreasing overall by $27.0 million in all County funds primarily due to the removal of prior year one-time appropriations that were supported by fund balance component decreases, which is partially offset by the use of fund balance for key Board priorities, including the new Framework for the Future.
Adopted Staffing by Group/Agency: All Funds

**Total Adopted Staffing: 18,782.50**

<table>
<thead>
<tr>
<th>Group/Agency</th>
<th>Fiscal Year 2020-21 Adopted Budget</th>
<th>Fiscal Year 2021-22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety</td>
<td>7,470.00</td>
<td>7,834.00</td>
<td>364.00</td>
<td>4.9</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>6,772.50</td>
<td>7,284.50</td>
<td>512.00</td>
<td>7.6</td>
</tr>
<tr>
<td>Land Use and Environment*</td>
<td>1,956.50</td>
<td>1,855.50</td>
<td>(101.00)</td>
<td>(5.2)</td>
</tr>
<tr>
<td>Finance and General Government</td>
<td>1,754.50</td>
<td>1,808.50</td>
<td>54.00</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17,953.50</strong></td>
<td><strong>18,782.50</strong></td>
<td><strong>829.00</strong></td>
<td><strong>4.6</strong></td>
</tr>
</tbody>
</table>

1A staff year in the Operational Plan context equates to one permanent employee working full-time for one year.

Note: In the chart and table, the sum of individual amounts may not total due to rounding.

*Includes the Air Pollution Control District transition from the Land Use and Environment Group (LUEG) to an independent agency, removing its staffing (164.00) from LUEG. Adjusted to exclude this transition, LUEG staffing increases by 3.5% or 63.00 FTEs when compared to the Fiscal Year 2020-21 Adopted Budget.

Total staff years for Fiscal Year 2021-22 in the Adopted Budget increased by 829.00 from the Fiscal Year 2020-21 Adopted Budget, an increase of 4.6% to a total of 18,782.50 staff years. The overall decrease of staffing in LUEG in the Adopted Budget includes the Air Pollution Control District transition from LUEG to an independent agency, removing its staffing (164.00) from LUEG. Adjusted to exclude this transition, LUEG staffing increases by 3.5% or 63.00 FTEs when compared to the Fiscal Year 2020-21 Adopted Budget.
The staffing increase is attributable to increases in staffing in all County Business Groups. Of note, resources are being added to the Sheriff’s Department to expand medical care and enhance access to mental health services throughout the jail system and to open three housing units and dedicated medical facilities in the Rock Mountain Detention Facility, as well as through the expansion of MAT services in County jails. In addition, the Health and Human Services Agency is adding a new department (Homeless Solutions and Equitable Communities) as well as staff in nearly every department to address increasing caseloads, to prepare and prevent future infectious diseases, and for expanded mobile crisis response teams. Other staffing changes in LUEG and FGG include support for regional sustainability, expanded water quality testing, to support youth mentorship and maintenance of new County Parks, to expand the Safe Destination Nights program, to provide additional enterprise resource support, and to stand up the following new departments: Homeless Solutions and Equitable Communities department (including the Office of Refugee and Immigrant Affairs), Office of Environmental and Climate Justice, Office of Evaluation Performance and Analytics, and the Office of Labor Standards and Enforcement; to provide additional enterprise support; and to further staff the Office of Equity and Racial Justice.
## Total Staffing by Department within Group/Agency (staff years)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Safety</strong></td>
<td>7,551.00</td>
<td>7,470.00</td>
<td>7,834.00</td>
<td>364.00</td>
<td>4.9</td>
<td>7,888.00</td>
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<tr>
<td>Public Safety Executive Office</td>
<td>14.00</td>
<td>14.00</td>
<td>14.00</td>
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<td>14.00</td>
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<tr>
<td>District Attorney</td>
<td>991.00</td>
<td>991.00</td>
<td>1,006.00</td>
<td>15.00</td>
<td>1.5</td>
<td>1,006.00</td>
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<td>Sheriff*</td>
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<td>4,381.00</td>
<td>4,695.00</td>
<td>314.00</td>
<td>7.2</td>
<td>4,749.00</td>
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<tr>
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<td>497.00</td>
<td>497.00</td>
<td>461.00</td>
<td>(36.00)</td>
<td>(7.2)</td>
<td>461.00</td>
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<tr>
<td>Office of Emergency Services</td>
<td>21.00</td>
<td>21.00</td>
<td>21.00</td>
<td>—</td>
<td>0.0</td>
<td>21.00</td>
</tr>
<tr>
<td>Animal Services</td>
<td>61.00</td>
<td>61.00</td>
<td>61.00</td>
<td>—</td>
<td>0.0</td>
<td>61.00</td>
</tr>
<tr>
<td>Medical Examiner</td>
<td>57.00</td>
<td>57.00</td>
<td>60.00</td>
<td>3.00</td>
<td>5.3</td>
<td>60.00</td>
</tr>
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<td>Probation</td>
<td>1,068.00</td>
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<td>1,009.00</td>
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<td>Public Defender</td>
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<td>442.00</td>
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<td>442.00</td>
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<td>San Diego County Fire</td>
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<td>27.00</td>
<td>65.00</td>
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<td>140.7</td>
<td>65.00</td>
</tr>
<tr>
<td><strong>Health and Human Services</strong></td>
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<td>6,772.50</td>
<td>7,284.50</td>
<td>512.00</td>
<td>7.6</td>
<td>7,284.50</td>
</tr>
<tr>
<td>Self Sufficiency Services</td>
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<td>2,529.00</td>
<td>2,613.00</td>
<td>84.00</td>
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<td>2,613.00</td>
</tr>
<tr>
<td>Aging &amp; Independence Services</td>
<td>449.00</td>
<td>449.00</td>
<td>492.00</td>
<td>43.00</td>
<td>9.6</td>
<td>492.00</td>
</tr>
<tr>
<td>Behavioral Health Services</td>
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<td>1,006.50</td>
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<td>107.00</td>
<td>10.6</td>
<td>1,113.50</td>
</tr>
<tr>
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<td>1,492.00</td>
<td>1,531.00</td>
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<td>2.6</td>
<td>1,531.00</td>
</tr>
<tr>
<td>Public Health Services</td>
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<td>128.00</td>
<td>18.1</td>
<td>837.00</td>
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<tr>
<td>Administrative Support</td>
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<td>457.00</td>
<td>383.00</td>
<td>(74.00)</td>
<td>(16.2)</td>
<td>383.00</td>
</tr>
<tr>
<td>Housing &amp; Community Development Services</td>
<td>128.00</td>
<td>130.00</td>
<td>130.00</td>
<td>—</td>
<td>0.0</td>
<td>130.00</td>
</tr>
<tr>
<td>Homeless Solutions and Equitable Communities</td>
<td>—</td>
<td>—</td>
<td>185.00</td>
<td>185.00</td>
<td>100.0</td>
<td>185.00</td>
</tr>
<tr>
<td><strong>Land Use and Environment</strong></td>
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<td>1,956.50</td>
<td>1,855.50</td>
<td>(101.00)</td>
<td>(5.2)</td>
<td>1,855.50</td>
</tr>
<tr>
<td>Land Use and Environment Executive Office</td>
<td>13.00</td>
<td>13.00</td>
<td>21.00</td>
<td>8.00</td>
<td>61.5</td>
<td>21.00</td>
</tr>
<tr>
<td>Agriculture, Weights and Measures</td>
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<td>179.00</td>
<td>179.00</td>
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<td>0.0</td>
<td>179.00</td>
</tr>
<tr>
<td>Air Pollution Control District</td>
<td>159.00</td>
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<td>—</td>
<td>(164.00)</td>
<td>(100.0)</td>
<td>—</td>
</tr>
<tr>
<td>County Library</td>
<td>284.50</td>
<td>284.50</td>
<td>286.50</td>
<td>2.00</td>
<td>0.7</td>
<td>286.50</td>
</tr>
<tr>
<td>Environmental Health and Quality</td>
<td>308.00</td>
<td>309.00</td>
<td>313.00</td>
<td>4.00</td>
<td>1.3</td>
<td>313.00</td>
</tr>
</tbody>
</table>

* Includes an increase of 141.00 nursing, health and mental health staff years to expand medical care and enhance access to mental health services throughout the jail system.

** Includes the Air Pollution Control District transition from the Land Use and Environment Group (LUEG) to an independent agency, removing its staffing (164.00) from LUEG. Adjusted to exclude this transition, LUEG staffing increases by 3.5% or 63.00 FTEs when compared to the Fiscal Year 2020-21 Adopted Budget.
## Total Staffing by Department within Group/Agency (staff years)

<table>
<thead>
<tr>
<th>Department/Office</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks and Recreation</td>
<td>234.00</td>
<td>235.00</td>
<td>249.00</td>
<td>14.00</td>
<td>6.0</td>
<td>249.00</td>
</tr>
<tr>
<td>Planning &amp; Development Services</td>
<td>230.00</td>
<td>232.00</td>
<td>237.00</td>
<td>5.00</td>
<td>2.2</td>
<td>237.00</td>
</tr>
<tr>
<td>Public Works</td>
<td>539.00</td>
<td>540.00</td>
<td>570.00</td>
<td>30.00</td>
<td>5.6</td>
<td>570.00</td>
</tr>
<tr>
<td>Finance and General Government Group Executive Office</td>
<td>25.00</td>
<td>25.00</td>
<td>32.00</td>
<td>7.00</td>
<td>28.0</td>
<td>32.00</td>
</tr>
<tr>
<td>Board of Supervisors</td>
<td>57.00</td>
<td>60.00</td>
<td>72.00</td>
<td>12.00</td>
<td>20.0</td>
<td>72.00</td>
</tr>
<tr>
<td>Assessor/Recorder/County Clerk</td>
<td>419.50</td>
<td>419.50</td>
<td>419.50</td>
<td>—</td>
<td>0.0</td>
<td>419.50</td>
</tr>
<tr>
<td>Treasurer-Tax Collector</td>
<td>123.00</td>
<td>123.00</td>
<td>123.00</td>
<td>—</td>
<td>0.0</td>
<td>123.00</td>
</tr>
<tr>
<td>Chief Administrative Office</td>
<td>16.50</td>
<td>16.50</td>
<td>26.50</td>
<td>10.00</td>
<td>60.6</td>
<td>20.50</td>
</tr>
<tr>
<td>Auditor and Controller</td>
<td>238.50</td>
<td>236.50</td>
<td>235.50</td>
<td>(1.00)</td>
<td>(0.4)</td>
<td>235.50</td>
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<tr>
<td>County Technology Office</td>
<td>15.00</td>
<td>14.00</td>
<td>14.00</td>
<td>—</td>
<td>0.0</td>
<td>14.00</td>
</tr>
<tr>
<td>Citizens’ Law Enforcement Review Board</td>
<td>5.00</td>
<td>8.00</td>
<td>8.00</td>
<td>—</td>
<td>0.0</td>
<td>8.00</td>
</tr>
<tr>
<td>Civil Service Commission</td>
<td>4.00</td>
<td>3.00</td>
<td>3.00</td>
<td>—</td>
<td>0.0</td>
<td>3.00</td>
</tr>
<tr>
<td>Clerk of the Board of Supervisors</td>
<td>28.00</td>
<td>28.00</td>
<td>28.00</td>
<td>—</td>
<td>0.0</td>
<td>28.00</td>
</tr>
<tr>
<td>County Counsel</td>
<td>147.00</td>
<td>148.00</td>
<td>150.00</td>
<td>2.00</td>
<td>1.4</td>
<td>150.00</td>
</tr>
<tr>
<td>Grand Jury</td>
<td>1.00</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>0.0</td>
<td>—</td>
</tr>
<tr>
<td>Human Resources</td>
<td>123.00</td>
<td>122.00</td>
<td>124.00</td>
<td>2.00</td>
<td>1.6</td>
<td>124.00</td>
</tr>
<tr>
<td>County Communications Office</td>
<td>23.00</td>
<td>21.00</td>
<td>21.00</td>
<td>—</td>
<td>0.0</td>
<td>21.00</td>
</tr>
<tr>
<td>General Services</td>
<td>395.00</td>
<td>395.00</td>
<td>395.00</td>
<td>—</td>
<td>0.0</td>
<td>395.00</td>
</tr>
<tr>
<td>Purchasing and Contracting</td>
<td>66.00</td>
<td>66.00</td>
<td>68.00</td>
<td>2.00</td>
<td>3.0</td>
<td>68.00</td>
</tr>
<tr>
<td>Registrar of Voters</td>
<td>69.00</td>
<td>69.00</td>
<td>69.00</td>
<td>—</td>
<td>0.0</td>
<td>69.00</td>
</tr>
<tr>
<td>Office of Evaluation, Performance and Analytics</td>
<td>—</td>
<td>—</td>
<td>20.00</td>
<td>20.00</td>
<td>100.0</td>
<td>20.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,024.50</strong></td>
<td><strong>17,953.50</strong></td>
<td><strong>18,782.50</strong></td>
<td><strong>829.00</strong></td>
<td>4.6</td>
<td><strong>18,836.50</strong></td>
</tr>
</tbody>
</table>
Investing in Equity, Diversity and Inclusion

Creating an Equitable County Government through Targeted Universalism
Principles and Belonging

As an enterprise, we seek to engage employees as well as the underserved communities in setting County department priorities. Following our Diversity & Inclusion (D&I) Strategic Plan on delivering four desired outcomes, which include: Exceptional service to our diverse customers; Inclusion for all employees and customers; A motivated and engaged workforce; and, Organizational effectiveness and innovation, the County has taken continuous action to address the long-standing inequities and strengthen our region. This D&I Strategic Plan has strengthened our diversity and inclusion efforts throughout the county and provided the framework we follow to ensure our employees and customers can be authentic and feel respected. Those efforts include expanding the following:

**D&I Executive Council**

Diverse executive leadership creating a culture that keeps diversity and inclusion at the forefront for leaders throughout the enterprise by guiding the County’s diversity and inclusion strategy.

**D&I Employee Training**

Through the Department of Human Resources Diversity Executive Council initiatives, the team is actively engaged in offering materials and training such as Cultural Competency and Unconscious Bias Trainings that reflect the County’s commitment to a diverse workforce.

**D&I Champions**

The D&I Lead and Department Champions work throughout the enterprise to provide learning opportunities about diversity, inclusion, and cultural competency.

**Employee Resource Groups**

The County of San Diego has ten thriving Employee Resource Groups that play an important role in advancing our commitment to diversity and creating and sustaining an inclusive workplace. ERGs provide employees networking and professional development activities, support County initiatives, and promote cultural awareness.

**Office of Ethics & Compliance**

Department dedicated to fostering a culture of integrity, implementing the Code of Ethics, promoting ethics and compliance through developed policies, programs and trainings, and reviewing discrimination, fraud, waste and abuse complaints.

**Human Resources Equity, Diversity & Inclusion Unit**

The Department of Human Resources further extended the diversity and inclusion strategy by creating the Equity, Diversity and Inclusion division. The division focuses on identifying a framework to assess policies, procedures, and practices in support of integrating equity, identifying and undoing systemic racism, promoting equitable opportunities for career advancement, recruiting diverse leadership and monitoring progress. In partnership with the D&I Executive Council, leadership and employee resources were created to enhance skills and knowledge to provide a culturally competent foundation for addressing and responding to bias.

**San Diego County Leon Williams Human Relations Commission**

31-member community commission established to promote positive human relations, respect and integrity of every individual in the County of San Diego.

**Office of Equity & Racial Justice**

Department devoted to engaging the community to co-create transformative, enduring, structural and systemic change in San Diego County government. This office bridges San Diego County departments and community voices to design bold policies and practices to advance equity.

**County Procurement Tiger Team**

The Procurement Tiger Team working group analyzed Department of Purchasing & Contracting practices and identified opportunities to remove barriers and reduce challenges in County contracting, including maximizing the diversity of the County supplier base and creating further public accountability and compliance.

**Live Well Communities**

The County's Live Well Communities project works to address historically underserved residents of the county. By acknowledging community voices as subject matter experts, the County through the Live Well Communities approach, can respond to those priorities by implementing large-scale procedural changes, specific programs and services to address disproportionalities that have created barriers for residents to live well.
Other County Programs

The County offers a number of programs that work to address long-standing inequities, disparities, and disproportionality in our communities, some examples of these programs include: the Cultural Broker Program in Central Region which is aimed at reducing the disproportionate number of African American children in the Child Welfare System; the Safe Destination Nights program which is a collaboration between various County departments to provide evening activities for teens in areas with a history of higher rates of youth crime and gang involvement; and, Achievement Centers that provide an opportunity for justice-involved youth who present non-criminal at-risk behavior to receive services that help maintain important family and community relationships.

Recognizing racism underpins health inequities throughout the region and has a substantial correlation to poor outcomes in many facets of life, the Board of Supervisors declared racism a public health crisis on January 12, 2021 (8). With this declaration, the Board directed several changes to County operations to begin laying the foundation for structural, systemic and enduring changes to the County.

Some of these changes include adding Equity and Belonging into the County’s mission, vision, values and strategic plan. Creating a process to solicit community input to identify County policies and practices that lead to or perpetuate racial or ethnic disparity. This will be a part of the annual strategic plan for the OERJ. Staff from the OERJ will facilitate a series of Leon Williams Human Relations Commission (HRC) subcommittee meetings annually to gather input on County policies and practices.

Incorporating a section titled Equity Impact Statement in the Board Letter template for all County departments to identify and determine a systematic approach with standardized guidelines to express the equity impact of recommended actions. Enhancing data collection capabilities to identify racial disparities among programs and services that are meant to improve health, social, economic, educational, and criminal justice circumstances, and prioritize funding proportional to need when possible.

Lastly, updating the County’s strategic plan with Enterprise-Wide Goals that focus on the concepts of Belonging and Equity 2.0, also known as Targeted Universalism. Targeted Universalism means setting universal goals pursued by targeted processes to achieve those goals. Within a targeted universalism framework, universal goals are established for all groups concerned. Strategies are developed to achieve those goals by focusing on what is needed for the different groups situated within structures, culture, and across geographies to obtain the universal goal. Departments have begun developing these goals and creating strategies to monitor progress. Many of these goals are represented in the graphic on the next page. Full incorporation of these goals into the County’s operational plan is planned for the Fiscal Year 2022-24 operational plan cycle.
COUNTY of SAN DIEGO
D&I PARTNERSHIP MODEL

Human Relations Commission
31-member commission established to promote positive human relations, respect and integrity of every individual in the County of San Diego.

Office of Equity & Racial Justice
Devoted to engaging the community to cocreate transformative, enduring, structural and systemic change in San Diego County government.

Employee Resource Groups (ERGs)
The County of San Diego has ten thriving Employee Resource Groups that play an important role in advancing our commitment to diversity and creating and sustaining an inclusive workplace. ERGs provide employees networking and professional development activities, support County initiatives, and promote cultural awareness.

Diversity & Inclusion Executive Council
Diverse executive leadership creating a culture that keeps diversity and inclusion at the forefront for leaders throughout the enterprise by guiding the County’s diversity and inclusion strategy.

EDI Unit
Integrating EDI into County Culture and becoming an internal support specifically in the areas of:
- Recruitment
- Hiring
- Professional Development/Advancement

Equity, Diversity & Inclusion Unit

Office of Ethics & Compliance
Department dedicated to fostering a culture of integrity, implementing the Code of Ethics, promoting ethics and compliance through developed policies, programs and trainings, and reviewing discrimination, fraud, waste and abuse complaints.
### San Diego County Facts and Figures

#### POPULATION:

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,337,456</td>
<td>3,340,312</td>
<td>3,343,355</td>
</tr>
</tbody>
</table>

1San Diego County is the second most populous county in California and fifth most populous in the United States.

Source: California Department of Finance.

Note: Population for 2019 was restated.

#### INCORPORATED CITIES:

<table>
<thead>
<tr>
<th></th>
<th>18</th>
</tr>
</thead>
</table>

#### CIVILIAN LABOR FORCE:

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1,590,600</td>
<td>1,538,400</td>
</tr>
</tbody>
</table>

Source: California Employment Development Department.

#### UNEMPLOYMENT RATE:

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>3.2%</td>
<td>9.2%</td>
</tr>
</tbody>
</table>

Source: California Employment Development Department.

#### EMPLOYMENT MIX: (Industry):

<table>
<thead>
<tr>
<th>Industry</th>
<th>2019 Employees</th>
<th>2020 Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>251,600</td>
<td>235,900</td>
</tr>
<tr>
<td>Professional and Business Services</td>
<td>261,300</td>
<td>253,400</td>
</tr>
<tr>
<td>Trade, Transportation and Utilities</td>
<td>232,900</td>
<td>220,500</td>
</tr>
<tr>
<td>Educational and Health Services</td>
<td>220,800</td>
<td>211,800</td>
</tr>
<tr>
<td>Leisure and Hospitality</td>
<td>200,600</td>
<td>130,400</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>117,300</td>
<td>112,900</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>77,500</td>
<td>74,000</td>
</tr>
<tr>
<td>Construction</td>
<td>84,800</td>
<td>87,800</td>
</tr>
<tr>
<td>Other Services</td>
<td>54,500</td>
<td>40,600</td>
</tr>
<tr>
<td>Information Technology</td>
<td>23,500</td>
<td>21,900</td>
</tr>
<tr>
<td>Farming</td>
<td>9,000</td>
<td>8,400</td>
</tr>
<tr>
<td>Mining and Logging</td>
<td>400</td>
<td>300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,534,200</strong></td>
<td><strong>1,397,900</strong></td>
</tr>
</tbody>
</table>

1Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, and household domestic workers.

2Excludes the U.S. Department of Defense.

Source: California Employment Development Department.

#### TEN LARGEST EMPLOYERS:

<table>
<thead>
<tr>
<th>Employer</th>
<th>2019 Employees</th>
<th>2020 Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.C. San Diego</td>
<td>35,847</td>
<td>35,802</td>
</tr>
<tr>
<td>Sharp Healthcare</td>
<td>18,700</td>
<td>19,468</td>
</tr>
<tr>
<td>County of San Diego</td>
<td>18,025</td>
<td>17,954</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>11,545</td>
<td>11,820</td>
</tr>
<tr>
<td>San Diego Community College District</td>
<td>6,805</td>
<td>5,400</td>
</tr>
<tr>
<td>General Atomics (and affiliated companies)</td>
<td>6,777</td>
<td>6,745</td>
</tr>
<tr>
<td>San Diego State University</td>
<td>6,371</td>
<td>6,454</td>
</tr>
<tr>
<td>Rady Children’s Hospital-San Diego</td>
<td>5,541</td>
<td>5,711</td>
</tr>
<tr>
<td>YMCA of San Diego County</td>
<td>5,517</td>
<td>5,057</td>
</tr>
<tr>
<td>Sempra Energy</td>
<td>4,741</td>
<td>5,063</td>
</tr>
</tbody>
</table>


Note: The Naval Base San Diego was excluded.
### CONSUMER PRICE INDEX:

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount:</td>
<td>292.55 (3.4% increase)</td>
<td>299.43 (2.4% increase)</td>
<td>303.93 (1.5% increase)</td>
</tr>
</tbody>
</table>


### MEDIAN HOUSEHOLD INCOME:

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount:</td>
<td>$ 70,588</td>
<td>$ 74,855</td>
<td>$ 78,980</td>
</tr>
</tbody>
</table>

1Each amount adjusted annually for inflation according to its respective year.

Source: U.S. Census Bureau

### MEDIAN HOME PRICE:

<table>
<thead>
<tr>
<th>Year</th>
<th>January 2019</th>
<th>January 2020</th>
<th>January 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Homes</td>
<td>$ 615,000</td>
<td>$ 670,000</td>
<td>$ 744,000</td>
</tr>
<tr>
<td>Attached Homes</td>
<td>$ 415,000</td>
<td>$ 435,000</td>
<td>$ 485,000</td>
</tr>
</tbody>
</table>

1Median price of all single family and attached homes sold in January of each year.

Source: San Diego Regional Chamber of Commerce.

### TOP TEN PROPERTY TAXPAYERS (as of July 2020):

<table>
<thead>
<tr>
<th>Company</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego Gas &amp; Electric Company</td>
<td>$ 148,307,133</td>
</tr>
<tr>
<td>Qualcomm Inc.</td>
<td>$ 25,654,992</td>
</tr>
<tr>
<td>Irvine Co.</td>
<td>$ 14,405,994</td>
</tr>
<tr>
<td>UTC Venture LLC</td>
<td>$ 10,320,586</td>
</tr>
<tr>
<td>Host Hotels and Resorts</td>
<td>$ 10,046,879</td>
</tr>
<tr>
<td>Kilroy Realty, LP</td>
<td>$ 9,997,978</td>
</tr>
<tr>
<td>Pacific Bell Telephone Co.</td>
<td>$ 9,254,201</td>
</tr>
<tr>
<td>BSK Del Partners, LLC</td>
<td>$ 7,861,336</td>
</tr>
<tr>
<td>Sorrento West Properties, Inc.</td>
<td>$ 6,965,747</td>
</tr>
<tr>
<td>Fashion Valley Mall LLC</td>
<td>$ 6,817,667</td>
</tr>
</tbody>
</table>

Source: County of San Diego, Auditor and Controller, Property Tax Services Division.
FISCAL YEAR 2020–21
ASSESSED VALUATION:
$566.7 billion
Source: San Diego County Assessor/Recorder/County Clerk (Gross less regular exemptions).

ESTIMATED TOTAL HOUSING UNITS:
1,233,777

LAND USE:
(in descending order)

<table>
<thead>
<tr>
<th>Land Use</th>
<th>2020 Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parkland</td>
<td>1,414,373</td>
</tr>
<tr>
<td>Vacant or Undeveloped Land</td>
<td>557,093</td>
</tr>
<tr>
<td>Residential</td>
<td>380,930</td>
</tr>
<tr>
<td>Agriculture</td>
<td>119,503</td>
</tr>
<tr>
<td>Public/Government</td>
<td>119,448</td>
</tr>
<tr>
<td>Other Transportation</td>
<td>108,207</td>
</tr>
<tr>
<td>Commercial/Industrial</td>
<td>33,929</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,733,483</strong></td>
</tr>
</tbody>
</table>

1The acres available for land use may vary year to year due to survey updates that include tide level changes.
Source: San Diego Association of Governments.

AGRICULTURAL PRODUCTION:

<table>
<thead>
<tr>
<th>Agricultural Production</th>
<th>2019 Value</th>
<th>2019 Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursery &amp; Flower Crops (e.g., indoor plants, trees &amp; shrubs, bedding plants, cut flowers, etc.)</td>
<td>$ 1,249,388,514</td>
<td>12,101</td>
</tr>
<tr>
<td>Fruit &amp; Nut Crops (e.g., avocados, citrus, berries, etc.)</td>
<td>$ 341,721,924</td>
<td>29,354</td>
</tr>
<tr>
<td>Vegetable Crops (e.g., tomatoes, herbs, mushrooms, etc.)</td>
<td>$ 130,883,159</td>
<td>3,164</td>
</tr>
<tr>
<td>Livestock &amp; Poultry Products (e.g., chicken eggs, milk, etc.)</td>
<td>$ 41,726,968</td>
<td>N/A</td>
</tr>
<tr>
<td>Livestock &amp; Poultry (e.g., cattle &amp; calves, chickens, hogs &amp; pigs, etc.)</td>
<td>$ 18,094,152</td>
<td>N/A</td>
</tr>
<tr>
<td>Field Crops (e.g., pastures, ranges, hay, etc.)</td>
<td>$ 6,818,060</td>
<td>189,858</td>
</tr>
<tr>
<td>Apiary (e.g., honey, pollination, bees &amp; queens, etc.)</td>
<td>$ 6,040,642</td>
<td>N/A</td>
</tr>
<tr>
<td>Timber Products (e.g., firewood and timber)</td>
<td>$ 855,154</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Grand Totals</strong></td>
<td><strong>$ 1,795,528,573</strong></td>
<td><strong>234,477</strong></td>
</tr>
</tbody>
</table>

Source: San Diego Agricultural Commissioner/Sealer of Weights & Measures.
### MAJOR MILITARY BASES AND INSTALLATIONS:

<table>
<thead>
<tr>
<th>Base/Military Facility</th>
<th>City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marine Corps Air Station Miramar (3rd Marine Aircraft Wing)</td>
<td>San Diego</td>
</tr>
<tr>
<td>Marine Corps Base Camp Pendleton (largest West Coast expeditionary training facility)</td>
<td>San Diego</td>
</tr>
<tr>
<td>Marine Corps Recruit Depot San Diego</td>
<td>San Diego</td>
</tr>
<tr>
<td>Naval Base Coronado (including Naval Air Station North Island and Naval Amphibious Base)</td>
<td>Coronado</td>
</tr>
<tr>
<td>Naval Base Point Loma (including Space and Naval Warfare Systems Command-SPAWAR)</td>
<td>San Diego</td>
</tr>
<tr>
<td>Naval Medical Center San Diego</td>
<td>San Diego</td>
</tr>
<tr>
<td>Naval Base San Diego (principal home port of the Pacific Fleet)</td>
<td>San Diego</td>
</tr>
<tr>
<td>United States Coast Guard Sector San Diego</td>
<td>San Diego</td>
</tr>
</tbody>
</table>


### TOURIST ATTRACTIONS:

<table>
<thead>
<tr>
<th>Tourist Attraction</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anza-Borrego Desert State Park¹, Borrego Springs</td>
<td>Borrego Springs</td>
</tr>
<tr>
<td>Aquatica - Seaworld’s Waterpark, San Diego</td>
<td>San Diego</td>
</tr>
<tr>
<td>Balboa Park and Museums, San Diego</td>
<td>San Diego</td>
</tr>
<tr>
<td>Belmont Park, San Diego</td>
<td>San Diego</td>
</tr>
<tr>
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<td>USS Midway Museum, San Diego</td>
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¹Anza-Borrego Desert State Park is primarily in San Diego County but also in Imperial and Riverside Counties. Source: San Diego Tourism Authority.

### TOTAL VISITORS 2020:

14,330,000

Source: San Diego Tourism Authority. San Diego Visitor Industry Summary (calendar year through 2020).
San Diego County Profile and Economic Indicators

History & Geography
San Diego County became one of California’s original 27 counties on February 18, 1850, shortly after California became the 31st State in the Union. The County functions under a Charter adopted in 1933, including subsequent amendments. At the time of its creation, San Diego County comprised much of the southern section of California. The original boundaries included all of modern San Diego County, along with portions of what are now Imperial, Riverside, San Bernardino and Inyo counties.

The original territory of nearly 40,000 square miles was gradually reduced until 1907, when the present boundaries were established. Today, San Diego County covers 4,261 square miles, approximately the size of the State of Connecticut, extending 70 miles along the Pacific Coast from Mexico to Orange County and inland 75 miles to Imperial County along the international border shared with Mexico. Riverside and Orange counties form the northern border. It is the most southwestern county in the contiguous 48 States.

For thousands of years, Native Americans have lived in this region. The four tribal groupings that make up the indigenous American Indians of San Diego County are the Kumeyaay (also referred to as Diegueño or Mission Indians), the Luiseño, the Cupeño and the Cahuilla. San Diego County has the largest number of Indian reservations (18) of any county in the United States. The reservations are small, with total land holdings of an estimated 193 square miles.

The explorer Juan Rodriguez Cabrillo arrived by sea in the region on September 28, 1542. Although he named the area San Miguel, it was renamed 60 years later by Spaniard Sebastian Vizcaino. He chose the name San Diego in honor of his flagship and, it is said, his favorite saint, San Diego de Alcalá.

San Diego County enjoys a wide variety of climate and terrain, from coastal plains and fertile inland valleys to mountain ranges and the Anza-Borrego Desert. The Cleveland National Forest occupies much of the interior portion of the County. The climate is mild in the coastal and valley regions, where most resources and population are located. The average annual rainfall is less than 12 inches for the coastal regions.

County Population
San Diego County is the southernmost major metropolitan area in the State. According to the State of California Department of Finance as of May 2020, the County’s population estimate for January 1, 2020 was 3.34 million, which grew 0.1 percent or roughly 3,000 from the January 1, 2019 estimate. San Diego County is the second largest county by population in California and the fifth largest county by population in the nation, as measured by the U.S. Census Bureau based on 2019 population estimates. Population estimates from the San Diego Association of Governments (SANDAG) for the year 2035 indicate that the San Diego regional population will grow to approximately 3.85 million, a 37.0 percent increase from calendar year 2000 and an increase of 15.0 percent compared to 2019.

The accompanying charts show the most recent race, ethnicity and age composition for the regional population as of 2020 as well as the change in the region’s historical racial and ethnic composition since 2012 and projected to 2035. SANDAG projects that in 2035, San Diego’s population will continue to grow in its diversity with: 36.3 percent White; 41.4 percent Hispanic; 13.9 percent Asian and Pacific Islander; 4.0 percent African American; and 4.4 percent all other groups including American Indian. A significant growth in the region’s Hispanic population is seen in this projection.
San Diego County Population Distribution by Race, Ethnicity and Age
2020 Total Population: 3,343,355

San Diego County Population Distribution by Race and Ethnicity
2012, 2020 and 2035 Projection
Percentage of Total Population

Note: Percentages represent the share of each group compared to the total population.
Sources: U.S. Census Bureau and San Diego Association of Governments Series 13 Regional Growth Forecast, as of March 2021 reflects latest data available.
The accompanying chart shows the change in regional population trends in various age segments, with the number of individuals under 65 years of age projected to decline gradually from 2019 estimates, and the number of individuals aged 65 and older estimated to increase by 2035.

San Diego County’s population has grown approximately 0.8 percent annually on average since 2006, as presented in the accompanying chart. Natural increase (local births minus deaths) is the primary source of population change. Another contributor to the change in population is net migration (both foreign and domestic) which has varied from year-to-year.

San Diego County Population Distribution by Age
2012, 2020 and 2035 Projection

Sources: U.S. Census 2000; San Diego Association of Governments Series 13 Regional Growth Forecast, as March 2021 reflects the latest data.

Note: In these charts, the sum of individual percentages may not total 100% due to rounding.
Economic Indicators

U.S. Economy

Gross domestic product (GDP) is one of the main indicators of the health of the nation’s economy, representing the net total dollar value of all goods and services produced in the U.S. over a given time period. See the accompanying chart for a historical comparison of GDP over the past 10 years. GDP growth is driven by a variety of economic sectors, including personal consumption expenditures, gross private domestic investment, net exports of goods and services and government consumption expenditures and gross investment.

According to the U.S. Department of Commerce Bureau of Economic Analysis (BEA), calendar year 2020 saw a decrease in real GDP, closing the year with a 3.5 percent annual contraction over the previous year, compared to an increase of 2.2 percent seen in 2019 (Bureau of Economic Analysis [BEA]. Gross Domestic Product, Fourth Quarter and Year 2020 (Second Estimate). February 2021.). According to the BEA, “The decrease in real GDP in 2020 reflected decreases in PCE [personal consumption expenditures], exports, private inventory investment, nonresidential fixed investment, and state and local government that were partly offset by increases in federal government spending and residential fixed investment. Imports decreased” (ibid).

Commenting on the economic impact of the COVID-19 pandemic, the UCLA Anderson March Economic Outlook predicts near-record economic growth that has not been seen in the US since the 1980s and notes, “we are forecasting 6.3% growth in 2021, 4.6% growth in 2022, and 2.7% growth in 2023”. (UCLA Anderson Forecast. March 2021 Economic Forecast: Nation - Robust Economic Growth and Recovery After a Dreadful Year. March 2021).

UCLA also predicts national GDP to return to pre-pandemic peak growth rates by the middle of 2021, and real GDP will return to its pre-pandemic levels by the beginning of 2022; the primary drivers of this growth is the spending of savings, consumers engaging in the purchase of services again, and a continuation of a thriving housing market (ibid).

Note: Natural Increase consists of Births minus Deaths. Net Migration is a measure of people moving into and away from San Diego County, both foreign and domestic. San Diego County Population Change data is on a fiscal year basis beginning July 1st.

At the beginning of 2020 before the COVID-19 pandemic, the national unemployment rate was historically strong and had dropped to 4.0 percent. However, the impact of the COVID-19 pandemic in 2020 produced dramatic increases in unemployment across the country. According to the Bureau of Labor Statistics (BLS), the unemployment rate rose sharply in 2020 to a rate in April 2020 of 14.4 percent, followed by a slow, downward descent from May when it was 13.0 percent to the end of 2020 at 6.5 percent. Average annual unemployment in 2020 was 8.1 percent (Bureau of Labor Statistics. Labor Force Statistics from the Current Population Survey. February 2021). To kickoff 2021, unemployment was 6.8 percent, a year over year increase of 2.8 percent (ibid).

Increased unemployment and stalled economic activity have led to continued low interest rates. The Federal Reserve Board noted “significant stress in high-contact, customer-facing businesses and industries” while at the same time “remained generally positive about the outlook, particularly for the second half of 2021 when vaccine distribution is expected to be more widespread” (Federal Reserve System. Minutes of the Board’s Discount Rate Meetings on January 19 and January 27, 2021, accessed on March 15, 2021.) However, in light of the potential for an unstable economy in the future, the Board chose to leave the primary federal funds rate at the existing level (0.25%) (ibid).

Despite the decision by the Federal Reserve Board in January, mortgage rates ticked up by 8 basis point in February from January to 2.73%; still lower than one year ago when it was 3.31% (US Department of Housing and Urban Development. Housing Market Indicators Monthly Update. February 2021). Low mortgage interest rates have contributed to high sales volumes, high prices, and low inventory of homes for sale (ibid). UCLA Anderson forecasts the rate of sales and prices seen in 2020 will not continue in 2021 but is rather a one-time event due to a perfect storm including low rates, aging homeowners staying put, and millenials’ desire to own homes amid a shortage (UCLA Anderson Forecast. March 2021 Economic Forecast: Nation - Robust Economic Growth and Recovery After a Dreadful Year. March 2021). Something to be cautious of during this buying and selling frenzy is the number of homes in forbearance (pause or reduction in payments). Before the pandemic, only 0.25% of borrowers were in forbearance programs, but as of February 2021 13.8% or approximately 2.6 million homeowners were in forbearance programs (US Department of Housing and Urban Development. Housing Market Indicators Monthly Update. February 2021).

Looking forward, the Federal Reserve Board has forecasted the following: the projected Unemployment rate at 5.0% in 2021, 4.2% in 2022, and 3.7% in 2023, and the personal consumption expenditures (PCE) inflation rate at 1.8% in 2021, 1.9% in 2022 and 2.0% in 2023 (Federal Reserve System. Summary of Economic Projections, accessed on March 15, 2021).

The economic impacts of the COVID-19 pandemic prompted federal fiscal stimulus efforts, which provided substantial support to economic activity in 2020 and will continue to support economic activity in 2021. Federal fiscal policy measures (including the CARES Act and the Consolidated Appropriations Act, 2021) enacted in response to the pandemic have provided income support for households and businesses; increased grants-in-aid to

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**U.S. Gross Domestic Product Annual Percent Change**

2011 through 2020

![GDP chart](chart.png)

**Notes:** The percent change in Gross Domestic Product (GDP) is measured by calendar year based on chained 2012 dollars.

Source: Bureau of Economic Analysis
state and local governments including the County of San Diego; and facilitated loans to businesses, households, states, and localities (Federal Reserve System, Monetary Policy Report, February 2021).

The economic impacts of the COVID-19 pandemic are regularly being assessed, but what remains uncertain is the duration of the public health emergency, and while some economists and experts seem to predict a positive economic recovery in 2021, it still seems mostly tied to successful vaccination efforts or other forms of COVID-19 immunity.

California Economy

California’s economy is large and diverse, with global leadership in innovation-based industries including information technology, aerospace, entertainment and biosciences. A global destination for millions of visitors, California supports a robust tourism industry (pre-COVID-19), and its farmers and ranchers provide for the world. California accounts for more than 14 percent of the nation’s GDP which is, by far, the largest of any State according to the BEA (Gross Domestic Product by State: Fourth Quarter and Annual 2019, April 7, 2020, https://www.bea.gov/system/files/2020-04/gdpstate0420.pdf, accessed on June 17, 2020). In 2020, California also led the nation with 3 million total COVID cases; this environment led to a sharply different 2020 economy than was previously forecasted (Los Angeles Economic Development Corporation. LAEDC 2021 Economic Forecast. February 2021).

In February 2020 prior to the pandemic, California’s economy was forecast to grow at 2.0 percent (Los Angeles Economic Development Corporation [LAEDC]. LAEDC 2020 Economic Forecast. February 2020), however the State’s economy contracted by 0.6% (Los Angeles Economic Development Corporation. LAEDC 2021 Economic Forecast. February 2021). The LAEDC again projects 2.0% growth in 2021 based on higher year-over-year growth in personal income (excluding stimulus payments), a partial recovery in industry earnings, and a gradual decline in unemployment (ibid). Because of the spike in COVID-19 cases, the recovery of some of California’s hardest hit sectors, including leisure & hospitality (tourism), were negatively impacted (UCLA Anderson Forecast. March 2021 Economic Forecast: California - The Economic/Pandemic Question: To Close or Not to Close? March 2021). Including healthcare and social service job losses brings the represented job losses, or the “hardest hit” sectors in the state, to accounting for 81% of job losses (ibid).

UCLA forecasts that overall the California employment sector will rebound faster than the national average as stringent pandemic restrictions are loosened and more jobs that involve person-to-person contact come back online (ibid). That said, unemployment is not expected to fully recover nationally until 2023; as the economy expands and more jobs become available, the labor force will also grow which will push unemployment back up (or slow the rate at which unemployment goes down) (ibid). As more people get back to work, consumer spending will get back to a more normal growth pattern, increasing taxable sales revenue. The accompanying chart presents the historical trend in taxable sales in California.

As the State recovers economically from the COVID-19 pandemic and reduces its restrictions on businesses, experts predict consumers to return to pre-pandemic behaviors, including spending on housing, food, clothing, cars, furnishings and healthcare (California Forecast. Progress of the Recovery - The Outlook for 2021 is Still Hazy. February 2021). What is unknown is whether spending for live events and large public gatherings will return to pre-pandemic activities or if they will remain socially distanced with reduced capacities and audiences (ibid).
One trend that intensified at the start of the pandemic was the online purchase of goods. This resulted in a year-over-year increase in State imports of 4.0 percent, and a noticeable increase in traffic at the major ports of entry, particularly for shipping containers (Beacon Economics. California Trade Report. March 2021). While it’s unclear whether major California trade partners (China, Mexico, and Canada) will recover with the same strength as is projected in the US economy, experts expect exports to US companies that manufacture goods in China, Mexico and Canada to “surge” (ibid). The positive outlook for trade contrasts with the State’s housing affordability.

It was previously mentioned the housing market surge drove up housing sales and prices. This was good for many, including those in the real estate and construction industries and current home-owners. However, the median home price in California ($740,050) was more than double the national median home price, and 76 percent of households were either rent burdened (51 percent) or extremely rent burdened (25 percent) (Los Angeles Economic Development Corporation. LAEDC 2021 Economic Forecast. February 2021). This means that over 50 percent of households spent at least a third of their income on rent and 25 percent of households spent more than half of their income on rent (ibid). Consequently, the high price of housing is an incentive to keep home builders planning and building, but this takes a significant amount of time. UCLA estimates an additional 127,000 new units in 2021 and growth to 134,000 units by 2023, but the UCLA forecast adds, “this level of home building means that the prospect for the private sector building out of the housing affordability problem over the next three years is nil” (UCLA Anderson Forecast. March 2021 Economic Forecast: California - The Economic/Pandemic Question: To Close or Not to Close? March 2021). Despite the affordability constraints, UCLA concludes their data supports the idea that people are leaving California not due to affordability constraints but rather because remote work is giving employees the opportunity to experience life in a non-urban setting (ibid). The California Public Policy Institute comments, “Relocation due to the pandemic-both in and out of the state-will have long-term consequences if it persists. However, decades of underinvestment in housing mean that supply shortages will continue to put upward pressure on prices in most areas of the state” (Public Policy Institute of California. California’s Future. January 2021).

**San Diego Economy**

As of 2019, the San Diego region is home to more than 3.3 million residents, the second largest county in California and fifth largest in the nation in terms of population according to the U.S. Census Bureau (U.S. Census Bureau. County Population Totals: 2010-2019, accessed on March 29, 2021). In 2019, San Diego County accounted for more than $222.3 billion, or 7.9 percent of California’s GDP, based on data from the BEA (Bureau of Economic Analysis. Real Gross Domestic Product by County, 2016-2019, accessed on March 29, 2021) and 8.4 percent of the State’s population, based on U.S. Census Bureau data.
The San Diego region includes the largest concentration of U.S. military in the world, making the military presence an important driver of the region’s economy. In addition, San Diego is a thriving hub for the life sciences/biomedical and technology-oriented industries, and in non-pandemic years San Diego is a popular travel destination. The region’s quality of life attracts a well-educated, talented workforce and well-off retirees which have contributed to local consumer spending.

In January 2021, the San Diego Business Journal hosted its annual economic forecast and several of the panelists had positive and negative reviews for the local outlook. Most predicted flat or slow GDP growth at the beginning of the year with it ramping up in the second half of 2021 and into 2022 as COVID-19 cases and restrictions moderated with distribution of the vaccine, noting that San Diego is expected to outperform the State of California in the recovery and be in the middle of the pack compared to the US overall (San Diego Business Journal. Sizing Up the Economic Potential of 2021: Experts Offer a Variety of Perspectives. February 2021). While economic growth is expected to help the San Diego region recover in terms of unemployment, investment into the region, and other areas, experts noted one troubling indicator (ibid). All income levels in San Diego suffered job losses at the outset of the pandemic, however after nearly a year of recovery, high wage earners (earnings greater than $60,000 per year) showed a 2.4% increase in jobs yet low wage earners (earnings below $27,000 per year) about a quarter of those who had initially lost their jobs at the start of the pandemic were still unemployed (ibid). Mark Cafferty, President & CEO of the San Diego Regional Economic Development Corporation said, “Not surprisingly, many of the jobs in that particular area...are in places like tourism, are in restaurants and really are anywhere where foot traffic in general and people gathering in places is critical to the business model” (ibid).

The COVID-19 pandemic also led to changes in consumer behavior. SANDAG estimates the San Diego Gross Regional Product (GRP) will be down 3.1% - 4.5%, or in other words, a $7 - $10 billion loss in 2020 (SANDAG. The San Diego Economy: COVID-19 Impacts A Year in Review. March 2021). Nine out of every ten jobs lost in San Diego came from either the tourism, education, or retail sectors; these were the hardest hit during the pandemic (ibid). “According to the San Diego Tourism Authority (SDTA), the visitor industry lost 20 years of economic gain in 2020 and expects a five-year recovery horizon. Specifically, visitor spending fell from $11.6 billion in 2019 to $5.2 billion in 2020 (below the 2001 visitor spending level of $5.9 billion), and the meeting and special event industry, which included 2.7 million visitors and $3.5 billion in spending, essentially came to a stop and has yet to pick up” (ibid). Further highlighting a long road to recovery, domestic air travel to San Diego decreased by 74%, and 76% of the scheduled cruise ship calls for 2020 were cancelled, creating about $158.6 million in lost economic activity (ibid).

The National Bureau of Economic Analysis officially declared that February 2020 was the peak of economic expansion that began in June 2009; this marked the beginning of a recession (National Bureau of Economic Analysis. NBER Determination of the February 2020 Peak in Economic Activity. June 8, 2020). A recession, as the world quickly found out in 2020, leads to a slowdown in sales tax collection, as consumers and businesses are more reluctant to spend. However, the COVID-19 Recession was not typical. Recessions are marked with bearish stock markets, halted consumer spending, and perhaps other negative outcomes. In 2020, “the stock market reached new highs and asset prices went up, all while the economy was contracting” (SANDAG. The San Diego Economy: COVID-19 Impacts A Year in Review. March 2021). Most experts expected overall sales tax dollars to be less in 2020 than the same period in 2019, but stimulus funding and a shift to online shopping have not only helped consumers but the overall health of the economy. When compared to the Fiscal Year 2018-19 (when there was no recession), declines are anticipated in the General Consumer Goods, and Tourism, while this is expected to be offset by increases in Online Sales (particularly for General Consumer Goods), Autos & Transportation, Building & Construction, and Food & Drugs (HDL Companies. San Diego Second Quarter Sales Tax Forecast and Economic Drivers).

Despite the recession and changes in business regulations as of the Second Quarter report to the Board of Supervisors in mid-March, the County was projected to overrealize budgeted Sales Tax-based revenues by $59.0 million in Fiscal Year 2020-21 or 5.6%. These projections assume a Countywide recovery will not begin until at least the second quarter of 2021 and that the shift towards online shopping is permanent (ibid).

Since the Great Recession, the County’s reliance on sales tax revenue has increased. Due to changes in funding and service delivery models by the State, sales tax revenue has become critical to supporting essential program areas in Public Safety, and Health and Human Services through dedicated revenue sources including Prop 172 and Health and Public Safety Realignment. Consumer activity also supports the County’s program revenue for Behavioral Health through the Mental Health Services Act and road repair activities through the State Gas Tax. Due to the slowdown in economic activity, these revenue sources combined as of the Second Quarter are expected lower than the Fiscal Year 2020-21 budgeted levels by $40.1 million.

The San Diego County Taxable Sales by Category chart nearby records annual, actual data and does not reflect the discussion above; it shows decreasing trends in most categories for 2020, except general retail and building materials.
County of San Diego Change in Foot Traffic
February 2020 through April 2021

Source: Chetty, Friedman, Hendren, Stepner, and the Opportunity Insights Economic Tracker Team, 2021

San Diego County Taxable Sales by Category
2014 through 2020

Source: California Department of Tax and Fee Administration.
Pre-COVID-19, the visitor industry was the region’s second largest export industry and employed “199,800 residents in fields directly related to the hospitality industry, including lodging, food service, attractions, and transportation,” (San Diego Tourism Authority. San Diego County 2020 Visitor Industry General Facts, accessed on March 29, 2021). However, this same industry is still missing 50,000 jobs that were lost due to the pandemic; it is one of the hardest hit sectors during 2020 (SANDAG. The San Diego Economy: COVID-19 Impacts A Year in Review. March 2021). Declining tourism resulting from COVID-19 impacts the County’s revenue from Transient Occupancy Tax (TOT), the County’s hotel room tax collected in the unincorporated area. In Fiscal Year 2019-20, this revenue source was projected to realize a shortfall of $1.8 million, in Fiscal Year 2020-21 TOT revenue was budgeted at a lower amount due to decreased air travel and overall tourism to the region, and as of Second Quarter in Fiscal Year 2020-21 TOT revenue was expected to be $2.2 million higher than budget but still lower than the Fiscal Year 2018-19 baseline by about $1.0 million.

In terms of jobs and employment, the region’s numbers are getting better. A study using 2019 data and reported by the Union-Tribune found that San Diego County had 23 percent of its workforce in either the retail or leisure & hospitality sectors; this setup left the region headed for a hard fall during the pandemic (“San Diego's reliance on tourism jobs could mean a bigger economic COVID-19 hit,” The San Diego Union Tribune, April 21, 2020). According to monthly data from the California Employment Development Department, San Diego County went from adding jobs in the month of February to losing jobs by tens, then by hundreds of thousands. Unemployment rose sharply from pre-COVID-19 levels of 3.2 percent to a 2020 peak of 15.9% at the end of April; it dropped to a pandemic low of 6.8% in November before the winter surge in COVID-19 cases sent cases upward and caused additional State closures on businesses (California Employment Development Department. San Diego - Carlsbad MSA Labor Force Data, accessed on March 29, 2021). By May 2021, the local San Diego unemployment rate was 6.3%, slightly higher than the US average (5.5%) and lower than the State’s rate (7.5%) (California Employment Development Department. San Diego - Carlsbad Metropolitan Statistical Area Press Release. June 2021). Growing unemployment constrains consumer spending and associated County revenues, while increasing the County’s costs due to demand for the County’s essential safety net services that residents rely upon in times of uncertainty and need.

Unemployment Rate Comparison by Select California Regions
May 2020 and May 2021

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<th>Region</th>
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<th>May 2021</th>
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<tr>
<td>Orange County</td>
<td>14.9%</td>
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<tr>
<td>San Diego County</td>
<td>15.6%</td>
<td>15.7%</td>
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<tr>
<td>State of California</td>
<td>15.5%</td>
<td>7.2%</td>
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<td>Los Angeles County</td>
<td>18.8%</td>
<td>7.1%</td>
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<td>San Bernardino County</td>
<td>10.2%</td>
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<tr>
<td>Riverside County</td>
<td>15.7%</td>
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Source: California Employment Development Department
Note: Data not seasonally adjusted
When it came to wages, low earning and middle wage San Diego County workers made more than the State average, however high earners on average made less than the State average (California Employment Development Department. Occupational Employment Statistics, accessed on March 30, 2021). The chart shows the median household income for San Diego County in 2019 was nearly $79,000, but diminishing factors including inflation and the real estate market can reduce that overall buying power.
Inflation can have a dampening effect on the region's wage gains; inflation occurs when prices rapidly increase and reduce buying power; economists consider high inflation bad for the economy although some inflation is healthy (“Deflation: Who Let the Air Out”, Federal Reserve Bank of St. Louis, pg. 2). Deflation exists when overall prices decrease, and this is also a concern for economists because it encourages consumers to save and wait for lower future prices, which can create a cyclical problem (ibid). Both inflation and deflation are measured by the Consumer Price Index (CPI). As of January 2021, the CPI for San Diego County was up 0.4 percent, indicating slight inflation for November and December 2020 (Bureau of Labor Statistics. Consumer Price Index, San Diego Area. January 2021). While food prices increased 0.6 percent during this period, it was not as sharp of an increase as earlier in the pandemic when there were other COVID-related food-supply issues; energy prices also rose by 3.7 percent due primarily to higher gas prices (gasoline and natural gas) (ibid). The behavior of consumers will continue to shape the post-COVID recovery for the San Diego region. If consumers save, deflation will snowball and the pace of any economic recovery will slow; if consumers spend, prices will stabilize, and economic recovery will surge.

Increasing unemployment exacerbates the pressure of high housing costs. San Diego housing is among the least affordable. The median price of a home in the region reached $744,000 in the first quarter of 2021, up 11 percent from the prior year and keeping San Diego's housing market as the second most expensive in the nation according to the San Diego Regional EDC (San Diego Regional EDC. Economic Snapshot, accessed on March 30, 2021). The EDC concludes San Diego has an affordability crisis and housing is at the epicenter. “The cost of housing is the primary driver of the region’s high cost of living... if left unaddressed, the region's cost of living pressures will erode its economic competitiveness” (San Diego Regional EDC. Addressing San Diego's Affordability Crisis, accessed on March 30, 2021). The chart illustrates median home price changes over time.
After initial analysis of COVID-19 impacts, economists predicted the local housing market would eventually slow in activity and stop appreciating (San Diego Business Journal. San Diego Business Journal Economic Trends 2020. February 2020). While new listings for sale slowed significantly (19.6% annual decrease), sales (5.9%) and sales price (20.0%) have increased compared to one year ago while average days a home is on the market decreased by about one month (San Diego Association of Realtors. Monthly Indicators. February 2021). By one measure (new listings), the housing market slowed, but by nearly every other metric it heated up. The federal stimulus, a booming stock market, and historically low interest rates “fueled the San Diego region’s housing market where prices have increased” (SANDAG. The San Diego Economy: COVID-19 Impacts A Year in Review. March 2021).

Looking to construction as an indicator of future activity in the residential real estate market, the San Diego Regional EDC reports that in the fourth quarter of 2020, “Housing permits increased by 1,378 in 2020 compared to 2019, driven by multifamily units” (San Diego Regional EDC. Economic Snapshot, accessed on March 30, 2021). San Diego and Riverside Counties were the only Southern California regions to increase home building during the pandemic; the Building Industry Association attributes this to designating the construction industry as an essential service (The San Diego Union Tribune. San Diego County on Track to Build More Housing in 2020. December 2020).

Outside of the single family home sector and pre-COVID-19, according to market rental rate data from Zillow rents in San Diego were higher than the national average but increased at the same rate (Zillow Research. Zillow Observed Rent Index, accessed on March 30, 2021). However, with the 2020 upward trend in the housing market, the rental rate in San Diego outpaced the national average by 3.5% in 2020 (ibid). This upended real estate tracker CoStar’s prediction of a 10% drop in rents across the County by the end of the year as a result of the pandemic (The San Diego Union Tribune. Forecast: San Diego Rents to Drop by 10 Percent. May 29, 2020).
While increasing rents did not generally put pressure on property owners to eventually default on their property, job loss and economic hardship during a recession can ultimately force a property owner to default. Another measure of the housing market is the rate of foreclosures, as well as the companion indices of notices of loan default and deeds recorded (changes in ownership). According to the Assessor/Recorder/County Clerk, foreclosures compared to total deeds recorded averaged 0.3 percent over the three-year period of 2003 through 2005, then rose significantly reaching 16.9 percent in 2008 and has declined to 0.2 percent in 2020. Total deeds recorded in 2020 were 138,302, an increase of 16.9 percent from the previous year. Notices from lenders to property owners that they were in default on their mortgage loans peaked at 38,308 in 2009, and foreclosures reached a high of 19,577 in 2008. In comparison, San Diego County saw 1,333 Notices of Default in 2020, down 55.2 percent from the 2019 level. The percentage of properties with delinquent mortgage loans that went into foreclosure averaged at approximately 11.6 percent from 2003 through 2005. During the Great Recession, this indicator peaked at 57.5 percent in 2008 but since has declined to 19.7 percent in 2020, a slight 0.4 percent increase but an overall decrease in terms of the number of foreclosures from 2019. This can be partially explained due to the estimated forbearance outstanding in San Diego (4.7%) (Federal Reserve Bank of Atlanta. Mortgage Analytics and Performance Dashboard, accessed on March 30, 2021). The accompanying chart shows the historical levels of both Notices of Default and Foreclosures.

Coronavirus Disease 2019 (COVID-19) and Current Economic Conditions

As discussed, the County was heavily impacted by the Coronavirus Disease 2019 (COVID-19) global pandemic and its resulting business closures and “stay home” orders beginning in March 2020. Under the responsibilities of the region’s Public Health Officer, the County was directly responsible for safeguarding health in response to the COVID-19 pandemic through various Public Health Orders and actions under the Local Health Emergency issued in February 2020. Additionally, the County itself underwent significant changes in how core government services were delivered, along with employers across the nation, as businesses shuttered and the majority of employees and the public remained at home for months. Resulting job losses pushed the County’s caseloads higher in many essential public assistance programs residents rely upon in times of uncertainty and need.

Further, many County services were interrupted, prohibited or otherwise impacted by the response to the COVID-19 pandemic’s effect on businesses, residents and government. Like most government agencies, the County had unknown revenue impacts during the Fiscal Year 2020-21, but it continued to monitor the recovery and adapt as the public health situation progressed and the economy reopened incrementally. The County will continue to respond to COVID-19 with programs like Test, Trace, Treat strategy (T3), vaccination efforts, and meals to at-risk seniors under the Great Plates Delivered program. It will also...
receive and prioritize new federal stimulus dollars from the American Rescue Plan Act of 2021 (ARPA) to offset costs of the County’s direct COVID-19 response.

When the Fiscal Year 2020-21 Adopted Operational Plan was approved, much was still unknown about COVID-19 and the recovery. To mitigate any revenue shortfalls and unexpected impacts, the Fiscal Year 2020-21 Operational Plan assumed there would be no new programs or expansion of existing programs, and no additional staffing for non-essential County services. Since that time, three new County Supervisors were sworn in, a framework for the future was set, and many have been vaccinated against the deadly virus. It is clear the Board wants to continue a safe reopening with maximum COVID-19 response efforts but also begin to thoughtfully expand services to those most in need of County services and hardest hit by the effects of the pandemic. This will require all levels of the County to be more focused when reaching out to stakeholder groups as well as more data-driven in its decision making and resource allocation.

With a signed stimulus and vaccination levels that will reach herd immunity levels by the end of the summer, the County expects residents to begin to feel a return to normal by the beginning or middle of Fiscal Year 2021-22. SANDAG predicts those sectors that did well during the pandemic to continue to do well and grow at a steady pace, including innovation, manufacturing, construction, finance, insurance, and the military (SANDAG. The San Diego Economy: COVID-19 Impacts A Year in Review. March 2021). Some of the hardest hit sectors like retail and education may quickly recover once the economy is fully reopened with tourism perhaps taking up to five years to recover, according to the San Diego Tourism Authority (ibid). With this Operational Plan, the County will execute the short and long-term direction the Board sets to begin to fully recover from the pandemic and bring lasting, positive change to the region.
Governmental Structure

The County of San Diego is one of 58 counties in the State of California. The basic provisions for the government of the County are contained in the California Constitution, the California Government Code and the Charter of the County of San Diego. A county, which is a legal subdivision, is also the largest political division of the State having corporate powers. The California Constitution acknowledges two types of counties: general law counties and charter counties. General law counties adhere to State law as to the number and duties of county elected officials. Charter counties have a degree of “home rule,” or local authority, in specified areas. A charter, however, does not give county officials any additional authority over local regulations, revenue-raising abilities, budgetary decisions or intergovernmental relations. (Source: California State Association of Counties.)

San Diego County is one of 14 charter counties in California. The Charter of the County of San Diego provides for:
- The election, compensation, terms, removal and salary of a governing board of five members, elected by district.
- An elected Sheriff, an elected District Attorney, an elected Assessor/Recorder/County Clerk, an elected Treasurer-Tax Collector, the appointment of other officers, their compensation, terms and removal from office.
- The performance of functions provided by statute.
- The powers and duties of governing bodies and all other county officers and the consolidation and segregation of county offices.

Board of Supervisors

The County of San Diego is governed by a five-member Board of Supervisors elected to four-year terms in district, nonpartisan elections. Each Board member is limited to no more than two terms and must reside in the district from which he/she is elected. The Board of Supervisors sets priorities and approves the County’s two-year budget. The County may exercise its powers only through the Board of Supervisors or through agents and officers acting under authority of the Board or authority conferred by law. The Board of Supervisors appoints the following officers: the Chief Administrative Officer (CAO), the County Counsel, the Probation Officer and the Clerk of the Board of Supervisors. All other non-elected officers are appointed by the CAO.

Chief Administrative Officer

The CAO assists the Board of Supervisors in coordinating the functions and operations of the County; is responsible for carrying out all of the Board’s policy decisions that pertain to the functions assigned to that officer; and supervises the expenditures of all departments.

Governing Authority

The State Legislature has granted each county the power necessary to provide for the health and well-being of its residents. There are 18 incorporated cities in San Diego County and a vast number of unincorporated communities. The County provides a full range of public services to its residents, including law enforcement, detention and correction, emergency response services, health and human services, parks and recreation, libraries and roads. The County also serves as a delivery channel for many State services, such as foster care, public health care and elections.

Business Groups

County services are provided by four business Groups (Public Safety, Health and Human Services, Land Use and Environment, and Finance and General Government), each headed by a General Manager who reports to the CAO. Within the Groups, there are four departments that are headed by elected officials: the District Attorney and the Sheriff in the Public Safety Group, and the Assessor/Recorder/County Clerk and the Treasurer-Tax Collector in the Finance and General Government Group.
The General Management System (GMS) is the County’s foundation that guides operations and service delivery to residents, businesses and visitors. The GMS identifies how the County sets goals, prioritizes the use of resources, evaluates performance, ensures collaboration and recognizes accomplishments in a structured, coordinated way. By communicating and adhering to this business model, the County of San Diego is able to create and maintain an organizational culture that values transparency, accountability, innovation, and fiscal discipline that provides focused, meaningful public services.

At the heart of the GMS are five overlapping components which ensure that the County asks and answers crucial questions, as well as completes required deliverables.

- Strategic Planning
- Operational Planning
- Monitoring and Control
- Functional Threading
- Motivation, Rewards and Recognition

These five GMS components form an annual cycle that is renewed each fiscal year with review of the Strategic Plan and development of a new Operational Plan. More information about the GMS and the Strategic Plan is available online at: www.sdcounty.ca.gov/cao/.

**Context for Strategic and Operational Planning**

To be effective, the goals that the County sets and the resources that are allocated must be consistent with the purpose of the organization. The context for all strategic and operational planning is provided by the County’s vision, a vision that can only be realized through strong regional partnerships with our community stakeholders and employees.

**Vision:**

A region that is Building Better Health, Living Safely and Thriving: Live Well San Diego

**Mission:**

To efficiently provide public services that build strong and sustainable communities

**Values:**

The County recognizes that “The noblest motive is the public good.” As such, there is an ethical obligation to uphold basic standards as we conduct operations. The County is dedicated to:

**Integrity—Character First**

- We maintain the public’s trust through honest and fair behavior
- We exhibit the courage to do the right thing for the right reason
- We are dedicated to the highest ethical standards

**Stewardship—Service Before Self**

- We are accountable to each other and the public for providing service and value
- We uphold the law and effectively manage the County’s public facilities, resources and natural environment
- We accept personal responsibility for our conduct and obligations
- We will ensure responsible stewardship of all that is entrusted to us

**Commitment—Excellence in all that we do**

- We work with professionalism and purpose
- We make a positive difference in the lives of the residents we serve
- We support a diverse workforce and inclusive culture by embracing our differences
- We practice civility by fostering an environment of courteous and appropriate treatment of all employees and the residents we serve
- We promote innovation and open communication
Equitable County Government

Our goal is to create a County government culture of equity, belonging and racial justice. We are in the process of taking bold actions to lay a solid foundation to make significant, systemic and structural change. We are doing this through engaging community voices, creating an equity and racial justice lens on all County operations, and enhancing our data analysis to find disparities and root out systemic racism. In order to lay a solid foundation for having a lens of Equity and Belonging in all County operations, it is essential that we incorporate these concepts into our Mission, Vision, Values and strategic plan.

Over the next year, we will be working with our employees to gain feedback on the mission, vision and values and how best to include equity in belonging. We will also be applying an equity lens on our strategic plan by developing goals and objectives using a Targeted Universalism framework.

Strategic Planning

The County ensures operations are strategically aligned across the organization by developing a five year Strategic Plan that sets forth the priorities it will accomplish with its resources. The Strategic Plan is developed by the Chief Administrative Officer (CAO), the Assistant CAO (A CAO), the General Managers and the Strategic Planning Support Team based on the policies and initiatives set by the Board of Supervisors and an enterprise review of the issues, risks and opportunities facing the region and reflects the changing environment, economy and community needs. All County programs support at least one of these four Strategic Initiatives through Audacious Visions, Enterprise-Wide Goals and Department Objectives that make achievement of the initiatives possible. The Strategic Initiatives include:

- Building Better Health
- Living Safely
- Sustainable Environments/Thriving
- Operational Excellence

To ensure that the Strategic Plan incorporates a fiscal perspective, the CAO, A CAO and General Managers annually assess the long-term fiscal health of the County and review a five year forecast of revenues and expenditures to which each County department contributes. This process leads to the development of preliminary short- and medium-term operational objectives and the resource allocations necessary to achieve them. The complete Strategic Plan is available online at: [www.sdcounty.ca.gov/cao/](http://www.sdcounty.ca.gov/cao/).

For more information on the County’s Strategic Initiatives and structure, refer to the Strategic Framework and Alignment section of the Operational Plan.

Operational Planning

The Operational Plan provides the County's detailed financial recommendations for the next two fiscal years. However, pursuant to Government Code §29000 et seq., State law allows the Board of Supervisors to formally adopt only the first year of the Operational Plan as the County's budget. The Board approves the second year of the plan in principle for planning purposes. To demonstrate that resources are allocated to support the County's Strategic Plan, all program objectives in the Operational Plan and department performance measures are aligned with the Strategic Initiatives, Audacious Visions and/or Enterprise-Wide Goals.

The four business groups (Public Safety, Health and Human Services, Land Use and Environment, and Finance and General Government) and their respective departments develop specific objectives as part of the preparation of the Operational Plan. Objectives are clear discussions of anticipated levels of achievement for the next two fiscal years. They communicate core services and organizational priorities. The objectives include measurable targets for accomplishing specific goals plus a discussion of the resources necessary to meet those goals. The Operational Plan also details each department's major accomplishments during the past fiscal year.

Performance Measurement

The County demonstrates performance to citizens through reporting meaningful and clear performance measures. Each department is required to measure performance in terms of outcomes, or how they affect people's lives, not just a count of the activities they perform. The most significant measures are reflected in this document as part of the respective narrative section of each department’s budget presentation.

Monitoring and Control

Monitoring and Control is the portion of the GMS that requires the County to track, report, analyze and adjust, as necessary, the operations under way to ensure services are delivered and goals are accomplished as planned. A number of processes have been established over the years for accountability. There are monthly department reviews of programs and finances, quarterly business group reviews with an annual exchange by strategic initiative to the CAO, a quarterly meeting of the Risk Overview Committee to address significant legal, financial, contractual and operational risks to the County and a quarterly Audit Committee that advises the CAO on internal and external audits, risk assessments, as well as internal controls and governance matters. This level of accountability extends to employee performance reviews where performance expectations and goals for the rating period are outlined and reviewed on an annual basis.
Functional Threading
Functional Threading is the process of collaboration throughout the organization to pursue goals, solve problems, share information and leverage resources. It can be as simple as a monthly leadership meeting held by the CAO to cross-functional collaboration on grants, from a briefing on agenda items to Board staff to implementing shared initiatives with multiple stakeholders and partners, both internal and external to the County.

Motivation, Rewards and Recognition
This final component of the GMS ensures employees are engaged and committed to excellence across the organization. A few ways the County recognizes, rewards and motivates employees is by offering wellness programs, opportunities for training and continued education that support and encourage their well-being, professional growth, development and career success. Examples include fitness classes, on-site farmers markets, leadership academies and seminars, mentor programs and a tuition reimbursement program. This investment in the workforce ensures they are valued and have the skill to provide the exceptional customer service and delivery to our residents, businesses and visitors.

GMS Deconstructed
Each of the five components of the GMS asks a crucial question and delivers a specific product. Together these five components form an annual cycle. Certain components take place at specific times, while others are performed year round. If we deconstruct the five components of the GMS into a visual chart that reflects its use in County operations, it looks like the image below.
Strategic Framework and Alignment

Strategic Initiatives

Strategic planning communicates the County’s strategic direction for the next five years. The Strategic Plan explains the County’s four Strategic Initiatives, in addition to its vision, mission and values. The four Strategic Initiatives focus on how we achieve the County’s vision of a region that is Building Better Health, Living Safely and Thriving.

The Strategic Initiatives are:

- **Building Better Health**—Ensure every resident has the opportunity to make positive healthy choices, and that San Diego County has fully optimized its health and social services delivery system with an intentional focus on equity to make health, safety and thriving a focus of all policies and programs.
- **Living Safely**—make San Diego the safest and most resilient community in the nation, where youth are protected and the criminal justice system is balanced between accountability and rehabilitation.
- **Sustainable Environments/Thriving**—strengthen the local economy through planning, development and infrastructure, protect San Diego’s natural and agricultural resources and promote opportunities for residents to engage in community life and civic activities.
- **Operational Excellence**—promote continuous improvement in the organization through problem solving, teamwork and leadership with a focus on customers’ needs and keeping employees positive and empowered.

Below is the Strategic Framework which shows how the County’s vision, with its tagline of *Live Well San Diego*, is supported by the mission, values, four Strategic Initiatives and the foundation of the General Management System.
STRATEGIC FRAMEWORK AND ALIGNMENT

Strategic Alignment

Within each of the four Strategic Initiatives are branches used as different measurement tools to check the performance of the County. Each individual branch serves an intended purpose and supports the overall Strategic Initiative through strategic alignment.

- **Strategic Initiatives**—serve as a guide for departments to set internal goals and help translate the County’s Vision into action.
- **Audacious Visions**—bold statements under each Strategic Initiative detailing the impact the County wants to make in the community.
- **Enterprise Performance Indicators**—are measures of performance on Audacious Visions.
- **Enterprise-Wide Goals**—a set of focused goals for departments to collaborate on for the greatest impact to our community. Each Enterprise-Wide Goal supports a specific Audacious Vision.
- **Department Objectives**—drive an outcome; the outcome may be mandated by State or federal regulations or set by the department rather than from the Enterprise-Wide Goal focus groups.
- **Performance Measures**—the metrics used to show the progress in accomplishing the Enterprise-Wide Goals. They measure the individual department’s contribution.

Strategic Branches
Audacious Visions and Enterprise–Wide Goals

Strategic planning starts with Audacious Visions, which are bold statements detailing the impact the County wants to make in the community. Enterprise-Wide Goals (EWGs) support the Audacious Visions by focusing on collaborative efforts that inspire greater results than any one department could accomplish alone. Audacious Visions and EWGs are developed to support each of the Strategic Initiatives. A Departmental Objective is a specific department goal to drive the outcome of an EWG. The more a team, division or department can align its goals to support the EWGs, the stronger the collective impact will be on the public we serve.
Awards and Recognition 2020–21

Serving and improving communities by expanding programs and services, streamlining services or processes, maintaining budgets, finding ways to reduce taxpayer costs, and incorporating new technologies is a continual goal for the County of San Diego workforce. As a rewarding by-product, the County is often recognized for its efforts in this regard.

Here’s a look at the recognition the County received for its leadership and excellence in operations.

**National Association of Counties (NACO)**

The National Association of Counties recognizes leading-edge county government programs from across the nation each year. In 2020-2021, the County of San Diego received 51 NACo awards.

- **Live Well Mobile Office** adds to the County’s capability to deliver indispensable services in a coordinated and integrated manner, to improve the lives of residents, and realize the Live Well San Diego vision. The mobile office was launched by the County's Health and Human Services Agency to ensure services are delivered directly to San Diego County communities in a comprehensive and multidisciplinary way. The mobile office is equipped with the latest technology and tools required to provide a variety of services on the field, such as: disaster response, public assistance benefits, immunizations, veteran services, Public Health services, homeless services, and much more. Since March 2020, the Live Well Mobile Office has been on assignment responding to testing needs in the community during the COVID-19 pandemic. Almost 16,000 tests have been administered since the onset of the public health emergency. Integrating the Live Well Mobile Office with the department of Public Health facilitated mobile testing at various locations. These tests are a fundamental component in mitigating the spread of COVID-19 in San Diego County communities.

- **At the onset of the pandemic in spring of 2020, the County of San Diego proclaimed a local disaster, declared a public health emergency, and activated its emergency operations center to support the COVID-19 response for the County. In parallel during this critical time, various community stakeholders came together to discuss the emergency needs of the childcare sector. This grass roots organization led to the re-activation of the Childcare Disaster Council (CCDC) coordinated by the County Office of Emergency Services. The CCDC created and formalized the COVID-19 Childcare Emergency Response Plan. The purpose of the Plan was twofold, first to provide an assessment of the existing childcare need, the capacity in the County, and propose solutions to meet the needs of the essential service workforce, and second, to assess the needs of childcare programs currently operating and coordinate efforts to meet those needs. The Plan has since guided the COVID-19 childcare response and recovery and resulted in provision of much needed resources to support families and providers. The Plan was drafted to address the unprecedented challenges that childcare providers and the families faced in a global pandemic.**

- **The COVID-19 Inbox Project** was developed with the purpose of providing vetted and timely answers to the public and Operational Area Emergency Operations Center (OA EOC) partners as the county’s COVID-19 response evolved. The project created and implemented curriculum to train Disaster Service Workers assigned to operate hotlines and email inboxes during OA EOC activation. The project created training resources using information from federal, state, and county public information, government/OA partners and subject matter experts, shared development opportunities, conducted briefings to ensure DSWs’ professional growth, and answered 1,017+ diverse inquiries during the period of March 20 through July 5, 2020. The project is still active, and its inclusive methods were replicated by 4 County of San Diego OA EOC processes. By filling gaps in the availability of county services, improving the administration of an existing county government program, upgrading the working conditions and training for county employees, enhancing citizen understanding of government programs, providing information that facilitated effective public policy making and promoting intergovernmental cooperation and coordination in addressing shared problems, this project directly increased public and county employee knowledge, and provided resources to constituents in an organized and timely manner.

- The County formed the Safe Reopening Compliance Team (SRCT) to respond to COVID-19 related complaints of possible violations of the state and local health orders to ensure businesses safely operate to protect public health. The program's goal is to educate and achieve voluntary compliance and only escalate our enforcement when needed. This team helps businesses navigate health orders to come into compliance, and where necessary, takes escalated enforcement actions. SRCT is the lead for complaints in the region, coordinating with the incorporated cities. SRCT coordinates with local jurisdictions by distributing daily complaints and compliance data and holding bi-weekly coordination meetings and joint inspections. The team is housed in Planning & Development Services (PDS) and includes supervisors on temporary assignment from other departments. Staffing includes one manager, five supervisors, and 34 temporary staff. Since being established, the team created new procedures and enforcement criteria, developed a mobile inspection app for use, trained new staff, and conducted community and business outreach. The team has received and addressed over 23,000 complaints. SRCT monitors state and county guidelines and shifts its resources, approach, and methods to meet changing guidelines.
In an urban county that spans 3,638 miles, it is a challenge to provide adequate shelter that can meet the needs of persons experiencing homelessness, while meeting them where they are physically located. In response to this challenge, the County Board of Supervisors approved the creation of the Regional Hotel Assistance Program (RHAP). The program provides emergency/bridge housing to persons experiencing homelessness in the unincorporated area of San Diego County via hotels and motels. This critical intervention is delivered through the County’s Homeless Assistance Response Team (HART) through weekly street outreach. HART is comprised of public health nurses, family resource staff to determine benefit eligibility, Sheriff staff, and contractors and provides same day hotel placement, transportation assistance, case management, housing navigation, landlord incentives, permanent housing, and housing stability case management service. Shortly after the inception of RHAP, the Board approved the creation of a Local Rental Subsidy Program. This program provides up to two years of rental assistance and case management to persons exiting County shelter programs. This continuum of services has allowed the County to effectively address the major challenge of homelessness.

The Aging Roadmap is the County of San Diego’s regional program to support the needs and celebrate the contributions of the region’s growing population of older adults. Launched at the direction of the County Board of Supervisors in September 2019, the Aging Roadmap identifies specific goals and action steps in ten priority areas: Health and Community Support, Housing, Social Participation, Transportation, Dementia-Friendly, Caregiver Support, Safety, Preparedness and Response, The Silver Economy, and Medical and Social Services. The Aging Roadmap program has achieved goals across all ten priority areas. Many outcomes can be attributed to intergovernmental cooperation and citizen participation. Such collaborative projects include an Accessory Dwelling Unit Symposium that engaged five County departments, partnering with the Office of Emergency Services to create an emergency preparedness guide for people with access and functional needs, working with Housing and Community Development Services to implement policies addressing older adults’ housing needs, collaborating with Public Health Services to apply for and receive a Healthy Brain Initiative grant of $750,000.00, and supporting geriatric department accreditation for 18 hospitals across the region in partnership with West Health Institute. Through intergovernmental coordination and citizen participation, the Aging Roadmap teams are leading the way in age-friendly community building.

FIRST: Boosting Dementia Capability Through Cognitive Screening is a County Health and Human Services’ program to increase dementia service capability and assist older adults who may be living with dementia which implements new cognitive screening protocols. The FIRST cognitive screening program is conducted with clients who meet specific criteria of being over age 65 with deficiencies in two or more activities of daily living, or who are over age 85. Those whose score places them in the at-risk category are encouraged to follow up with their doctors. This new practice is embedded into Agency procedures, and an online training is provided for incoming staff. As of December 2020, 536 ADRD screens have been conducted by several programs across AIS, and 60% of clients screened positive. AIS is using the data obtained from this screening project to identify best practices on how to improve and modify existing programs to better serve those living with Alzheimer’s Disease and Related Dementias (ADRD).

FIRST: Dementia Capability Through IDEA Behavioral Symptom Management Training increases dementia service capability and assists older adults who are living with dementia and their caregiver(s), with this program the County’s Health and Human Services Agency, Aging & Independence Services implemented new behavioral symptom management training and Agency protocols. The Administration for Community Living (ACL)-funded the FIRST project, in partnership with Alzheimer’s San Diego, (AlzSD) and provided several innovative two-day trainings to members of the community. The training called IDEA (Identify, Educate, Adapt) is an evidence informed training designed to enhance the skills of those working with clients and patients diagnosed with Alzheimer’s Disease and Related Dementias (ADRD). The training covers the fundamentals of the disease, communication techniques, and a behavior management approach to working with clients. As of January 2021, 335 caregivers and 145 professionals have been trained in this specialized behavioral symptom management training. This new practice is embedded into Agency procedures.

The Public Health Cross Jurisdictional Strategist was established in partnership with the Kresge Initiative which focuses on establishing public health alignment through communication, collaboration, and coordination with municipalities within the San Diego region, spanning boundaries between different jurisdictions and stakeholders. As part of the Kresge initiative, the County of San Diego has created a collaborative bi-directional communication platform with all 18 city municipalities and the unincorporated area to better address and align routine public health concerns, emergencies, and threats. This bi-directional communication platform was created using external SharePoint product, where each City Manager and their designated staff members have access to receive important information from the Public Health Officer. To date, these documents of communication have included: AB262 Outbreak Notifications, COVID-19 Cease & Desist Health Order Violations, and COVID-19 City Facility Complaints. City staff members also have the ability to upload documents for the Public Health Officer through their landing page and can also correspond with the Public Health Officer. The Kresge City-County Communication platform is a tool that promotes intergovernmental communication, coordination, and collaboration in addressing shared public health routine and emergency issues. This initiative positions the County Public Health Officer as the Cross Jurisdictional Strategist and the department as the “go-to” valued entity for any...
The County’s Health and Human Services Agency, Central & South Region Homeless Services provides homeless outreach and access to public assistance programs, case management, housing navigation and links to community services and resources. The team is integrated with multiple Central and South Region community partners, and staff collaborate closely with City of San Diego, City of Chula Vista, National City, City of Imperial Beach, San Ysidro, city and County housing authority staff, law enforcement, community-based organizations, non-profits, and faith-based organizations to deliver streamlined services to individuals and families who are experiencing homelessness or at risk. Through a robust network of services which include collaborations with law enforcement, private/public partnerships, local non-profits, and other County departments resources are available on a moment’s notice to respond to the growing needs and has further supported the expansion of the team to increase delivery of services to the most vulnerable homeless individuals. As the team continues to grow, their focus is also shifting towards upstream prevention of homelessness and expanding services into other areas in the community to help stop individuals from becoming homeless in the first place. One example is working with school districts to reach families who are on brink of homelessness or foster youth exiting child welfare system.

In an effort to reduce the risk of COVID-19 outbreaks as in-person instruction resumes in schools, the County of San Diego and the University of California San Diego (UCSD) have partnered to implement and test the Safer at School Early Alert (SASEA) system, an evidence-informed program of non-invasive environmental surveillance to detect SARS-CoV-2. This is modeled after UCSD’s Return-to-Learn, a first-of-its-kind approach to safely reopen schools. By sampling classroom surfaces and wastewater, it is possible to quickly identify settings where there may be asymptomatic persons who are still capable of transmitting the virus. The virus is known to be excreted in the feces before there is measurable shedding in nasal passages. Positive wastewater specimen can provide earlier information to schools with possible cases among African Americans, and addressing the role of bias and racism, particularly in health care settings, in contributing to these outcomes. The fatherhood program and implicit bias trainings are in development. The Community Advisory Board is strong and ongoing, and the media campaign successfully raised the issue in the community. Additionally, a press conference brought greater awareness and opportunities for partnership with numerous organizations and individuals reaching out to become involved, learn more, or partner to strengthen the systems in San Diego County to eradicate racism.

County Elimination Initiatives through the County Public Health Services include Tuberculosis Elimination Initiative, Getting to Zero Initiative, and Hepatitis C Virus Elimination Initiative. The San Diego County Tuberculosis Elimination Initiative is a coordinated effort to build a TB elimination framework. The objective of this initiative is to decrease the incidence of active TB cases in San Diego County from 7.9 cases per 100,000 population (2019) to less than 1 case per million population by 2040. The Getting to Zero Initiative launched March 1, 2016, is an ambitious plan to end the HIV epidemic in San Diego County. It is focused on five strategies: Test, Treat, Prevent, Engage, and Improve. From inception through December 31, 2019, the County has seen a 27% reduction in the annual number of new diagnoses. The Hepatitis C Virus (HCV) Elimination Initiative which is based upon early successes in other efforts to eliminate infectious disease, the County of San Diego is using a collective impact approach to end the hepatitis C virus epidemic and has engaged key partners, as well as impacted communities, to develop a comprehensive strategy to eliminate HCV. The strategy has nine components, focusing on education and awareness, improving screening practices, ensuring easy access to care and treatment, building the capacity of the work force, and improving surveillance systems.

African American infants in San Diego County are more likely to die, be born preterm, and have low birthweights compared to White infants. The County’s Perinatal Equity Initiative (PEI) aims to improve birth and maternal health outcomes for African American families in San Diego County by changing systems that contribute to social injustices, economic disparities, and racial and health inequities. PEI utilizes multiple interventions to meet its objectives. Strategies include implementing a fatherhood parenting program and implicit bias trainings for health care professionals serving pregnant African American women; and developing a Community Advisory Board to guide program intervention strategies. It also includes implementing a media campaign to raise public awareness of poor birth outcomes and inequities among African Americans, and addressing the role of bias and racism, particularly in health care settings, in contributing to these outcomes. The fatherhood program and implicit bias trainings are in development. The Community Advisory Board is strong and ongoing, and the media campaign successfully raised the issue in the community. Additionally, a press conference brought greater awareness and opportunities for partnership with numerous organizations and individuals reaching out to become involved, learn more, or partner to strengthen the systems in San Diego County to eradicate racism.

ARTS Community of Care Network Program, through their commitment to building a community that lifts and supports youth, in 2019 the County’s Health & Human Services Agency Central & South Regions began a unique partnership between a non-profit entity, two universities and our County. The program, which benefits youth in crisis called ARTS (A Reason To Survive) www.areasontosurvive.org. ARTS is an extended learning program. Central & South Regions staff and San Diego State University (SDSU) interns participated in the development and implementation of an elevated extended learning program at ARTS - Community of Care Network program. As part of this program, SDSU interns joined teaching artists in an elevated extended learning program that promotes nurturing skill development, self-expression of youth and integrates social-emotional wellness practices within safe, supportive learning environments. Central & South Regions also executed a Memorandum of Agreement with the University of San Diego to provide a clinical level intern for full continuum of care within the ARTS program.

Emergency Access Program Gives Vulnerable Residents Peace of Mind. Imagine you’re having chest pains, or you’ve
taken a serious fall inside your home. What if no one could get to the front door to let in firefighters? The Residential KnoxBox program is designed to help in just these scenarios. The objective is to provide back-up emergency access to overcome a barrier during crises: a locked front door. Launched in 2020, the program provides indestructible lock boxes that store a spare house key. Called KnoxBoxes, County Fire staff install the boxes at no cost on the homes of qualifying residents. The program is available to some of County Fire’s most vulnerable residents: those 62 years or older, disabled, or who need help with a major life activity. Prior to launch, staff ensured the program’s success by securing local and federal funding, developing a detailed program guide, building an online system to track customers, and forming new partnerships to promote the program. County Fire exceeded its goal of enrolling nearly 200 customers in the initial four months. The program is providing peace of mind and improving trust with our diverse communities.

The CHOICE program is part of the continuum of services for Alternatives to Detention (ATD), which provides a range of community-based and family-supported detention alternatives for youth who have been arrested or who are on probation supervision and would benefit from community-based options instead of more formal actions within the juvenile justice system. As part of the continuum of services, youth and their families are assessed and receive intensive case management and support in the community so that they are provided with the opportunities to find stability and to thrive. To build upon the success of ATD, the Probation Department, Board of Supervisors, juvenile justice partners, and the Courts incorporated the nationally acclaimed CHOICE program into the local juvenile justice service continuum. The CHOICE program provides intensive supervision through multiple daily contacts to support youth and guide them to make positive choices. The goals of the CHOICE program are to increase positive youth development, reduce juvenile delinquency, improve family engagement, strengthen family support, improve the efficacy of the juvenile justice system, reduce probation violations, and reduce the detention population.

The San Diego County District Attorney’s Office, in collaboration with the San Diego County Office of Education, local law enforcement and fire departments, implemented the Handle with Care Program. The Handle with Care Program provides schools with a heads-up when a child has been at the scene of a traumatic event. First responders identify children who are present at the scene and determine where they attend school. Using the custom program application on their smart phone, a notice is sent to the child’s teacher that simply says, “Handle this Child with Care”. No other confidential details are given. The purpose of the program is to provide a notification to the school and the teacher that the student has experienced a traumatic event so they may understand why the child may be sleepy, aggressive, non-responsive or have incomplete homework. The objective is to enable the school to provide the child with extra support to assist them through the traumatic life experience and support their academic success.

San Diego County District Attorney Insurance Fraud & Workplace Justice Division - Workplace Justice Unit. The San Diego County District Attorney’s Office is committed to creating fair and equitable workplaces through enforcing and protecting workers’ rights. SDCDA is dedicated to ensuring all business owners play by the same rules so everyone can effectively compete on a level playing field. To effectuate these goals, SDCDA prosecutes unfair business practices, wage and hour violations, wage theft, payroll tax evasion, insurance fraud and labor trafficking cases. While the Insurance Fraud Division has prosecuted these cases for many years, a surge in workplace violation claims prompted the formation of the Workplace Justice Program in 2020–2021. Despite the delay in a formal announcement due to the Covid-19 pandemic, SDCDA introduced a dedicated unit assigned to prosecute workplace violations, which victimize some of the most vulnerable populations in our society. The Workplace Justice prosecutors have specialized knowledge in the areas of labor and employment, taxation, insurance, and labor trafficking, allowing them to hold accountable those employers that seek to take advantage of their employees or otherwise skirt the law.

A new Light Pollution Ordinance became a reality with amendments to the light pollution chapter of the County’s zoning ordinance, which helps specific communities meet International Dark-Sky Association’s (IDA) standards and qualify as International Dark-Sky Communities (IDSC). The zoning ordinance’s light pollution chapter consisted of Zones A and B within the unincorporated county. Each zone had different outdoor lighting standards. Zone A encompasses a 15-mile radius area around the Palomar and Mount Laguna astronomical observatories and included additional shielding and other lighting restrictions than in Zone B. There are three different light classifications within the light pollution chapter: commercial lighting, safety and security lighting, and decorative and aesthetic lighting. Zones A and B have different requirements within each class, with Zone A being the more protective of night skies. The new amendments established a new Zone C applicable to specific communities to help them attain IDSC status. The adopted changes included new lighting standards to decrease light pollution by regulating light shielding, light levels, light color and sign illumination. The amendments provided residents and businesses a 10-year grace period to comply with Zone C standards and a five-year grace period to bring County-owned lighting into compliance with the new standards.

The Camp Lockett Master Plan covers approximately 400 acres of land that was previously an Army Calvary base that came into County ownership in the 1950s. The area is owned by five non-profit organizations and a school district. Under the previous zoning, alterations to existing buildings were not allowed because it is within a historic district. Most of the uses proposed by the non-profit groups were either not allowed or would require costly discretionary permits (approximately $75,000). The Master Plan was developed in
partnership with the non-profit groups and community to include updated zoning that would permit civic, cultural, visitor, and community-oriented uses. It established zoning, development standards, and used regulations to guide future land uses and improvements on the property, such as future museums, historical displays, and community-serving facilities such as parks and community centers. The zoning changes provided streamlining opportunities that require a less costly site plan review (approximately $20,000) to allow the site’s redevelopment while preserving existing cultural and historical resources on-site.

**Permit Streamlining and Innovations for Energy Resiliency.**
Wildfire has been an increasing threat in California. To protect communities from the threat of sparking fires, local utility providers have cut power in areas prone to high winds during wildfire threats. To mitigate those impacts, utility providers have begun providing generators to homeowners and businesses, so they don’t go without power during a power safety shut-off. Because these generators require building permits, it was critical for the County to help by streamlining its permit process. Staff worked with manufacturers and applicants to create a generalized checklist and preapproved design templates that allow people to process a standard backup generator without submitting building plans. The checklist and preapproved design ensure that the project meets all necessary codes and zoning ordinance requirements. The creation of this checklist and preapproved design templates has saved the County and applicants time and money, both in the plan preparation paid for by applicants and the review process by the County.

**Permit Streamlining, and Self-Certification Program.** The County’s Planning & Development Services department created the Self-Certification program to allow participants to allow professional customers to certify certain building permits themselves, reducing their plan-check times. The program was created in response to stakeholder requests and allows customers to self-certify certain permit types to reduce plan check time performed by County staff. This program has a training and auditing component that allows interested and qualified professionals to use their experience and license to certify that their plans are complete and designed to meet all the local requirements. Plans are still provided and used as construction documents and the project still requires all the same inspections that other standard projects require.

Underground storage tanks (USTs) can contain hazardous substances such as petroleum commonly found at gas stations. As the Certified Unified Program Agency for the region, the County’s Department of Environmental Health and Quality (DEHQ) regulates the construction, operation, repair and removal of USTs. DEHQ operates the UST Program to protect public health, and the environment and groundwater from contamination. A key component of the UST Program Plan Check is where staff review construction plans for installation of new USTs, UST repairs, and UST system removals. Before the COVID-19 pandemic, UST construction plans were submitted on paper and in person. However, due to the stay-at-home orders issued in March 2020, DEHQ identified a way to transition to a virtual or online process. Using email and existing County software, UST plan-check applications are now submitted, reviewed and approved in an electronic format. Fees are processed online, and approved permits and plans can be electronically distributed to contractors and business owners and accessed by field staff at construction inspections. Pivoting to an online process streamlines operations, allows for quicker turnaround time, and is projected to have an annual 6%, or $28,000, cost savings for the program.

The County’s Drone Monitoring program uses Unmanned Aerial Systems (UAS) to more efficiently manage agricultural pests to protect a $1.7B agricultural industry, monitor and manage biological preserve areas, quickly conduct damage assessment for disaster recovery efforts, and monitor aging public infrastructure. By using UAS instead of conventional aircraft, costs are decreased, worker safety is increased, and the information collected by UAS results in higher quality and less subjective data. The program can reduce costs for normal business operations by 30-80% depending on the specific use and will enable new uses that were previously cost prohibitive. The UAS is piloted by a group of geographic information systems (GIS) staff upon completion of a comprehensive training program.

The County’s department of Planning & Development Services developed a custom Building Inspector Mobile Application application for use on electronic tablets in the field to transform the building inspection process onto a digital platform that improves the inspection process and the delivery of results to customers. The Building Inspector Mobile App allows County staff electronic access to permit information from the database to support field review and collect data and result inspections digitally. Detailed inspection comments and results are submitted and immediately available to the customer without any post-processing delays that were included in the previous paper inspection process. As part of this new service, the customer receives an automated email with a detailed inspection report upon completion of the inspection in the field. Before the development of the Building Inspector Mobile App, staff used paper forms to handwrite and collect inspection information which is time-consuming and can lead to difficulty interpreting the information if there are legibility issues. The office staff would then collect all the paper inspection forms and post-process and enter results 1-2 days after the inspection was completed. The mobile app allows for more efficient and accurate data collection and results are available immediately to the public, eliminating this delay.

The Mobile Workforce: Code Compliance Officers in the Field program implemented by the County’s Planning & Development Services’ Code Compliance division has equipped staff with hardware and software tools to perform their duties remotely in the field instead of requiring workers to be stationed at the office. The purpose of this program is to provide staff tools to conduct their duties more efficiently while also improving their work satisfaction and decreasing their commute times. The implementation of the mobile
workforce has allowed PDS Code Compliance staff to spend more time in the field and offer flexibility and increased services to customers. Through this program, officers spend more time in the community and less time commuting to and from their office, improving integration with communities. The program also increased productivity because it enabled Code Compliance staff to respond quickly to customer concerns while they are working in the field. These faster, more effective services - from being able to respond quicker to time sensitive inspections, being available to meet in the community to review proposed permit applications and being able to print notices in the field - provide improved customer service.

The County’s department of Agriculture, Weights and Measures (AWM) initiated a pilot Video Inspection Program to conduct certain low-risk inspections remotely via video calling applications in October 2019. In March 2020, County operations shifted in response to the emerging COVID-19 pandemic, and AWM expanded the pilot program to maintain delivery of key program services while ensuring the safety of staff and customers. Through the end of 2020, AWM conducted 125 remote video site inspections of growers in the Certified Farmers’ Market and Organic Programs. The program eliminated the need for staff to drive to these sites, which resulted in more than 170 staff hours saved, $5,400 of hourly inspection fee savings for growers, and 8,100 fewer miles on County vehicles for an estimated 7,350 pounds reduction in carbon emissions. These video inspections were an effective means to verify compliance, improve service delivery, operational efficiency, cost containment, environmental protection, and customer satisfaction.

The County’s department of Planning & Development Services (PDS) holds virtual public hearings for various decision bodies, including the County Planning Commission, Zoning Administrator and Code Compliance Appeal hearings. Planning Commission and Zoning Administrator hearings have been held virtually during the COVID-19 pandemic to protect the public by supporting social distancing and prevent the spread of the virus. The COVID restrictions called for a business and technical process that allowed for the Planning commission, commissioners, staff, applicants, appellants and the public to meet and interact virtually rather than in person. The hearings are recorded and available for live streaming, and open for public participation. In addition, PDS’ Code Compliance section began holding Virtual Appeal Hearings of code citations. Previously held quarterly in the office with the hearing officer and property owner in attendance, the hearings were usually grouped together. Virtual appeal hearings have allowed more flexibility and the ability to schedule them more quickly and separately instead of grouped together. Virtual hearings have reduced the time, cost, and stress associated with traveling, and allow property owners to participate from the safety of their homes and offices.

In 2020, the County’s department of Planning & Development Services (PDS) implemented the Expansion of Digital and Online Services to provide increased access to public information and improve customer service. These services include Online Zoning Verification Requests, Online Building Permit Modification Requests, Online Building Plan Check and Permit Renewal, Electronic Discretionary Pre-Application and Discretionary Permit Digital Approval Processing. The majority of these are customer-facing services that use the Citizen Access web portal to simply select the business type, input information, upload electronic files and submit for processing. Submitting online means customers don’t have to do it in person at the County Permit Center, and staff can process requests electronically, including while teleworking. As part of the program, business processes have been automated to support streamlining and increase efficiency. The elements of this program build upon the County’s online resources, eliminate time constraints for customers and grant the flexibility to conduct critical business 24/7.

In March 2020, San Diego County Library (SDCL) closed all branches when California’s stay-at-home order was issued in response to the COVID-19 pandemic. Because of the lack of access to physical collections, SDCL’s Digital Library became the primary point of library access for the community. By adjusting and pivoting its service model, SDCL aimed to support readers and learners of all ages by reallocating funding, adding new features and expanding access. SDCL now ranks second in eBook circulation in the state of California, and 12th in the world, among libraries that are using the industry-leading eBook vendor, OverDrive. SDCL’s total circulation in 2020 3.242 million books and items, increased by 60.9% over the previous year’s mark of 2.07 million. Circulation of kids’ and teen materials increased 155%, from 347,049 to 885,572 books and items, showing an even greater impact among the library’s youngest readers.

The County’s department of Parks and Recreation (DPR) owns and manages a linear river valley park called Sweetwater Regional Park. The regional park includes 15 miles of multi-use trails that are available to hikers, bikers, and equestrians. On January 4, 2020, DPR opened the Sweetwater Bike Park, a 4.2-acre dirt bike park that features three progressive jump lines ranging from beginner to expert, two flow trails with wall rides, two pump tracks for kids and adults, a progressive skill zone, and a perimeter trail. Riders of all ages get a workout as they fine-tune their skills on a variety on increasingly challenging attractions. The Bike Park is the first of its kind in the county of San Diego and Southern California region, as this facility is available free of charge to the public every day that weather allows. The facility design incorporated feedback from all ages, skill levels, and specialty riders, which provided quality and safety controls. Sweetwater Bike Park provides a regional scale bike park facility that is unprecedented in San Diego due to the size and programming of the facility.

Estrella Park is 6.6-acres and located in the Valle de Oro community in San Diego County. Undeveloped since 1977, this park now provides unique recreational opportunities within walking distance to nearby residents. Improvements include a nature play area with climbers, steppers, balance beams made from wood, bird’s nest, swing, sand play area, slides, an amphitheater, picnic area, suspension bridge, boardwalk
and trails. The amphitheater and picnic area will provide a space for community gatherings and events and the nature play area will have numerous mental, emotional and physical health benefits and will foster character development in children and youth. The proximity to several schools and the Spring Valley Teen Center, combined with the natural wetland makes Estrella Park an ideal park for inclusion to the Department of Parks and Recreation’s existing nature interpretive programs. Hands-on activities and lessons will include nature journaling, wildlife observation, watershed protection programs and more.

In March 2020, the County’s department of Parks and Recreation (DPR) changed the way it did business. Live events were put on hold and some facilities and amenities were closed due to public health guidelines. Customers were confused and frustrated, complicating DPR’s mission to share meaningful park experiences with them. In just two weeks, DPR launched a Virtual Recreation Center complete with virtual hikes and tours, video tutorials, printable coloring sheets and activity books, scavenger hunts and challenges, invitations to ranger-led education sessions and more. With no allocated budget, the team had to get creative, repurposing old content while creating new assets that could appeal to people of all ages, interests and abilities. Today, the page contains dozens of links with 4,729 views and interactions, thanks to frequent additions and updates. DPR’s Virtual Recreation Center has made it possible for staff to keep the lines of communication open and to provide uninterrupted, albeit altered, services in an era when parks and access to recreation are paramount to community physical and mental health and wellness.

Trek Across County Trails was a six-week online virtual wellness challenge featuring more than 40 County of San Diego parks. The program was designed with the County’s Parks and Recreation Department to encourage employees to continue their wellness journey and learn well-being habits that will last long after the challenge is over, especially during the challenging times of COVID-19. The challenge focused on three health and wellness behaviors for each participant: physical activity, introspection (mind, body and soul) and energy conservation/sustainability (taking time for oneself and sustaining healthy habits). This challenge showcased many hiking, walking and biking trails, historical sites and preserves, beautiful lakes, recreational facilities, and family campgrounds.

In May 2020, California Governor Gavin Newsom issued an executive order in response to the financial hardship suffered by taxpayers because of COVID-19. Executive Order N-61-20 allows the tax collector to cancel penalties and interest on unpaid taxes for residential or small business properties. If a taxpayer was impacted by COVID-19, the person had to file a claim with the tax collector for this relief and demonstrate that they suffered economic hardship. The County’s Treasurer-Tax Collector expeditiously developed a program that allows taxpayers to electronically access the necessary information and request forms for submission to process their COVID-19 Requests for Property Tax Penalty Relief. The program included a dashboard by which the tax collector can record, track and report on all COVID-19 penalty cancellation requests. As a result, the County’s Treasurer-Tax Collector efficiently helped the taxpayers obtain some relief from economic problems created by the pandemic. The Treasurer-Tax Collector processed almost 5,000 COVID-19 penalty cancellation requests, and the program will continue to be used until the executive order expires or future legislative changes are made.

Defaulted Penalty Cancellation and Split Request Process Change. In 2018, the San Diego County Treasurer-Tax Collector (TTC) experienced accountability and transparency problems with requests for defaulted splits and penalty cancellations. At that time, requests were received via a set of paper documents. Processing involved obtaining actions and approvals from multiple people from different divisions within the office and another department. The process lacked accountability for what was received, transparency as to the status of requests, and efficient workflows since employees were required to move paper documents from one workgroup to another. In 2020, the TTC identified and implemented a solution to fix these issues. A documentation package created electronically as a .pdf and sent to a SharePoint site replaced paper documents. A combination of email and SharePoint workflows to move the request through processing replaced physical paper movement. Placing the requests on SharePoint made the document package and request status available to all TTC employees. Physical transporting of the documents through each step became as instant as email, greatly reducing processing time and increasing accountability.

The San Diego County Clerk has taken steps to ensure its ability to continue issuing marriage licenses to the public during the global pandemic, while following State and County public health orders. It was important for the department to meet constituents’ needs while respecting orders for office closures and maintaining social distancing. A separate space was set up in an open-air environment to allow for proper ventilation as well as social distancing during marriage license appointments. The outcome of the Marriage Hut has been well received by the public. Being able to issue a marriage license to couples during a pandemic is not only important as it may impact insurance and other services but because it provides a moment of happiness in couples as they begin a new journey together.

The Justice Electronic Library System (JELS) Agency eReport Submission and Collaboration developed the Drop Box feature was developed to eliminate the physical transportation of juvenile incident reports by local law enforcement agencies to the District Attorney’s Office. It was also designed to enable real-time communication between the agencies (DA, Probation, and Law Enforcement) on ongoing case matters and outcomes. Case initiation can now occur upon the receipt and tracking of an electronic document through JELS. The online Drop Box provides law enforcement a secure means to digitally submit documents and cases for prosecution. Through its collaborative design, it also provides a com-
The COVID-19 pandemic compelled the County of San Diego’s Health and Human Services Agency (HHSA) to swiftly shift a large portion of the workforce to work remotely. Many of the employees had never worked outside of the office. HHSA Human Resources created the **Ergonomic Tips: Working from Home** training video and accompanying infographic to address the ergonomic challenges of working from home. The tips demonstrate how employees can create an ergonomic workspace using household items and equipment they were allowed to take from their office. The training and infographic were designed to engage multiple learning styles and used animation and pictures to demonstrate the proper methods to make ergonomic adjustments. According to the post-training survey, 81% of employees planned to make some modifications to their home workstation.

The **5 Day Challenge** is an online training series designed by the County’s department of Human Resources to provide a space to learn about and reflect on racial equity and social justice - growing awareness in a self-paced learning environment. The short sessions typically take 10-30 minutes a day, and include readings, curated videos and self-reflection. These challenges, delivered in an engaging and convenient online e-learning format, seek to help County leaders discover how racial and social injustice can impact the community we serve and to identify ways to dismantle racism and other forms of discrimination. The employees are challenged to take a new course over the five days, resulting in a week of discovery and learning. This e-learning is the first educational opportunity in a series of planned training for County leadership, equipping them with the tools to be a leader in the movement toward racial justice and equity.

Due to the COVID-19 pandemic, the County adapted to the new needs of a largely remote workforce by using technology to deliver various components of the Employee Wellness Program. The Lunch & Learn classes, cooking demonstrations, fitness classes, meditation sessions, Thrive-5 (Healthy Weight Management Program) and the discount produce program (Farmers Market) were all shifted to a virtual platform. The opportunity to change, enhance and expand offerings in the **Virtual Employee Wellness Program** during these unprecedented times has allowed us to identify the needs of the County’s workforce and develop customized strategies. The changes resulted in a significant increase in employee participation.

The COVID-19 pandemic required a rapid transition, which resulted in over 70% of the workforce at the County’s Health and Human Services Agency (HHSA) to work remotely and/or in a mobile workforce environment. Managers and supervisors had to help their teams adapt to this “new normal” without prior training or tools for remote management. Research has consistently found the quality of management determines employee motivation, engagement, and commitment to organizational values. The **Managing Remote Employees Virtual Course** was designed to ensure that HHSA leaders acquire the appropriate skills and competencies to ensure quality and effective management in the remote workspace. The three-hour interactive and evidence-based management training was designed based on research and teleworking best practices in the public sector. Participants acquired strategies to manage employee productivity and learned how to build a high-performing and collaborative culture. Evaluation results demonstrate a high impact on all learners’ reaction, depth of learning, behavior, and organizational outcomes. Data indicates 97% of attendees acquired strategies to improve employee productivity and performance.

The County’s department of Behavioral Health Services (BHS) has partnered with school districts throughout San Diego County since the late 1990s to offer outpatient specialty mental health and substance use disorder (SUD) treatment on school campuses that serve students on Medi-Cal and those who are low income, uninsured or underinsured. In FY 2018–19, **SchoolLink** to Behavioral Health Services (SchoolLink), a web-based program, was developed and launched in partnership with Price Philanthropy, a private family foundation. SchoolLink implements a standardized practice across our system of care, increases collaboration between schools and providers of mental health and SUD treatment programs, and provides system-level data that was previously unavailable. BHS can now ensure resources are optimally deployed by tracking and reviewing data on service utilization through-
out the school system. SchooLink minimum thresholds were established in Fiscal Year 2019–20 based on Fiscal Year 2018–19 school service data. SchooLink providers have committed to the following goals: a minimum of 10 on-campus services per client, and a minimum of 10 clients served on each designated The SchooLink program established an infrastructure to provide data that ensures optimal resource allocation and service delivery to children and youth, improving the overall administration of BHS’s existing behavioral health treatment programs.

♦ The Roaming Outpatient Access Mobile (ROAM) health clinics provide behavioral health services to rural Native American communities in the North Inland and East regions of the County of San Diego. Services provided include individual/group counseling, medication management, case management, peer/family support, care coordination, and prevention and early intervention services, as well as substance use screening, referrals, and linkages to ongoing care. Telepsychiatry services are offered as part of the comprehensive, coordinated care for participants in a culturally appropriate and relevant manner. The goal is to improve access to and utilization of behavioral health services in the Native American communities on reservations by addressing geographic and cultural barriers through the use of mobile clinics and cultural brokers to provide comprehensive and culturally competent behavioral health services. Services are provided to transition age youth, adults, and older adults. The program is designed to serve clients with serious emotional conditions, mental illness, and those identified as having co-occurring conditions. ROAM North Inland and ROAM East each serve up to 100 unduplicated clients annually within the following combined populations: 15 TAY, 148 adults, and 37 older adults. Treatment outcomes include clinical, functional, and educational improvements, and connection to a primary care physician.

♦ The County’s Public Health Services Office of Vital Records and Statistics launched a public-facing online certificate ordering portal to purchase birth and death certificates in April 2020. The public portal provided by LexisNexus VitalChek Network, Inc. is a safe and secure web-based opportunity to meet customers’ needs timely and efficiently. The portal is a Geographic Information Systems (GIS) model that over time illustrates: The existing number of dwelling units; additions and reductions to General Plan capacity (boundary changes/annexations, General Plan Amendments and changes in public ownership); production of housing; and the remaining dwelling unit capacity of the General Plan by community planning areas and regional categories of village, rural and semi-rural areas. The data the Portal produces has been instrumental in informing critical policy decisions and guidance documents, including land use planning, climate action planning, conservation planning and CEQA transportation study guides.

♦ The County adapted an “All Hazards Tool” technology platform to improve situational awareness during and after natural and human-induced disaster events and prioritize the allocation of resources and help. The benefits of this solution are increased collaboration, reduced redundancy and improved data quality. The All Hazards Tool assessment and disaster recovery software helped San Diego County improve the disaster documentation processes; the public assistance project management and paperwork management workflows needed to meet FEMA’s rigorous requirements for requesting disaster declarations; and managing public assistance grants. Disaster management software allows San Diego County and local governments to determine the disaster costs and complete FEMA grant applications more efficiently.

♦ Child Welfare Service workers have one of the most important jobs in our community, protecting children. The nature of the job can sometimes lead to secondary trauma in social workers investigating abuse and neglect and can result in a high turnover. The high turnover creates more stress on workers and unfortunately can affect timely service to children. To address this issue among its staff, Child Welfare Ser-
The Center for Digital Government recognized the County in Love Your Heart, Stopping the County's Promoting the County's Department of Parks and Recreation won the National Awards and Recognitions program. New staff are assigned a graduated caseload over a 16-week period. During the COVID-19 pandemic, this protected learning environment has greatly improved staff retention at an estimated savings of approximately $2.3 million for the County of San Diego. At the six-month implementation point, 103 social workers had been trained through the WTD Units and 90 remain, which is an 87% retention rate.

The Returned Mail Scanning Automation System developed by the County's Health and Human Services Agency Eligibility Operations is a process that automatically scans, files and distributes returned mail from the US Postal Service (USPS) for staff review. Eligibility’s customers move frequently, and the volume of undeliverable mail returned by the USPS due to outdated addresses is very significant - and all returned mail used to be manually handled and scanned by staff. This new process not only saves an estimated amount of over $410,000 annually in direct and indirect staffing costs, but also expedites the time it takes the County to process returned, undeliverable mail and contact customers to obtain their correct address. This new automated process also freed up County employees from premise-based work and opened opportunities to have them telework and increase social distancing during the pandemic. This enhanced document processing system allows the County to expedite the delivery of essential services to customers and supports the Live Well San Diego vision.

Additional Honors

The County of San Diego was the recipient of a number of California State Association of Counties 2020 Challenge Awards. These awards are presented to the most innovated programs across the categories. The County received awards for the following:

- **Love Your Heart**, an annual heart health campaign that leverages partnerships and the power of “knowing your numbers” to improve the health of communities. The annual event to address the negative impacts of heart disease in the region. Using a data-driven approach, the County acts as the lead in engaging hundreds of organizations in this effort each year with a special focus on communities that are disproportionately affected by hypertension. These partnerships include both traditional health-related organizations such as hospitals and clinics, as well as other innovative partnerships such as those with schools, businesses, and places of worship throughout the region. Partnering organizations and businesses provide volunteers to check blood pressures, collect data, and help promote the availability of blood pressure sites in a variety of locations and settings to ensure broad accessibility.

- **Promoting Youth Success with Alternatives to Detention**, an innovate program implemented by the Probation department which strengthens youth and families to reduce juvenile justice system involvement by providing them with community-based interventions.

- The County’s Virtual Recreation Center through the department of Parks and Recreation which provides activities for people of all ages, interests and abilities. Programs are interactive, accessible and engaging.

- Stopping the Incarcerated Homeless Mentally Ill Cycle through the Community Care Coordination Program to provide participants immediate housing upon their release from jail with peer-led care coordination and system navigation in the community to connect participants to permanent housing and supportive services. This program is a partnership between the County’s Health and Human Services Agency, the Sheriff’s Department, Office of Public Defender, Probation Department, District Attorney’s Office, and the City Attorney’s Office.

- The County’s Accessory Dwelling Unit Program which spearheads the development and implementation units to assist housing affordability across the region. The ADU Incentive Program that: 1) waives building permit, plan check, and impact fees, 2) provides pre-approved plans, and 3) expedites plan check services.

- The Department of Parks and Recreation won the National Association of County Park and Recreation Officials (NAC-PRO) award for its Capital Investment Model, a tool developed to inform the prioritization of proposed capital projects. The County of San Diego Department of Parks and Recreation recently developed of a tool that would inform the prioritization of proposed capital projects. The model is structured to collect and standardize data, analyze and score data against benchmarks, and output project ranking according to weights and summaries of scores. The tool analyzes how well projects meet the Department and County goals, as well as national standards, which serve as Benchmarks for standard levels of service. Benchmarks measures amenities and assets in a study area, capital dollars spent annually in a study area, park acres and park access service areas, and benefits projects contribute to sustainability and community value. The outcome of this program is a data-driven model that improves process efficiencies and provides a tool for analyzing potential projects by how well they meet DPR and County goals, service deficiencies, and community needs.

- The San Diego County’s Medical Examiner’s Office is one of eight California Counties accredited by the National Association of Medical Examiners (NAME), which sets national standards in forensic medicine. It is one of three accredited in California by the American College of Graduate Medical Education (ACGME) to educate future forensic pathologists. Additionally, the Medical Examiner’s Forensic Toxicology Laboratory is also accredited by the American Board of Forensic Toxicology (ABFT).

- The Center for Digital Government recognized the County in Third Place for the Overall County Government Experience.
Award. The awards recognize the achievements and best practices of states, cities and counties that are radically improving the experience of government and pushing the boundaries of how citizen services are delivered.
Financial Forecast and Budget Process

Five-Year Financial Forecast

The County’s two-year Operational Plan (the first year of which is adopted by the Board of Supervisors as the County’s budget) is informed by the results of the Five-Year Forecast, which is an informal planning tool designed to review the long-term outlook of the County’s major cost drivers, service needs, and available funding sources. Typically, it is updated annually to help identify opportunities or issues and serves as the foundation to guide decision making during the development of the two-year Operational Plan.

The intent of the Five-Year Forecast is not to create a five-year budget, but rather to be used as a planning tool to indicate the relative directionality of revenues and expenditures and to answer the following questions:

- Will revenues be adequate to maintain services at current levels?
- Will staffing levels change?
- Is there a need to expand existing programs or initiate new ones?
- Is additional debt necessary to meet capital needs?

The forecast is developed by first applying known and anticipated changes to salaries and benefits, operating costs, and revenues. Other factors considered include changes to required levels/scope of services and priorities of the Board of Supervisors (Board), demographic trends, economic indicators, and federal and State policy changes. A summary of the most recent Five-Year Forecast, including the ongoing effects of the recession due to the COVID-19 pandemic are as follows:

Forecast of Revenues

Property tax revenue is the main driver of the County’s General Purpose Revenue (GPR), so assessed value of real property (land and improvements) is monitored closely. GPR is the only form of revenue which the Board has discretion on how to spend. Assessed Value is analyzed in conjunction with Five-Year Financial Forecast activities and ongoing planning activities, which in turn provides direction for the budget. Assessed Value is forecasted to grow at 3.00% in Fiscal Year 2021–22 and 3.00% in Fiscal Year 2022–23.

Other funding sources (i.e. program revenues) are received for specific purposes such as to provide services on behalf of federal or State government. Revenue projections in many program areas are still recovering as a result of the COVID-19 recession. For more information about other funding sources, refer to the All Funds: Total Funding Sources section.

For more information and charts on Assessed Values, refer to the Property Tax Revenue subsection in the General Purpose Revenue section.

Forecast of Expenditures

The County’s ongoing response to the COVID-19 pandemic has revised initial projections of expenditures throughout the Operational Plan period, both to address evolving requirements and service needs, to align services with available revenues, and to address the use of the County’s General Fund reserve in Fiscal Year 2020–21 as required by the San Diego County Code of Administrative Ordinances. Additionally, one of the most significant cost drivers in the current long-term outlook remains a possible decrease in the assumed rate of return (ARR) and other changes in actuarial assumptions for the San Diego County Employees Retirement Association (SDCERA). The current outlook reflects the SDCERA Board of Retirement’s current ARR of 7.00%. Forecasted retirement expenditures anticipate SDCERA will continue to lower the ARR during future reviews of economic and demographic assumptions, which will result in higher annual County retirement costs beginning in Fiscal Year 2023–24. The forecast also reflects negotiated Salary & Benefits increases in place at the time of the forecast.

Capital Projects

The County’s long-term capital needs have been identified and are included in the County’s Capital Improvement Needs Assessment (CINA). Projects anticipated over the next five years are identified, ranked and prioritized. As a result of ongoing monitoring of all County facilities, and the ensuing forecasted needs, the County is working to revitalize building infrastructure and reduce...
ongoing maintenance and repair by implementing a Facilities Operational Improvement Program for aged facilities. This program helps to identify County-owned structures which are greater than 40 years old and are considered for replacement or major renovation, and is considered in the formation of the CINA.

Results of the CINA and anticipated financing strategies are contemplated in the Five Year Financial Forecast. Select projects identified for funding in Fiscal Year 2021–22 are detailed in the Capital Program section of this document.

Debt

The County’s long-term financial obligations are issued and administered according to San Diego County Administrative Code, Board Policy and other guidelines. For information on the County’s long-term obligations, including debt management policies, credit ratings and debt service payments, refer to the charts and narrative in the Debt Management Policies and Obligations section.

To support the annual payments related to the County taxable pension obligation bonds (POBs) in Fiscal Year 2017–18, the County began using fund balance committed specifically for the repayment of its POBs. Beginning in Fiscal Year 2016–17, General Fund fund balance, generated from unused funds for pension stabilization, was committed to help pay a portion of annual debt service for the POBs to assist with the funding of the County’s overall retirement costs. By using committed (now restricted) fund balance to help support payments of the POBs, ongoing discretionary revenue is made available to help absorb the anticipated rising annual costs of retirement, which are expected to be impacted by actual investment performance and anticipated changing economic and demographic assumptions. This amount, and other amounts that have been appropriated for pension stabilization, are now restricted to funding pension-related liabilities, pursuant to an amendment of the County Charter (Article VIII Budget and Accounting, Section 800.1 Pension Stabilization) that was passed by voters in November 2018.

Budget Process

CAO Recommended Operational Plan

The budget process begins annually with submittal of the Chief Administrative Officer’s (CAO) Recommended Operational Plan. This document is a comprehensive overview of the CAO plan for the County’s operations for the next two fiscal years. It is submitted to the Board of Supervisors in May of each year. It includes:

- Summary tables outlining financing sources and expenditures for all County funds, plus an overview of staffing levels;
- A summary of the County’s projected reserves, debt management policies and short-term and long-term financial obligations;
- A detailed section by group/agency and department/program describing each entity’s functions, mission, current fiscal year anticipated accomplishments, operating objectives for the two upcoming fiscal years, performance measures; and budget tables for staffing by program, expenditures by category, and revenue amounts and sources;
- An explanation of the capital program planning process along with a description of the capital projects with new appropriations recommended, the operating impact of notable capital projects scheduled for completion during the next two fiscal years, and budget summaries for capital projects by fund; and
- Other supporting material including budget summaries, a glossary and an index.

Public Review and Hearing

Prior to adopting a budget, the CAO presents the Board of Supervisors and the public with an overview of the information contained in the CAO Recommended Operational Plan. The operational plan presentation takes place in May and is an opportunity for the Board and the public to understand key changes from year to year and ask questions. In addition, the Board conducts a public hearing in mid-June for 10 calendar days. Pursuant to California Government Code §29081, the budget hearing may be continued from day to day until concluded, but not to exceed a total of 14 calendar days.

All requests for revisions to the CAO Recommended Operational Plan, whether from members of the Board of Supervisors, County staff, County advisory boards or members of the public, must be submitted to the Clerk of the Board in writing by the close of the public hearing in June to be included in a Revised Recommended Operational Plan. These may include:

Change Letter

Change Letter is the phase where changes to the CAO Recommended Operational Plan are submitted by the CAO and/or members of the Board of Supervisors. The CAO Change Letter updates the CAO Recommended Operational Plan with information that becomes available after the latter document is presented to the Board of Supervisors. Such modifications may be due to Board actions that occurred subsequent to the submission of the CAO Recommended Operational Plan, or as a result of changes in State or federal funding, or other actions. The CAO Change Letter typically contains a schedule of revisions by department along with explanatory text.
Referrals to Budget

Referrals to Budget are items on which the Board has deferred action during the current fiscal year so that they may be considered in the context of the overall budget. Each business group tracks their Referrals to Budget. As the Board’s Budget Deliberations approach, the status of each referral is updated and included in a compilation of all the referrals made throughout the year. This document is submitted to the Board for review and action during Budget Deliberations.

Citizen Advisory Board Statements

Citizen Advisory Board Statements are the comments of citizen committees on the CAO Recommended Operational Plan.

Budget Deliberations

Budget Deliberations occur at a public meeting of the Board after the conclusion of public hearings. During budget deliberations, the Board discusses the CAO Recommended Operational Plan, any requested amendments and public testimony/recommendations with the CAO and other County officials, as necessary. Based on these discussions, the Board gives direction to the CAO regarding the expenditure and revenue levels to be included in the final Operational Plan. Board Budget Deliberations are completed by the end of June.

Referrals from Budget

Referrals from Budget are requests made by the Board during Budget Deliberations for additional information to assist them in making decisions during the fiscal year. The applicable business group is responsible for providing the requested information to the Board of Supervisors.

Budget Adoption

Budget Adoption occurs following the Board’s Budget Deliberations. The budget, as finally determined, is adopted by resolution requiring a majority vote of the Board of Supervisors. Any changes to the CAO Recommended Operational Plan received after the close of the public hearings, but prior to adoption require a four-fifths vote of approval by the Board. Budget adoption occurs in June.

Adopted Operational Plan

The Adopted Operational Plan shows the Board of Supervisor’s adopted budget for the immediate fiscal year and the plan approved in principle for the following fiscal year. The Adopted Operational Plan is an update of the CAO Recommended Operational Plan reflecting revisions made by the Board during Budget Deliberations. Unlike the CAO Recommended Operational Plan, which displays the two prior fiscal years’ adopted budgets and the recommended amounts for the two upcoming fiscal years, the Adopted Operational Plan provides perspective by displaying actual expenditures and revenue at the group/agency and department level for the two prior fiscal years, as well as the adopted and amended budget for the immediate prior fiscal year.

The amended budget for each department is the budget at the end of the fiscal year. It reflects the adopted budget plus any amounts carried forward from the previous year through the encumbrance process and any changes that were authorized during the year. Any budget-to-actual comparisons are best made using the amended budget as a base.

Budget Modifications

State Law permits modifications to the adopted budget during the year with approval by the Board or, in certain instances, by the Auditor and Controller. There are two options for requesting a mid-year budget adjustment from the Board of Supervisors which are described in the following sections.

Board of Supervisors Regular Agenda Process

Budget modifications are generally made due to unforeseen and program-specific changes. In compliance with Government Code §29130, increases in appropriations require a four-fifths vote of approval by the Board after the budget is adopted. Such changes could include requests for additional appropriations as a result of additional unanticipated revenues for specific programs, or a contract modification. Items placed on the agenda that have a fiscal or budgetary impact are reviewed and approved by the Deputy Chief Administrative Officer/Chief Financial Officer. Contract modifications also require the approval of the Purchasing Agent. County Counsel reviews and approves all Board agenda items.

Quarterly Status Reports

The CAO provides a quarterly budget status report to the Board that may also recommend changes to appropriations to address unanticipated needs or make technical adjustments to the budget. These reports are placed on the Board’s regular agenda and are also posted on the County website.
Financial Planning Calendar

Calendar Year 2021

Jan 28  Office of Financial Planning (OFP) issues Operational Plan instructions
County’s budgeting application, Performance Budgeting (PB), opens for Recommended Operational Plan development

Feb 2  Countywide Operational Plan Kickoff

Feb 12  Capital Appropriations spreadsheet open to Groups

Mar 10  PB closes to Groups for Recommended Op Plan
Deadline for Groups and Departments to submit final narratives to OFP, including: Anticipated Accomplishments, Objectives, Recommended Changes and Operational Impacts (from Year 1 to Year 2), and Performance Measures
Deadline for Groups and Departments to complete financial and narrative information for Capital Section, including: Recommended Appropriations, Operational Impact (from Year 1 to Year 2), Photos of new projects, and Final Capital Improvement Needs Assessment report

Mar 19  Deadline for Groups to submit the following sections to OFP: All Funds: Total Appropriations; All Funds: Total Staffing; and Appendix D (Health and Human Services Agency only)

Mar 16  Deadline for Groups and Department to submit Classification Activity Reports (CARs) for Recommended Operational Plan to DHR in a package

Apr 16  Draft copy of balanced CAO Recommended Operational Plan sent to the Chief Administrative Officer and Deputy Chief Administrative Officer/Chief Financial Officer

Apr 27  PB opens for Change Letter development

May 6  Recommended Budget document released to the public

May 19  PB closes to Groups and Departments (Change Letter)
Deadline for Groups and Departments to submit all final Change Letter and financial narratives to OFP
OFP sends request to Groups for Referrals to Budget

May 26  Deadline for Groups and Departments to submit Classification Activity Requests (CARs) for Change Letter to DHR

May 26-27  Budget Presentations

Jun 14  Public Hearing on CAO Recommended Op Plan (9:00 AM)

Jun 14–23  Budget Hearings

Jun 16  Public Hearing on CAO Recommended Op Plan (5:30 PM)

Jun 21  File/docket Draft Board Letter and resolutions to adopt the budget
## FINANCIAL PLANNING CALENDAR

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
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<tbody>
<tr>
<td>Jun 23</td>
<td>Last day for written testimony on budget to Clerk of the Board, including Change Letter Budget board letter, resolution(s) to adopt budget, and any referrals to budget filed with the Clerk of the Board</td>
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<tr>
<td>Jun 25</td>
<td>Revised Recommended Budget document available to the public</td>
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<tr>
<td>Jun 29</td>
<td>Budget Deliberations (2:00 PM) &amp; Budget Adoption</td>
</tr>
<tr>
<td>Aug 4</td>
<td>Deadline for Groups and Departments to submit all final Adopted Operational Plan narratives to OFP</td>
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Total Appropriations by Group/Agency

Appropriations total **$7.23 billion in the Adopted Budget for Fiscal Year 2021-22 and $6.45 billion** for Fiscal Year 2022-23. This is an increase of $681.1 million or 10.4% for Fiscal Year 2021-22 from the Fiscal Year 2020-21 Adopted Budget. Looking at the Operational Plan by Group/Agency, there are appropriation increases in the Public Safety Group, Health and Human Services Agency, Finance and General Government Group, Capital Program, and Finance Other, while only the Land Use and Environment Group has an appropriation decrease.

The chart above shows each Group/Agency's share of the Fiscal Year 2021-22 Adopted Budget, while the bar chart and table on the following page compare the Fiscal Years 2021-22 and 2022-23 appropriations to the two prior fiscal years. The percentage change is also calculated for the variance between the Fiscal Year 2021-22 Adopted Budget and the Fiscal Year 2020-21 Adopted Budget. An overview of the County's Operational Plan for Fiscal Year 2021-22 by Group/Agency highlights changes and key areas of focus. Appendix A: All Funds Budget Summary provides a summary of expenditures and financing sources by revenue category for the entire County and for each Group/Agency.
**Total Appropriations by Group/Agency**

**Fiscal Years 2019-20 through 2022-23**

<table>
<thead>
<tr>
<th>Group/Agency</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
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<tr>
<td>Public Safety</td>
<td>$2,056.7</td>
<td>$2,047.0</td>
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<td>$2,227.6</td>
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<td>744.0</td>
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<td>Capital Program</td>
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<td>$129.7</td>
<td>$282.7</td>
<td>8.8</td>
</tr>
<tr>
<td>Finance Other</td>
<td>$429.8</td>
<td>$415.8</td>
<td>$466.5</td>
<td>413.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,252.7</strong></td>
<td><strong>$6,551.9</strong></td>
<td><strong>$7,233.0</strong></td>
<td><strong>$6,446.9</strong></td>
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*Includes the Air Pollution Control District transition from the Land Use and Environment Group (LUEG) to an independent agency, removing its budget ($80.1 million) from LUEG. Adjusted to exclude this transition, the LUEG budget increases by 8.0% of $45.4 million when compared to the Fiscal Year 2020-21 Adopted Budget.

**Public Safety Group (PSG)**

A net increase of **$200.5 million or 9.8%** from the Fiscal Year 2020-21 Adopted Budget. This includes an increase in Salaries & Benefits of $93.4 million due to increased negotiated labor costs and retirement contributions and the addition of 364.00 staff years. The budget includes increases in activities supported by sales tax-based revenues, including Proposition 172, the Local Public Safety Protection and Improvement Act of 1993 funds and funds received through 2011 Public Safety Realignment.
Major changes to service delivery include:

- **Net staffing increase in the Sheriff's Department** (314.00 staff years) includes an additional 141.00 staff years to expand medical care and enhance access to mental health care for persons in custody. This includes additional nurses for detention operations program needs and additional mental health clinicians to provide patients with increased access to care, more programming classes and discharge planning activities. Staffing is also included to operate three housing units in the renovated Rock Mountain Detention Facility to facilitate jail system compliance with state capacity requirements and to carry out critical facility repairs and maintenance. The budget also includes support of the enforcement for unlicensed cannabis operations and resources to provide communication services at no cost for incarcerated persons and additional staffing (58.00 staff years) for the expansion of Medication Assisted Treatment (MAT) services in County jails.

- **Net staffing increases in the District Attorney** (15.00 staff years) to support One Safe Place: The North County Family Justice Center, the Workplace Justice Initiative, Juvenile Pre-File Diversion Initiative, to implement new legislative requirements and to meet general criminal prosecution operational needs.

- **Net staffing increases in the Probation Department** (2.00 staff years) to align with changes for the Public Service Work program, managed and funded by the Department of Public Works. The budget also includes support to provide communication services at no cost to youth in facilities.

- **Staffing increases in the Public Defender** (28.00 staff years) to address increased case responsibilities and activities, provide assistance to clients with behavioral health and housing needs, conviction relief through the Fresh Start program, consultation regarding immigration consequences and various legislative requirements.

- **Staffing decreases in the Department of Child Support Services** (36.00 staff years) to align with available State and federal allocations as well as the transfer of staff to Health and Human Services Agency due to termination of Project 100% Early Fraud Prevention/Detection program.

- **Staffing increase in the Medical Examiner** (3.00 staff years) to address increased workload and to meet pathologist caseload ratios described in accreditation requirements.

- **Staffing increase in the San Diego County Fire** (38.00 staff years) due to the transfer of Emergency Medical Services (EMS) from Health and Human Services Agency to enhance the alignment of the integrated functions of Fire and EMS.

- **One-year pilot as first step to establish a permanent immigrant Rights Legal Defense Program** including translation services to provide legal representation to detained immigrants.

The Public Safety Group will continue to provide core services, supporting the County's Strategic Initiatives and operating an efficient, effective and responsive criminal justice system.

Key areas of focus include:

- Expand medical care and access to mental health services throughout the jail system, supporting the goal of improving outcomes for individuals returning to our communities, thus improving overall public health and reducing recidivism.

- Expansion of MAT services in County jails, including staffing for care coordination services and to support administration of clinical quality programming.

- Support the continued implementation of a service delivery system that addresses individuals’ needs by connecting people struggling with mental health and substance use, in the community and in custody, with treatment options. To achieve this, public safety departments will work with County and community partners to create access to mental health crisis stabilization resources and connection to the Drug Medi-Cal Organized Delivery System for ongoing behavioral health care.

- Maintain San Diego region’s status as one of the nation’s safest, working with diverse communities to increase our awareness of all public safety needs. Continue crime prevention activities to extend historically low crime rates.

- Implement an earthquake early warning system pilot program to be integrated into the existing SD Emergency mobile app.

- Improve youth outcomes and help youth achieve their full potential. Continue to work with community partners, families, schools and law enforcement to provide diversion and community-based service opportunities.

- Provide excellent wildfire response. San Diego County Fire continues to provide high-quality fire and emergency medical service across approximately 1.7 million acres of San Diego County.

- Develop high-quality facilities designed to further advance the culture change in juvenile justice that prioritizes youth rehabilitation, a new fire station that will improve the County’s capabilities in fire service, and a new Animal Services facility to promote the health and well-being of people and their pets in the unincorporated area. The District Attorney will open One Safe Place: North County Family Justice Center, a regionalized victim services center providing support and services to victims of crime.

**Health and Human Services Agency (HHSA)**

A net increase $309.5 million or 12.2% from the Fiscal Year 2020-21 Adopted Budget. Salaries & Benefits are up $93.5 million due to required retirement contributions, negotiated labor increases, and the addition of 512.00 staff years to address increasing case-
The addition of 512.00 staff years as noted above, with the largest increases in PHS (163.00 staff years) primarily to augment staff to support efforts to enhance public health capacity to address infectious disease needs cohesively and comprehensively, SSS (100.00 staff years) to meet increased demand for essential safety net services, including the Medical and CalFresh programs, and in BHS (105.00 staff years) for administrative support requirements associated with service increases, enhanced data analytics, support expansion of MAT services in County jails and for increased nursing support at the San Diego County Psychiatric Hospital. The remaining 144.00 staff years span several departments and include increases in Aging & Independence Services (AIS) to meet anticipated caseloads levels in the In-Home Supportive Services and Adult Protective Services programs, and increases to augment County priority areas in CWS, as well as increases for efforts to address homelessness.

- Increases for continued efforts associated with responding to COVID-19, including costs for the T3 Strategy, COVID-19 Positive Recovery Stipend Program, vaccination efforts necessary to safeguard public health in the COVID-19 environment, and general response costs including items such as personal protective equipment, outreach, and public health hotel rooms.
- Increases to support investments in support of testing, case investigation and contact tracing, surveillance, containment, and mitigation through the Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC) grant funded program and to advance health equity in racial and ethnic minority groups and rural populations through a CDC funded grant.
- Increases to expand funding for the Innovative Housing Trust Fund (IHTF) to increase production and preservation of affordable housing, as referred to budget by the Board of Supervisors on April 6, 2021.
- Increases supporting the Behavioral Health Continuum of Care including a service delivery redesign of biopsychosocial recuperation programs consistent with evidence-based best practices, expansion of crisis stabilization services, and continued rollout of Countywide Mobile Crisis Response Teams (MCRT).
- Creation of the new Homeless Solutions and Equitable Communities department to improve coordination of existing and future County homeless activities to end homelessness and devote efforts to upstream prevention with a particular focus on economic inclusion and poverty reduction, as well as ensuring the region is welcoming to all residents.
- Increases in employment services and ancillary support for CalWORKs recipients.
- Increases to align benefit payments with projected caseload trends in Foster Care and General Relief.
- Increases for software technology supporting teleworking and offsite operations, allowing for increased efficiency, productivity, and improved customer response times.
- Increases to continue to address and prevent homelessness including investments in the Community Care Coordination (C3) for Veterans program, which provides housing assistance and other supports to veterans reintegrating into the community, investments in Whole Person Care housing costs funded through a one-time State allocation and in the CalWORKs Housing Support program, and an increase to meet demand for emergency shelter placements for homeless people during times of inclement weather.

Major changes include:
- The addition of 512.00 staff years as noted above, with the largest increases in PHS (163.00 staff years) primarily to augment staff to support efforts to enhance public health capacity to address infectious disease needs cohesively and comprehensively, SSS (100.00 staff years) to meet increased demand for essential safety net services, including the Medical and CalFresh programs, and in BHS (105.00 staff years) for administrative support requirements associated with service increases, enhanced data analytics, support expansion of MAT services in County jails and for increased nursing support at the San Diego County Psychiatric Hospital. The remaining 144.00 staff years span several departments and include increases in Aging & Independence Services (AIS) to meet anticipated caseloads levels in the In-Home Supportive Services and Adult Protective Services programs, and increases to augment County priority areas in CWS, as well as increases for efforts to address homelessness.
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- Increases for software technology supporting teleworking and offsite operations, allowing for increased efficiency, productivity, and improved customer response times.
- Increases to continue to address and prevent homelessness including investments in the Community Care Coordination (C3) for Veterans program, which provides housing assistance and other supports to veterans reintegrating into the community, investments in Whole Person Care housing costs funded through a one-time State allocation and in the CalWORKs Housing Support program, and an increase to meet demand for emergency shelter placements for homeless people during times of inclement weather.
Increases in the In-Home Supportive Services (IHSS) program for health benefit contributions for eligible IHSS home care workers tied to an increase in paid service hours, for the County’s IHSS Maintenance of Effort (MOE) covering the annual statutory 4% increase in the County’s share of program costs, and for increased outreach efforts both to potential eligible participants and to potential caregivers.

- Increases for new pilot programs including access to doula services for at-risk families to help address maternal health disparities, and a drowning prevention program and outreach campaign for underserved youth.
- Increases in Child Welfare Services to support youth in educational settings, to implement the Family Urgent Response System (FURS) facilitating immediate crisis stabilization services, and to establish an online system with an internet-based option for mandated reporters to make child abuse and neglect reports.
- Increases to support activities under a new County Office of Immigrants and Refugee Affairs, including access to legal counsel.
- Transition of EMS to San Diego County Fire in PSG to enhance the alignment of the integrated functions of Fire and EMS.

These investments reinforce the Agency’s commitment to improving outcomes for the most vulnerable people in addition to moving the Agency forward in priority areas.

Key areas of focus include:
- Protecting public health by continuing to enhance the Agency’s ability to manage public health emergencies with a focus on continuing culturally competent pandemic response efforts through a health equity lens under the T3 Strategy.
- Strengthening the Behavioral Health Continuum of Care to transform Behavioral Health from a Crisis system to a Chronic and Continuous system of care, including continued progress under the Drug Medi-Cal Organized Delivery System for substance use disorders, building of mental health service capacity, and appropriately resolving crisis situations through the continued use of PERT to respond to 911 calls for individuals that may be experiencing a mental health crisis.
- Providing for the increasing aging population by ensuring the optimal mix of services and staffing are in place, including a continued focus on Alzheimer’s awareness and support projects, continuing to promote food security and senior nutrition with an emphasis on coordinating support for those particularly at risk because of the pandemic, providing access to home-based and caregiver services through the IHSS program, and assisting in the effort to implement a Geriatric Emergency Department Accreditation certification program as part of the Aging Roadmap.
- Focusing on affordable housing and homelessness through participation in the State’s No Place Like Home program, overseeing the completion of affordable housing projects awarded through the Innovative Housing Trust Fund, as well as continuing to improve the integration of housing, health and human services for the homeless population through initiatives like Project One For All, which serves homeless individuals who are seriously mentally ill through comprehensive wraparound services that are paired with housing, and strengthening housing supports for homeless in the unincorporated area.
- Promoting child and family strengthening by partnering with the Child and Family Strengthening Advisory Board and continuing investments to improving service delivery by identifying and implementing best practices that are culturally competent, family centered, child-focused and trauma-informed.
- Enhancing service delivery and reducing administration and infrastructure costs through efforts to maximize telework opportunities and continue strategic IT investments that support person-centered service delivery and integrate systems to support coverage and care efforts that include treatment, assistance, protection and prevention.

Land Use and Environment Group (LUEG)

A net decrease of $34.7 million or 5.3% from the Fiscal Year 2020-21 Adopted Operational Plan. This decrease is primarily due to the restructuring of the Air Pollution Control District governing board, finances and operations to comply with AB 423 effective March 1, 2021. Salary & Benefit decreases due to the Air Pollution Control District restructure are offset by increases primarily due to required retirement contributions, negotiated labor agreements and 63.00 staff years added to support operations. Adjusted to excluded this transition, the LUEG budget increased 8.0% or $45.4 million when compared to the Fiscal Year 2020-21 Adopted Operational Plan. Other increases relate to the road maintenance and resurfacing projects, traffic signal improvements, the Watershed Protection Program to fund Total Maximum Daily Load (TMDL), and the preparation of a revised Climate Action Program (CAP) and Supplemental Environmental Impact report to reduce greenhouse gas (GHG) emissions in the unincorporated areas and from County operations.

Major changes include:
- The addition of 63.00 staff years in the following departments: Land Use and Environment Group Executive Office, County Library, Environmental Health and Quality, Parks and Recreation, Planning & Development Services and Department of Public Works.
- The decrease of 164.00 staff years for Air Pollution Control District.
- Continued investments related to the Watershed Protection Program to fund Total Maximum Daily Load (TMDL) compliance activities, including design and construction of structural Best Management Practices (BMP), such as inspections,
incentive programs, and public education; water quality monitoring and reporting; and to fund projects to reduce dry weather flows from County storm drains, compliance with the State’s Trash Policy, special studies for pending regulations, and water quality improvement plan updates.

- Support of the San Diego County Sanitation District sanitary sewer system upgrades related to the stormwater TMDL program.
- Establishment of the new Office of Environment and Climate Justice.
- Regional recycling analysis and Memorandum of Understanding with SANDAG to add microtrenching and conduit to the existing State Route 67 Pavement Rehabilitation Project.
- Preparation of a revised CAP.

Key areas of focus include:
- Protecting public health, safeguarding environmental quality, and helping to prevent disease through education and awareness of vector-borne diseases and proper disposal of household hazardous, electronic and universal waste.
- Protecting a sustainable watershed by improving the health of local waters and minimizing downstream pollutants.
- Protecting San Diego County’s $1.8 billion agricultural industry from damaging pests, noxious non-native weeds and diseases. Agriculture supports economic development through its contributions to national and international trade, employment, and the production of healthy and high-quality crops necessary for health.
- Maintaining County roadway infrastructure in good condition to reduce impact to vehicles, enhance road safety and improve transportation facilities for customers.
- Committed to helping the County be a leader in sustainability efforts to develop the Regional Decarbonization Framework which will provide a framework for the region to achieve zero carbon.
- Expanding and protecting park resources by acquiring additional parkland throughout the County to provide opportunities for high quality parks and recreation experiences and expanding management, monitoring, maintenance, operations and ongoing stewardship of existing and future parkland.
- Enhancing communities and ensuring the health and safety of residents by facilitating high quality development, protecting natural resources and implementing the General Plan and land development ordinances in the unincorporated region.

Finance and General Government Group (FGG)

A net increase of $2.1 million or 0.3% from the Fiscal Year 2020-21 Adopted Budget. The increase is primarily due to required retirement contributions and negotiated labor agreements, staff and support costs for the newly established Office of Evaluation, Performance and Analytics and Office of Labor Standards and Enforcement, staff increases to support operations and expanded enterprise support, new one-time IT projects, election costs, Community Choice Energy, various major maintenance projects, and an investments to support the Uplift Boys and Men of Color initiative in the Office of Equity and Racial Justice (OERJ) and Youth Environment/Recreation Corp in the Department of Human Resources (DHR). The increase noted above is offset by decreases primarily tied to various reductions in enterprise support costs and one-time Information Technology (IT) projects.

Major changes include:
- Planned IT services for County departments through the County’s information technology outsourcing contract.
- Increased resources to support staffing and various services and supplies in support of the June 2022 Gubernatorial Primary election.
- Resources to support ongoing COVID-19 emergency response associated with administration and monitoring of the American Rescue Plan Act (ARPA) of 2021.
- Pursue options for the County’s participation in a Community Choice Energy (CCE) partnership.
- Planned investments in various major maintenance projects and alignment of resources to support contracted services, operations and maintenance, and utilities at County-owned facilities.
- Investment of $0.5 million to support of the Uplift Boys and Men of Color initiative in OERJ.
- Investment of $0.5 million to support Youth Environment/Recreation Corp to foster employment opportunities through career readiness and workforce development in the DHR.
- Resources to explore public bank options for the Treasurer-Tax Collector.
- Increase of 54.00 staff years primarily to support the newly established Office of Evaluation, Performance and Analytics and the Office of Labor Standards Enforcement, the Framework for our Future efforts, expanded enterprise support to the organization due to the overall growth in Countywide staffing and the addition of new departments, capacity for community outreach efforts provided to residents, OERJ operations, improved financial communication and outreach efforts to enhance budget equity for the organization, and legal advisory services.

Key areas of focus include:
- Maintaining the County’s fiscal stability through active monitoring of economic conditions, sound accounting, auditing, budgetary practices and management discipline, including continued assurance of accountability and transparency in the use of all funds.
Aggressively pursuing opportunities to restructure the County’s debt portfolio to maximize taxpayer savings.

Maintaining a well-managed Treasurer’s Investment Pool.

Providing the highest quality legal services to the Board of Supervisors and County departments.

Maintaining an investment in modern IT to support County operations.

Ensuring the transparency, integrity, and security of the election process.

Replacing aging infrastructure and facilities with modern, energy-efficient, well-designed facilities for customers and employees.

Implementing technology and processes to minimize procurement action lead time while increasing competitive procurements in a transparent and equitable environment.

Strengthening the customer service culture by ensuring every customer has a positive experience.

Support expansion of Electric Vehicle (EV) charging infrastructure and use of EV.

Strengthening a transparent and independent citizen complaint process to the extent allowed by law, which provides relevant feedback and recommendations to the Sheriff and Chief Probation Officer.

Model the use of an equity and belonging lens in the design, decision making, and implementation in all that we do.

Capital Program

A net increase of $153.0 million or 117.9% from the Fiscal Year 2020-21 Adopted Budget. The amount budgeted in the Capital Program for capital projects can vary significantly from year to year based on the size and scope of capital needs in the coming years. The Fiscal Year 2021-22 Capital Program includes $273.9 million for capital projects and $8.8 million for the Edgemoor Development Fund to pay debt service on the 2014 Refunding Certificates of Participation. Together, with the amounts in the other Capital Program Funds, appropriations for Fiscal Year 2021-22 total $282.7 million. The projects included in the Capital Program funds are as follows:

- $75.0 million for the construction of the Youth Transition Campus (formerly San Diego Juvenile Justice Campus);
- $21.0 million for the Casa De Oro Library;
- $18.1 million for the construction of the East Otay Mesa Fire Station #38;
- $13.0 million for the design and construction of the Heritage Park Building;
- $11.0 million for the construction at the Tijuana River Valley (TJRV) Smuggler’s Gulch Basin;
- $10.1 million to construct the San Diego County Animal Shelter;
- $9.0 million to construct Calavo Park;
- $3.0 million for the Julian Library Community Room;
- $3.0 million to construct an active recreation site at Waterfront Park;
- $2.5 million for the replacement of certain electrical and sewer components at Felicita County Park;
- $2.0 million for the design and construction of the Sage Hill Staging Area and Trail System Improvements;
- $1.0 million to construct the South County Zipline;
- $1.0 million for the construction of the Otay Valley Regional Park Community Garden;
- $0.8 million for the completion of the Inmate Transfer Tunnel;
- $0.5 million for the construction of the Lamar Park Parking Lot Improvements;
- $0.3 million for the completion of the Fallbrook Local Park; and
- $16.1 million for various other major maintenance projects to be capitalized.

The Fiscal Year 2021-22 Capital Program also includes partial funding for the following capital projects:

- $25.0 million for the acquisition and improvement at San Luis Rey River Park;
- $14.0 million for the County Administration Center (CAC) phased renovations;
- $10.5 million for the Alpine Local Park;
- $10.0 million for Third Avenue Mental Health Inpatient Facility (Central Region Hub);
- $7.5 million to acquire land for the Multiple Species Conservation Program;
- $5.0 million for the major systems renovation at the Hall of Justice;
- $4.6 million for the acquisition and construction of the Sweetwater Loop Trail: Segments 5-10;
- $2.0 million for the construction of the Boulder Oaks Preserve Trails and Improvements;
- $1.5 million for the acquisition and construction of the Valley Center Senior Center;
- $1.3 million for the improvements at Lindo Lake;
- $1.2 million for the acquisition and construction of the staging area and active recreation sites at Otay Valley Regional Park;
- $1.2 million for San Diego Botanic Gardens Master Plan;
- $1.0 million for the East County Crisis Stabilization (CSU) Hub/Network Plan;
- $0.7 million for the construction of the Sycuan Kumeyaay Village Dehesa Road/Sloane Canyon Road Trail;
- $0.5 million for the Health Services Complex;
$0.3 million for the construction of a new El Cajon Branch Library; and
$0.2 million for the Descanso Fire Station 45 Apparatus Bay Replacement.

In Fiscal Year 2022-23, appropriations decrease by $273.9 million from Fiscal Year 2021-22 and the program includes funding of $8.8 million for the Edgemoor Development Fund.

Finance Other

A net increase of $50.7 million or 12.2% from the Fiscal Year 2020-21 Adopted Budget. Many of the appropriations in this group vary little from year to year, but some are one-time and can fluctuate significantly.

The increase is primarily due to funded capital projects; in Countywide Shared Major Maintenance for major maintenance projects at County facilities that are shared by departments from multiple groups; in Countywide General Expenses to provide funding to the Housing and Community Development Services to increase production and preservation of affordable housing as referred to budget by the Board of Supervisors on April 6, 2021 (8) and for telework stipends as referred to budget on June 8, 2021 (3); and in the Employee Benefits ISF due to anticipated significant increase in claims. These increases are offset by decreases primarily from appropriations to support one-time department operational requirements.
Total Appropriations by Categories of Expenditures

The chart below shows the Adopted Budget detailed by categories of expenditures. As noted previously, the Fiscal Year 2021–22 Adopted Budget is increasing overall by $681.1 million or 10.4% to $7.23 billion from the Fiscal Year 2020–21 Adopted Budget and decreasing by $786.1 million or 10.9% to $6.45 billion in Fiscal Year 2022–23.

Salaries & Benefits

Salaries & Benefits are increasing by a net of $193.3 million or 7.7% in Fiscal Year 2021–22. This change reflects negotiated labor agreements, increased retirement contributions and a net staffing increase of 829.00 staff years. This net increase is primarily attributable to increased staffing in the Public Safety Group (PSG), Health and Human Services Agency (HHSA) and the Finance and General Government Group (FGG), partially offset by decreased staffing in the Land Use and Environment Group (LUEG) due to the Air Pollution Control District transition to an independent agency, removing its staffing from LUEG. In Fiscal Year 2022–23, Salaries & Benefits are increasing by a net of $37.1 million or 1.4%, which reflects negotiated salary and benefit costs. An increase of 54.00 staff years in Fiscal Year 2022–23 is due to the addition of nursing and mental health positions for the operation of the Rock Mountain Detention Facility. See the All Funds: Total Staffing section for a summary of staffing changes by business group.
Total Appropriations by Categories of Expenditures
Fiscal Years 2019-20 through 2022-23

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>$2,379.1</td>
<td>$2,510.2</td>
<td>$2,703.5</td>
<td>7.7</td>
<td>$2,740.6</td>
</tr>
<tr>
<td>Services &amp; Supplies</td>
<td>2,434.5</td>
<td>2,666.2</td>
<td>2,921.5</td>
<td>9.6</td>
<td>2,406.8</td>
</tr>
<tr>
<td>Other Charges</td>
<td>709.2</td>
<td>759.1</td>
<td>727.0</td>
<td>(4.2)</td>
<td>713.6</td>
</tr>
<tr>
<td>Operating Transfers Out</td>
<td>544.4</td>
<td>529.9</td>
<td>620.8</td>
<td>17.2</td>
<td>432.7</td>
</tr>
<tr>
<td>Remaining Categories:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Assets/Land Acquisition</td>
<td>150.2</td>
<td>143.0</td>
<td>311.0</td>
<td>117.5</td>
<td>156.5</td>
</tr>
<tr>
<td>Capital Assets Equipment</td>
<td>39.9</td>
<td>39.4</td>
<td>47.5</td>
<td>20.4</td>
<td>31.8</td>
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<tr>
<td>Capital Assets Software</td>
<td>—</td>
<td>—</td>
<td>0.1</td>
<td>100.0</td>
<td>0.1</td>
</tr>
<tr>
<td>Expenditure Transfer &amp; Reimbursements</td>
<td>(38.0)</td>
<td>(110.4)</td>
<td>(98.3)</td>
<td>(10.9)</td>
<td>(35.2)</td>
</tr>
<tr>
<td>Contingency Reserves</td>
<td>10.7</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Fund Balance Component Increases</td>
<td>0.4</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Management Reserves</td>
<td>22.2</td>
<td>14.5</td>
<td>—</td>
<td>(100.0)</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>$6,252.7</td>
<td>$6,551.9</td>
<td>$7,233.0</td>
<td>10.4</td>
<td>$6,446.9</td>
</tr>
</tbody>
</table>
ALL FUNDS: TOTAL APPROPRIATIONS

Services & Supplies

Services & Supplies are increasing by a net of $255.3 million or 9.6% in Fiscal Year 2021–22. This category accounts for expenditures for items such as office supplies, contracted services, facility leases, facility maintenance, minor equipment, utility usage, services provided by internal service funds (ISFs) and various other requirements.

While individual accounts are increasing or decreasing by varying amounts, the most significant increase is $223.4 million in HHSA primarily in Public Health Services, Aging & Independence Services, Self-Sufficiency Services, Housing & Community Development Services and Behavioral Health Services with over half of the increase driven by continued costs for COVID-19 response including the Test, Trace, Treat strategy (T3), and vaccination efforts. Additional increases are driven by new investments which build upon priority areas and meet increased need for essential services, including investments to the Behavioral Health Continuum of Care to expand access and redesign services to improve outcomes, investments in additional employment supports for CalWORKs recipients to align with additional federal and State funding, funding for new pilot programs such as doula services to supplement and enhance existing programs for new families and expanded funding for the production and preservation of affordable housing. This is offset by a decrease of $16.0 million in Finance Other due to reduced countywide general expenses and a decrease of $17.7 million in FGG primarily in the FGG Executive Office and Registrar of Voters due to the completion of one-time IT projects and the November 2020 General Election.

A decrease of $514.7 million or 17.6% in Fiscal Year 2022–23 is primarily due to the anticipated completion of one-time projects.

Operating Transfers Out

Operating Transfers Out, the accounting vehicle for transferring the resources of one fund to pay for activities in another, is increasing by a net of $90.9 million or 17.2% in Fiscal Year 2021–22. The two most significant increases are in Finance Other, Contributions to Capital Program where appropriations represent the General Fund cost for new or augmented capital development of land acquisition projects and in the Public Safety Group Executive Office associated with the Proposition 172 Fund. The increases in Finance Other are due to an augmented capital program that implements known Board priorities, and the increases in PSG are due to available funds to support regional law enforcement services and public safety focused services, information technology, facility costs, fleet and other operational costs.

A decrease of $188.1 million or 30.3% is projected for Fiscal Year 2022–23 primarily due to the nonrecurring of one-time items from the prior year.

Capital Assets/Land Acquisition

Capital Assets/Land Acquisition, which includes capital improvement projects and property acquisitions, is increasing by $168.1 million or 117.5% in Fiscal Year 2021–22.

Appropriations vary from year to year depending upon the cost of the various projects funded. See All Funds: Total Appropriations Capital Program for a list of planned capital projects.

A decrease of $154.5 million or 49.7% is projected for Fiscal Year 2022–23 due to planned appropriations to support one-time projects.

Capital Assets Equipment

Capital Assets Equipment is increasing by $8.0 million or 20.4% in Fiscal Year 2021–22. This account primarily includes routine Internal Service Fund (ISF) purchases of replacement vehicles and heavy equipment. It also includes appropriations for information technology hardware and communications equipment. Amounts may vary from year to year.

A decrease of $15.6 million or 32.9% is anticipated in Fiscal Year 2022–23.

Expenditure Transfers & Reimbursements

Expenditure Transfer & Reimbursements are increasing by $12.0 million or 10.9% in Fiscal Year 2021–22. Activity in this account reflects the transfer of expenses for services provided to another department within the same fund. A transfer can occur because a department’s funding source requires the expenditures to be recorded in that department for revenue claiming purposes, although the actual services are being provided by another department.
An increase of $63.2 million or 64.3% is anticipated in Fiscal Year 2022–23.

The Expenditure Transfer & Reimbursements accounts are negative amounts to avoid the duplication of expenditures. One example is the agreement between the Health and Human Services Agency (HHSA) and the Department of Child Support Services (DCSS) for Bureau of Public Assistance Investigations services. The DCSS investigates suspected fraudulent public assistance cases for the HHSA. The DCSS offsets the budgeted expenses with a negative amount in the Expenditure Transfers & Reimbursements account. HHSA budgets the expense for that activity in a Services & Supplies account offset by the appropriate State or federal revenue account.
Total Appropriations by Fund Type

The financial transactions of the County are recorded in individual funds and account groups. The State Controller prescribes uniform accounting practices for California counties. Various revenue sources are controlled and spent for purposes that require those funds to be accounted for separately. Accordingly, the funds/fund types described below provide the basic structure for the Operational Plan. Appendix B: Budget Summary and Changes in Fund Balance provides expenditure amounts for County funds by Type of Fund and by Group/Agency. (See also “Measurement Focus and Basis of Accounting” in the Summary of Financial Policies section).
Governmental Fund Types

The **General Fund** is the County’s primary operating fund and accounts for all financial resources except those required to be accounted for in another fund.

**Special Revenue** Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes (other than for major capital projects). Examples include Road, Library, Asset Forfeiture and Proposition 172 funds.

**Debt Service** Funds account for the accumulation of resources for the payment of principal and interest on general long-term debt.

The Debt Service Funds include bond principal and interest payments and administrative expenses for Pension Obligation Bonds. A discussion of the County’s long and short-term financial obligations can be found in the Debt Management Policies and Obligations section.

**Capital Project** Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds) and capitalized major maintenance project.

### Total Appropriations by Fund Type

**Fiscal Years 2019-20 through 2022-23**

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$4,728.7</td>
<td>$5,013.8</td>
<td>$5,540.9</td>
<td>$5,109.0</td>
</tr>
<tr>
<td>Special Revenue Funds</td>
<td>581.9</td>
<td>547.5</td>
<td>611.9</td>
<td>588.8</td>
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<tr>
<td>Internal Service Funds</td>
<td>535.9</td>
<td>562.7</td>
<td>559.0</td>
<td>535.3</td>
</tr>
<tr>
<td>Debt Service Funds</td>
<td>81.5</td>
<td>81.5</td>
<td>81.5</td>
<td>81.4</td>
</tr>
<tr>
<td>Capital Project Funds</td>
<td>121.5</td>
<td>129.7</td>
<td>282.7</td>
<td>8.8</td>
</tr>
<tr>
<td>Enterprise Funds</td>
<td>39.1</td>
<td>41.7</td>
<td>45.1</td>
<td>44.9</td>
</tr>
<tr>
<td>Special Districts and Successor Agency</td>
<td>164.0</td>
<td>175.0</td>
<td>111.9</td>
<td>78.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$6,252.7</td>
<td>$6,551.9</td>
<td>$7,233.0</td>
<td>$6,446.9</td>
</tr>
</tbody>
</table>

*Remaining Funds include Special Districts and Miscellaneous Local Agencies*
Proprietary Fund Types

**Internal Service Funds** account for the financing of goods or services provided by one department to other departments of the County, or to other governmental units, on a cost-reimbursement basis. Examples include the Facilities Management, Fleet, Purchasing and Contracting, Employee Benefits, Public Liability and Information Technology Internal Service Funds.

**Enterprise Funds** account for any activity for which a fee is charged to external users for goods or services. Enterprise funds are also used for any activity whose principal external revenue sources meet any of the following criteria:

- Any issued debt is backed solely by fees and charges.
- Cost of providing services must legally be recovered through fees and charges.
- Government’s policy is to establish fees or charges to recover the cost of provided services.

Examples include the Airport, Wastewater and Jail Commissary Funds.

Fiduciary Funds

**Special Districts** are separate legal entities governed by the Board of Supervisors that provide for specialized public improvements and services deemed to benefit properties and residents financed by specific taxes and assessments. The special districts provide authorized services including sanitation, flood control, road, park, lighting maintenance, fire protection or ambulance service to specific areas in the County.

**Successor Agency Funds** are used to pay the outstanding obligations of the dissolved Redevelopment Agencies and taxing entities where the County is the Successor Agency. Redevelopment Agencies were originally established to account for the proceeds of redevelopment area incremental taxes, interest revenues and temporary loans which were used to eliminate blighted areas, improve housing, expand employment opportunities and provide an environment for the social, economic and psychological growth and well-being of all residents of the County. The State of California, through the passage of Assembly Bill X1 26, Redevelopment Agency Dissolution, dissolved all redevelopment agencies as of February 1, 2012. As a requirement of the dissolution process, all funds, assets and obligations of the redevelopment agencies were transferred to successor agencies for payment or disbursement.
**County Budgetary Fund Structure**

- **Governmental Funds**
  - General Fund (Major)
  - Special Revenue Funds
  - Debt Service Funds
  - Capital Project Funds

- **Proprietary Funds**
  - Enterprise Funds
    - Airport
    - Liquid Waste
    - Sanitation District
    - Sheriff's
    - Jail Stores
    - Commissary

- **Fiduciary Funds**
  - Internal Service Funds
    - Facilities Management
    - Fleet Services
    - Information Technology
    - Road and Communication Equipment
    - Purchasing
    - Risk Management

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*Effective March 1, 2021, the Air Pollution Control District no longer functions within the organizational structure of the County due to the restructuring of the APCD governing board pursuant to AB423.*
Department Fund Relationship

The table below summarizes the relationship between County funds and each of the County’s business groups as of July 1, 2021. Funds are summarized by fund type and categorized as governmental, proprietary or fiduciary.

<table>
<thead>
<tr>
<th>Department Fund Relationship</th>
<th>GOVERNMENTAL</th>
<th>PROPRIETARY</th>
<th>FIDUCIARY</th>
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<tr>
<td></td>
<td>General Fund</td>
<td>Special Revenue Fund</td>
<td>Debt Service Funds</td>
</tr>
<tr>
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<tr>
<td><strong>Public Safety Group (PSG)</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Animal Services</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child Support Services</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>District Attorney</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Medical Examiner</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office of Emergency Services</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Probation</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Public Defender</td>
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</tr>
<tr>
<td>PSG Executive Office</td>
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<td>✓</td>
</tr>
<tr>
<td>San Diego County Fire</td>
<td>✓</td>
<td></td>
<td>✓</td>
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<tr>
<td>Sheriff</td>
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</tr>
<tr>
<td><strong>Health and Human Services Agency (HHSA)</strong></td>
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<tr>
<td>Administrative Support</td>
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<td>✓</td>
</tr>
<tr>
<td>Aging &amp; Independence Services</td>
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<td></td>
</tr>
<tr>
<td>Behavioral Health Services</td>
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<td></td>
</tr>
<tr>
<td>Child Welfare Services</td>
<td>✓</td>
<td></td>
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<tr>
<td>County of San Diego Successor Agency</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Housing &amp; Community Development Services</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Homeless Solutions and Equitable Communities</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Health Services</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Self-Sufficiency Services</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Land Use and Environment Group (LUEG)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture, Weights and Measures</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>County Library</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Health and Quality</td>
<td>✓</td>
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</table>
## Department Fund Relationship

<table>
<thead>
<tr>
<th></th>
<th>GOVERNMENTAL</th>
<th>PROPRIETARY</th>
<th>FIDUCIARY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General Fund</td>
<td>Special Revenue Fund</td>
<td>Debt Service Funds</td>
</tr>
<tr>
<td>University of California Cooperative Extension</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LUEG Executive Office</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parks and Recreation</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Planning &amp; Development Services</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Works</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

### Finance and General Government (FGG) Group

<table>
<thead>
<tr>
<th></th>
<th>GOVERNMENTAL</th>
<th>PROPRIETARY</th>
<th>FIDUCIARY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General Fund</td>
<td>Special Revenue Fund</td>
<td>Debt Service Funds</td>
</tr>
<tr>
<td>Assessor/Recorder/County Clerk</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auditor and Controller</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board of Supervisors</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clerk of the Board of Supervisors</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Administrative Office</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Citizens’ Law Enforcement Review Board</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Civil Service Commission</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>County Counsel</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>County Communications Office</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>County Technology Office</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FGG Group Executive Office</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Jury</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Resources</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Office of Evaluation, Performance and Analytics</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchasing and Contracting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registrar of Voters</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treasurer-Tax Collector</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Capital Program

- ✓
- ✓

### Finance Other

- ✓
- ✓
- ✓
Appropriations Limits

Spending limits for the County are governed by the 1979 passage of California Proposition 4, Limitation of Government Appropriations (enacted as Article XIII B of the California Constitution, commonly known as the Gann initiative or Gann Limit). Proposition 4 places an appropriations limit on most spending from tax proceeds.

The limit for each year is equal to the prior year’s spending with upward adjustments allowed for changes in population and the cost of living. Most appropriations are subject to the limit. However, Proposition 4 and subsequently Proposition 99 (1988), Tobacco Tax and Health Protection Act, Proposition 10 (1998), California Children and Families First Act and Proposition 111 (1990), Traffic Congestion Relief and Spending Limitations Act, exempt certain appropriations from the limit. These exemptions include capital outlay, debt service, local government subventions, new tobacco taxes, appropriations supported by increased gas taxes, and appropriations resulting from national disasters.

When the limit is exceeded, Proposition 4 requires the surplus to be returned to the taxpayers within two years. Appropriations in the two-year period can be averaged before becoming subject to the excess revenue provisions of the Gann Limit. As shown in the following table, the County continues to remain far below the Gann Limit.

<table>
<thead>
<tr>
<th>San Diego County Appropriations Limit (in millions)</th>
<th>Fiscal Year 2017–18</th>
<th>Fiscal Year 2018–19</th>
<th>Fiscal Year 2019–20</th>
<th>Fiscal Year 2020–21</th>
<th>Fiscal Year 2021–22*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gann Limit</td>
<td>$5,264</td>
<td>$5,509</td>
<td>$5,752</td>
<td>$5,982</td>
<td>$6,301</td>
</tr>
<tr>
<td>Appropriations subject to the limit</td>
<td>$1,967</td>
<td>$2,121</td>
<td>$2,264</td>
<td>$2,201</td>
<td>$2,369</td>
</tr>
</tbody>
</table>

*Subject to final approval by the Board of Supervisors on 9/14/2021.
Total Staffing by Group/Agency

Total staff years\(^1\) for Fiscal Year 2021-22 increased by **829.00** from the Adopted Budget for Fiscal Year 2020-21, an increase of 4.6% to a total of 18,782.50 staff years.

This net increase is attributable to increased staffing in the Public Safety Group, the Health and Human Services Agency, and the Finance and General Government Group, and decreased staffing in the Land Use and Environment Group. The staffing changes are summarized by business group in the chart below.

\(^1\)One staff year is equivalent to one permanent employee working full-time for one year.
ALL FUNDS TOTAL STAFFING

Public Safety Group (PSG)

PSG net increase of 364.00 staff years, or 4.9%, to address key operational requirements.

- District Attorney: increases by 15.00 staff years to address workload changes and to support key initiatives. Initiatives include the North County Family Justice Center/One Safe Place, the Workplace Justice Initiative, and the Juvenile Diversification Initiative. Workload changes include State Senate Bill (SB) 384, Sex Offender Registration: Criminal offender record information systems and Assembly Bill (AB) 1950, Probation Length of Terms.

- Sheriff’s Department: increases by a net of 314.00 staff years.

Net increase of 311.00 staff years in Detention Services which includes 141.00 staff years for nursing and mental health staff for services throughout the jail system and for medical operations at the Rock Mountain Detention Facility. These resources will enhance the evaluation of each individual’s mental and physical health risks upon booking into jail and expand services in custody. These actions work towards the goal of improving outcomes for individuals returning to our communities, thus improving overall public health and reducing recidivism. Staff are also included to operate three housing units at the Rock Mountain Detention Facility.

Total Staffing by Group/Agency (staff years)

<table>
<thead>
<tr>
<th>Group/Agency</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety*</td>
<td>7,551.00</td>
<td>7,470.00</td>
<td>7,834.00</td>
<td>364.00</td>
<td>4.9</td>
<td>7,888.00</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>6,771.50</td>
<td>6,772.50</td>
<td>7,284.50</td>
<td>512.00</td>
<td>7.6</td>
<td>7,284.50</td>
</tr>
<tr>
<td>Land Use and Environment**</td>
<td>1,946.50</td>
<td>1,956.50</td>
<td>1,855.50</td>
<td>(101.00)</td>
<td>(5.2)</td>
<td>1,855.50</td>
</tr>
<tr>
<td>Finance and General Government</td>
<td>1,755.50</td>
<td>1,754.50</td>
<td>1,808.50</td>
<td>54.00</td>
<td>3.1</td>
<td>1,808.50</td>
</tr>
<tr>
<td>Total</td>
<td>18,024.50</td>
<td>17,953.50</td>
<td>18,782.50</td>
<td>829.00</td>
<td>4.6</td>
<td>18,836.50</td>
</tr>
</tbody>
</table>

* Includes an increase of 141.00 nursing, health and mental health staff years to expand medical care and enhance access to mental health services throughout the jail system.

** Includes the Air Pollution Control District transition from the Land Use and Environment Group (LUEG) to an independent agency, removing its staffing (164.00) from LUEG. Adjusted to exclude this transition, LUEG staffing increases by 3.5% of 63.00 FTEs when compared to the Fiscal Year 2020-21 Adopted Budget.
Mountain Detention Facility to facilitate jail system compliance with the Board of State and Community Corrections capacity requirements and makes it possible for the department to carry out critical repairs and maintenance at major facilities to support safe operations for individuals in custody and for staff. Staff will also provide increased programming classes for incarcerated pregnant persons as a requirement by AB 732 County jails: prisons: incarcerated pregnant persons. It also includes 58.00 staff years to support the expansion of Medication Assisted Treatment services in County jails including staffing for care coordination services and to support administration of clinical quality programming.

- Net increase of 51.00 staff years in the Management Services Bureau due to transfers of vacant positions from various Sheriff’s Department bureaus - Law Enforcement Services, Court Services, ISF/IT and Human Services. These positions were identified in the Fiscal Year 2020–21 Operational Plan and held vacant due to the economic impact of the pandemic; court security positions held vacant with other positions to address operational needs due to increased workload.
- Increase of 1.00 staff year in the Office of the Sheriff due to a transfer from the Law Enforcement Services Bureau to support operational needs.
- Decrease of 43.00 staff years in the Sheriff’s Court Services Bureau due to a reduction in the level of services for court security.
- Net decrease of 3.00 staff years in Law Enforcement Services Bureau to align with the reduction of Prop 69, The DNA Fingerprint, Unsolved Crime and Innocence Protection Act revenue; decrease services in Cal-ID program and services requested by North County Transit District; offset by increases due to the addition of 6.00 staff years for enforcement of unlicensed cannabis operations; services requested by contract cities, to investigate prohibited persons firearms cases and law enforcement services requested by the Pala Band of Mission Indians.
- Decrease of 2.00 staff years in the Sheriff’s ISF/IT Bureau due to a transfer to the Management Services Bureau.
- Decrease of 1.00 staff year from the Human Resource Services Bureau to Management Services Bureau.

- Department of Child Support Services: decreases by 36.00 staff years to align staffing with the declining allocation from the State and to transfer staff to the Health and Human Services Agency due to the termination of Project 100% Early Fraud Prevention/Detection program as directed by the Board on April 6, 2021 (22).
- Medical Examiner: increases by 3.00 staff years to address increased caseload and to adhere to forensic pathologist caseload ratio.
- Probation Department: increases by a net of 2.00 staff years for the Public Service Work program, managed and funded by Department of Public Works.
- Public Defender: increase of 28.00 staff years to address increased case responsibilities and activities in video evidence processing, SB 395 and SB 203, Custodial Interrogation: Juveniles; Penal code 832.7 and SB 1421, Peace Officers Release of Records and SB 384, Tiered Registration for Sex Offenders and to add resources to the Defense Transition Unit, Substance Abuse Assessor unit and the Fresh Start program.
- San Diego County Fire: increases by 38.00 staff years due to the transfer of Emergency Medical Services from Health and Human Services Agency.

In Fiscal Year 2022–23, there is an increase of 54.00 staff years in the Sheriff’s Department, comprised of 30.00 nursing staff and 24.00 mental health staff to continue increasing the level of care in Sheriff facilities.
## Total Staffing by Department within Group/Agency (staff years)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety</td>
<td>7,551.00</td>
<td>7,470.00</td>
<td>7,834.00</td>
<td>364.00</td>
<td>4.9</td>
<td>7,888.00</td>
</tr>
<tr>
<td>Public Safety Executive Office</td>
<td>14.00</td>
<td>14.00</td>
<td>14.00</td>
<td>—</td>
<td>0.0</td>
<td>14.00</td>
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<tr>
<td>District Attorney</td>
<td>991.00</td>
<td>991.00</td>
<td>1,006.00</td>
<td>15.00</td>
<td>1.5</td>
<td>1,006.00</td>
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<tr>
<td>Sheriff*</td>
<td>4,415.00</td>
<td>4,381.00</td>
<td>4,695.00</td>
<td>314.00</td>
<td>7.2</td>
<td>4,749.00</td>
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<tr>
<td>Child Support Services</td>
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<td>497.00</td>
<td>461.00</td>
<td>(36.00)</td>
<td>(7.2)</td>
<td>461.00</td>
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<tr>
<td>Office of Emergency Services</td>
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<td>21.00</td>
<td>—</td>
<td>0.0</td>
<td>21.00</td>
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<tr>
<td>Animal Services</td>
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<td>61.00</td>
<td>—</td>
<td>0.0</td>
<td>61.00</td>
</tr>
<tr>
<td>Medical Examiner</td>
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<td>57.00</td>
<td>60.00</td>
<td>3.00</td>
<td>5.3</td>
<td>60.00</td>
</tr>
<tr>
<td>Probation</td>
<td>1,068.00</td>
<td>1,007.00</td>
<td>1,009.00</td>
<td>2.00</td>
<td>0.2</td>
<td>1,009.00</td>
</tr>
<tr>
<td>Public Defender</td>
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<td>414.00</td>
<td>442.00</td>
<td>28.00</td>
<td>6.8</td>
<td>442.00</td>
</tr>
<tr>
<td>San Diego County Fire</td>
<td>27.00</td>
<td>27.00</td>
<td>65.00</td>
<td>38.00</td>
<td>140.7</td>
<td>65.00</td>
</tr>
</tbody>
</table>

*Includes an increase of 141.00 nursing, health and mental health staff years to expand medical care and enhance access to mental health services throughout the jail system.
Health and Human Services Agency (HHSA)

HHSA has a net increase of 512.00 staff years or 7.6% from the Fiscal Year 2020–21 Adopted Budget to address increasing case-loads and several County priority areas. There were also transfers within the Agency that occurred mid-year among divisions to meet operational needs.

Self-Sufficiency Services (SSS): net increase of 84.00 staff years; increase of 100.00 staff years to continue to deliver essential safety net services to residents timely, effectively, and efficiently. Over the last 12 months, SSS has enrolled over 240,000 new participants in CalFresh and Medi-Cal. Both of these programs combine to act as the main social safety net for low-income San Diegans, combating food insecurity and allowing our most vulnerable to meet their health care needs; 5.00 staff years due to a transfer from Administrative Support to provide operational support; offset by 21.00 staff years due to a transfer to the new Homeless Solutions and Equitable Communities (HSEC) department to centralize staff performing homeless outreach activities under the new department.

Aging & Independence Services (AIS): increase of 43.00 staff years primarily to meet increased demand in the In-Home Supportive Services (IHSS) and Adult Protective Services (APS) programs in order to increase overall safety for vulnerable elders and dependent adults in APS and to decrease the risk of hospitalization and out-of-home placements for IHSS recipients.

Behavioral Health Services (BHS): increase of 107.00 staff years; 56.00 staff years to address increased administrative support requirements associated with continued service increases and to further expand the department’s data science footprint; 23.00 staff years to address increased census and service levels at the San Diego County Psychiatric Hospital; 14.00 staff years to facilitate data exchange between physical and mental health providers, to enable risk stratification and utilization monitoring, and to coordinate care across community-based services; 6.00 staff years to support the expansion of Medication Assisted Treatment (MAT) services in County jails, including staffing for care coordination services and to support administration of clinical quality programming; 5.00 staff years in the juvenile forensics unit to enhance clinical services for youth involved in the juvenile justice system; a transfer of 2.00 staff years from Public Health Services (PHS) to support pharmaceutical services to County programs; and 1.00 staff year to support data integration of all available data sources to improve information sharing and provide advanced coordination of behavioral health crisis services as part of the continued rollout of the County-wide Mobile Crisis Response Teams (MCRT) as referred to budget by the Board of Supervisors on April 6, 2021 (9).

Child Welfare Services (CWS): net increase of 39.00 staff years; 20.00 staff years to support youth in educational settings by partnering with the San Diego County Office of Education and expanding the Fostering Academic Success in Education effort to serve more youth; 15.00 staff years to create a Placement Integration Unit to support quality placement efforts to locate relatives; 6.00 staff years to create a combination Emergency After Hours Response/Hotline Screener Unit to respond to after-hour emergency referrals and take calls as hotline screeners; 1.00 staff year due to a transfer from Administrative Support to provide operational support; offset by a transfer of 3.00 staff years to PHS to support operational needs.

Public Health Services (PHS): net increase of 128.00 staff years; 129.00 staff years to augment staff to support efforts to enhance public health capacity to address infectious disease needs cohesively and comprehensively through the Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC) grant; 13.00 staff years to advance health equity in racial and ethnic minority groups and rural populations; 10.00 staff years to augment staffing capacity in areas such as the Public Health Laboratory, Public Health clinics, the Office of Vital Records and Statistics, and the CalFresh Healthy Living program; 7.00 staff years to support the End the HIV Epidemic Initiative as approved by the Board of Supervisors on October 27, 2020 (08); 3.00 staff years to support implementation of the Tobacco Retail License Initiative; 3.00 staff years due to a transfer from Child Welfare Services (CWS) to support operational needs; 1.00 staff year to support enhanced beach water quality testing; offset by 35.00 staff years due to the transfer of Emergency Medical Services (EMS) to San Diego County Fire in the Public Safety Group (PSG) to enhance the alignment of the integrated functions of Fire and EMS; a transfer of 2.00 staff years to Behavioral Health Services (BHS) and 1.00 staff year to Administrative Support to support operational needs.

Administrative Support: net decrease of 74.00 staff years; 89.00 staff years due to a transfer to support HSEC; 5.00 staff years due to a transfer to SSS to provide operational support; 3.00 staff years tied to the transfer of EMS to PSG; a transfer of 1.00 staff year to CWs to provide operational support; offset by an increase 23.00 staff years primarily to support financial oversight needs related to the ongoing COVID-19 emergency response associated with the administration and monitoring of American Rescue Plan Act (ARPA) of 2021 funds and various Public Health grants, as well as human resources management and other administrative support; and a transfer of 1.00 staff year from PHS to support operational needs.

ADOPTED OPERATIONAL PLAN FISCAL YEARS 2021–22 AND 2022–23

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Housing & Community Development Services (HCDS): no change in staffing.

Homeless Solutions and Equitable Communities: increase of 185.00 staff years; 89.00 staff years due to a transfer from Administrative Support; 36.00 staff years to support wrap around homelessness team efforts; 21.00 staff years due to a transfer from SSS; 10.00 staff years to support programs to end homelessness and devote efforts to upstream prevention with a particular focus on economic inclusion and poverty reduction, as well as ensuring the region is welcoming to all residents; 9.00 staff years to provide support, case management and outreach for the Housing and Disability Advocacy Program (HDAP) and to support efforts to expand services to serve youth and high need individuals under the Homeless Housing, Assistance and Prevention (HHAP) program; 6.00 staff years due to a transfer from Child Support Services in PSG due to the termination of the Project 100% Early Fraud Prevention/Detection program as referred to budget by the Board of Supervisors on April 6, 2021 (22); 5.00 staff years to advance health equity in racial and ethnic minority groups and rural populations through CDC funded grant; 4.00 staff years to support community outreach efforts for disease prevention and infection control through the ELC grant funded program; 3.00 staff years to support the new Office of Immigrant and Refugee Affairs as referred to budget by the Board of Supervisors on June 8, 2021 (10); and 2.00 staff years to focus on streamlining and leveraging existing county services, programs and benefits for working families.

In Fiscal Year 2022–23, there is no change in staffing.

<table>
<thead>
<tr>
<th>Total Staffing by Department within Group/Agency (staff years)</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Human Services</td>
<td>6,771.50</td>
<td>6,772.50</td>
<td>7,284.50</td>
<td>512.00</td>
<td>7.6</td>
<td>7,284.50</td>
</tr>
<tr>
<td>Self Sufficiency Services</td>
<td>2,532.00</td>
<td>2,529.00</td>
<td>2,613.00</td>
<td>84.00</td>
<td>3.3</td>
<td>2,613.00</td>
</tr>
<tr>
<td>Aging &amp; Independence Services</td>
<td>449.00</td>
<td>449.00</td>
<td>492.00</td>
<td>43.00</td>
<td>9.6</td>
<td>492.00</td>
</tr>
<tr>
<td>Behavioral Health Services</td>
<td>1,007.50</td>
<td>1,006.50</td>
<td>1,113.50</td>
<td>107.00</td>
<td>10.6</td>
<td>1,113.50</td>
</tr>
<tr>
<td>Child Welfare Services</td>
<td>1,493.00</td>
<td>1,492.00</td>
<td>1,531.00</td>
<td>39.00</td>
<td>2.6</td>
<td>1,531.00</td>
</tr>
<tr>
<td>Public Health Services</td>
<td>694.00</td>
<td>709.00</td>
<td>837.00</td>
<td>128.00</td>
<td>18.1</td>
<td>837.00</td>
</tr>
<tr>
<td>Administrative Support</td>
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<td>457.00</td>
<td>383.00</td>
<td>(74.00)</td>
<td>(16.2)</td>
<td>383.00</td>
</tr>
<tr>
<td>Housing &amp; Community Development Services</td>
<td>128.00</td>
<td>130.00</td>
<td>130.00</td>
<td>—</td>
<td>0.0</td>
<td>130.00</td>
</tr>
<tr>
<td>Homeless Solutions and Equitable Communities</td>
<td>—</td>
<td>—</td>
<td>185.00</td>
<td>185.00</td>
<td>100.0</td>
<td>185.00</td>
</tr>
</tbody>
</table>
Land Use and Environment Group (LUEG)

LUEG has a net decrease of 101.00 staff years or 5.2%.

- Land Use and Environment Group Executive Office: increases by 8.00 staff years to support regional sustainability efforts, expand community engagement, support mentorship of the youth internship programs, expanded data and financial analytics, establish a Tribal Liaison position and support the newly established Office of Environment and Climate Justice.
- Air Pollution Control District: decreases by 164.00 staff years due to the restructuring of the Air Pollution Control District governing board, finances and operations to comply with AB 423, San Diego County Air Pollution Control District: members and duties.
- County Library: increases by 2.00 staff years to support the new Lakeside Library.
- Environmental Health and Quality: increases by 4.00 staff years to support water quality monitoring at South County beaches and to support the Hazardous Materials Division.
- Parks and Recreation: increases by 14.00 staff years to support daily operations and maintenance of the new and expanded parks under construction in Valley Center, Tijuana River Valley Campground, Lincoln Acres, Helix, Sweetwater Campgrounds and Rancho Lilac Open Space and for the expansion of the Safe Destination Nights Program.
- Planning & Development Services: increases by 5.00 staff years to support Community Plan Updates (1.00), development and implementation of the Cannabis Ordinance (2.00), and to support the preparation of a revised Climate Action Plan and Supplemental Environmental Impact Report (2.00) to reduce greenhouse gas emissions in the unincorporated areas and from County operations.
- Public Works: increases by 30.00 staff years to support the Road Resurfacing Program (9.00) to implement the Pavement Condition Index (PCI) from 60 to 70, to support program expansion in Wastewater Management Program (6.00), to support the Litter Abatement & Vegetation Crew (6.00), to implement the Strategic Plan to Reduce Waste by achieving 75% waste diversion by 2025 (4.00), to ensure compliance with the stormwater Bacteria Total Maximum Daily Load (TMDL) requirements (2.00), to provide traffic signal support (1.00), to support the sanitation and cleanup programs (1.00) and to provide Information Technology support (1.00).

In Fiscal Year 2022–23, there is no change in staffing.

<table>
<thead>
<tr>
<th>Total Staffing by Department within Group/Agency (staff years)</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Change</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
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<tbody>
<tr>
<td>Land Use and Environment**</td>
<td>1,946.50</td>
<td>1,956.50</td>
<td>1,855.50</td>
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<td>8.00</td>
<td>61.5</td>
<td>21.00</td>
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<tr>
<td>Agriculture, Weights and Measures</td>
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<td>179.00</td>
<td>179.00</td>
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<td>179.00</td>
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<tr>
<td>Air Pollution Control District</td>
<td>159.00</td>
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<td>(100.0)</td>
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<tr>
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<td>284.50</td>
<td>286.50</td>
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<td>4.00</td>
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<td>313.00</td>
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<td>Parks and Recreation</td>
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<td>14.00</td>
<td>6.0</td>
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<tr>
<td>Planning &amp; Development Services</td>
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<td>Public Works</td>
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<td>570.00</td>
<td>30.00</td>
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<td>570.00</td>
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</table>

**Includes the Air Pollution Control District transition from the Land Use and Environment Group (LUEG) to an independent agency, removing its staffing (164.00) from LUEG. Adjusted to exclude this transition, LUEG staffing increases by 3.5% or 63.00 FTEs when compared to the Fiscal Year 2020–21 Adopted Budget.
Finance and General Government Group (FGG)

FGG has a **net increase of 54.00 staff years or 3.1%**.

- Finance and General Government Group Executive Office: increase of 7.00 staff years to improve financial communication outreach efforts to enhance budget equity for the organization and to provide expanded enterprise support due to countywide growth and the addition of new departments and programs.
- Board of Supervisors: increase of 12.00 staff years in the district offices to support community outreach efforts provided to residents located in their district.
  - District 1: increases by 4.00 staff years
  - District 2: increases by 3.00 staff years
  - District 3: increases by 3.00 staff years
  - District 4: increase by 1.00 staff year
  - District 5: increase by 1.00 staff year
- Chief Administrative Office: increase of 10.00 staff years tied to staffing of the Office of Equity and Racial Justice and to support the newly established Office of Labor Standards and Enforcement (OLSE). The creation of this office was approved and referred to budget by the Board of Supervisors on May 4, 2021 (23).
- Auditor & Controller: decrease of 1.00 staff year due to realignment of operational needs in the Office of Equity & Racial Justice to support enterprise priorities.
- Office of County Counsel: increase of 2.00 staff years due to program coordination support with Planning and Development Services and Health and Human Services Agency.
- Department of Human Resources: increase of 2.00 staff years to provide expanded human resources support to the enterprise due to the overall growth in Countywide staffing and the addition of new departments.
- Office of Evaluation, Performance and Analytics: increase of 20.00 staff years to support newly established office to support a comprehensive approach to evidence-based policy making within the County. The creation of this office was approved and referred to budget by the Board of Supervisors on May 18, 2021 (16).
- Department of Purchasing and Contracting: increase of 2.00 staff years to support the Service Delivery Framework Initiative.

In Fiscal Year 2022–23, there is no change in staffing.
## Total Staffing by Department within Group/Agency (staff years)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Finance and General Government</td>
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<td>1,808.50</td>
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<td>7.00</td>
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<td>Board of Supervisors</td>
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<td>72.00</td>
<td>12.00</td>
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<tr>
<td>Treasurer-Tax Collector</td>
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<td>0.0</td>
<td>123.00</td>
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<tr>
<td>Chief Administrative Office</td>
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<td>26.50</td>
<td>10.00</td>
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<tr>
<td>Auditor and Controller</td>
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<td>236.50</td>
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<tr>
<td>Citizens’ Law Enforcement Review Board</td>
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<tr>
<td>Civil Service Commission</td>
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<td>3.00</td>
<td>3.00</td>
<td>—</td>
<td>0.0</td>
<td>3.00</td>
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<tr>
<td>Clerk of the Board of Supervisors</td>
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<td>28.00</td>
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<tr>
<td>County Counsel</td>
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<td>148.00</td>
<td>150.00</td>
<td>2.00</td>
<td>1.4</td>
<td>150.00</td>
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<tr>
<td>Grand Jury</td>
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<tr>
<td>Human Resources</td>
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<td>County Communications Office</td>
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<td>General Services</td>
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<td>Purchasing and Contracting</td>
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<td>2.00</td>
<td>3.0</td>
<td>68.00</td>
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<td>Registrar of Voters</td>
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<td>69.00</td>
</tr>
<tr>
<td>Office of Evaluation, Performance and Analytics</td>
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<td>—</td>
<td>20.00</td>
<td>20.00</td>
<td>100.0</td>
<td>20.00</td>
</tr>
</tbody>
</table>
Total Funding by Source

Total resources available to support County services for Fiscal Year 2021–22 are $7.23 billion, an increase of $681.1 million or 10.4% from the Fiscal Year 2020–21 Adopted Budget. Total resources decrease by $786.1 million or 10.9% to $6.45 billion in Fiscal Year 2022–23. For Fiscal Year 2021–22, the combination of State Revenue ($1.8 billion), Federal Revenue ($1.3 billion) and Other Intergovernmental Revenue ($171.2 million) supplies 46.6% of the funding sources for the County’s budget. Interfund Operating Transfers, Use of Money & Property, Miscellaneous Revenues, Residual Equity Transfers In and Other Financing Sources make up 11.1% of the funding sources ($799.5 million). Another 16.9% ($1.2 billion) comes from Charges for Current Services, and Fees and Fines. Use of Fund Balance and Fund Balance Component Decreases supply 5.4% ($394.0 million) of the funding sources.

Finally, revenues in the Property and Other Taxes category, received from property taxes, Property Tax in lieu of Vehicle License Fees, the Teeter program, Sales & Use Tax, Real Property Transfer Tax, Transient Occupancy Tax and miscellaneous other revenues account for 20.0% ($1.4 billion) of the financing sources for the County’s budget. The majority of the revenues in this category (94.9%) are in the General Fund with the balance in the Library Fund, the Road Fund and miscellaneous other funds.
## Total Funding by Source (in millions)

<table>
<thead>
<tr>
<th>Source</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Revenue</td>
<td>$4,502.2</td>
<td>$4,711.4</td>
<td>$5,288.3</td>
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<td>Use of Fund Balance/Fund Balance Component Decrease</td>
<td>342.1</td>
<td>421.0</td>
<td>394.0 (6.4)</td>
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<td>General Purpose Revenue</td>
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<td>1,419.5</td>
<td>1,550.7</td>
<td>9.2</td>
<td>1,588.5</td>
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<td>Total</td>
<td>$6,252.7</td>
<td>$6,551.9</td>
<td>$7,233.0</td>
<td>10.4</td>
<td>$6,446.9</td>
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</table>

### Total Funding by Source

**Fiscal Years 2019-20 through 2022-23**

- **State Revenue**
- **Federal Revenue**
- **Other Intergovernmental Revenue**
- **Charges for Services, Fees and Fines**
- **Property and Other Taxes**
- **Fund Balance Component Decreases/Use of Fund Balance**
- **Operating Transfers and Other Financing Sources, Use of Money & Property, Misc. Revenues**

- **FY 2019-20 Adopted**
- **FY 2020-21 Adopted**
- **FY 2021-22 Adopted**
- **FY 2022-23 Approved**
Overall Change

In the Total Funding by Source table, the $681.1 million increase in the Fiscal Year 2021–22 Adopted Budget shows increases in total funding sources. The General Fund section addresses significant revenue changes by source in the General Fund. Changes other than those in the General Fund are highlighted below.

Change by Source

State Revenue

State Revenue increases by $61.8 million or 3.5% overall in Fiscal Year 2021–22. The increases in State Revenue are in the Public Safety Group (PSG) of $53.5 million, in the Capital Program of $29.8 million partially offset by decreases in the Land Use and Environment Group (LUEG) of $13.3 million, in the Finance and General Government Group (FGG) of $7.6 million and in the Health and Human Services Agency (HHSA) of $0.6 million. The decrease of $1.7 million in the General Fund is described in the next section.

Federal Revenue

Federal Revenue increases by a net of $311.6 million or 30.1% overall in Fiscal Year 2021–22. Of the increases in Federal Revenue, $305.9 million are in the General Fund which is described in the next section.
The overall increase of $5.7 million outside of the General Fund includes a $4.1 million increase in the Capital Program due to one-time projects, $1.9 million increase in LUEG for DPW due to Federal grant funding in the Airport Enterprise Fund, and $0.4 million net increase in PSG due to transfer of Emergency Medical Services (EMS) from Public Health Services to San Diego County Fire partially offset by a decrease due to reclassification of payments for Ground Emergency Medical Transportation Quality Assurance Fees (GEMQAF) program in San Diego County Fire A decrease of $0.7 million in HHSA for Public Health Services due to EMS transfer to PSG.

Other Intergovernmental Revenue

Other Intergovernmental Revenue increases by a net of $27.3 million or 19.0% overall in Fiscal Year 2021–22. Of the increases, $35.0 million are in the General Fund.

The overall decrease of $7.7 million outside the General Fund is primarily in LUEG due to restructuring of APCD ($11.3 million) partially offset by increase in County Library ($2.4 million) due to resolved litigation for redevelopment property tax revenues. A decrease of $3.3 million in HHSA due to transfer of EMS from Public Health Services to PSG, San Diego County Fire. An increase of $4.5 million in PSG for San Diego County Fire due to transfer of EMS due to anticipated increase in number of transports directly reflected in Resident transport revenue and recategorization of transport fees.

Operating Transfers and Other Financing Sources, Use of Money & Property, Miscellaneous Revenues, and Residual Equity Transfers In

Operating Transfers and Other Financing Sources, Use of Money & Property, Miscellaneous Revenues, and Residual Equity Transfers In increase by a net of $163.4 million or 25.7% overall in Fiscal Year 2021-22.
from Public Health Services to PSG, and a decrease of $0.3 million in Finance Other for Public Liability ISF. These are partially offset by an increase of $0.5 million in LUEG mainly for increases in rents, leases and landing fees in County Airports and vehicle usage rental revenue in the Equipment ISF program and due to anticipated revenue from rents and leases associate with a new Community Service Area for the Department of Parks and Recreation; and an increase of $0.2 million in Capital Program due to interest on deposits.

- Miscellaneous Revenues increase by a net of $20.4 million or 23.8% in Fiscal Year 2021-22. The General Fund increases by $22.7 million. A decrease of $2.3 million outside of the General Fund primarily includes:
  - Decrease of $2.6 million in PSG primarily due to the elimination of phone time sales revenue for communication services for incarcerated persons in the Jail Commissary Enterprise Fund.
  - Decrease of $0.4 million in LUEG primarily due to reduced private donations to the County Library and for tribal grant-funded Dehesa Harbison Canyon project completion in the Road Program.
  - Increase of $0.6 million in the Capital Program for one-time projects.
  - Increase of $0.1 million in FGG for DGS due to third party recovery related to insurance proceeds for damaged vehicles.
  - Residual Equity Transfers In decrease by $2.0 million or 88.8% in Fiscal Year 2021–22 in FGG for DGS due to lower replacement cost of vehicles and equipment. There is no change in the General Fund.

Charges for Services, Fees and Fines

Charges for Services, Fees and Fines increase by a net of $46.3 million or 3.9% overall in Fiscal Year 2021–22.

- Charges for Current Services increase by a net of $42.7 million or 3.9% in Fiscal Year 2021-22. There is an overall increase of $19.5 million in the General Fund. Outside of the General Fund, the overall increase is $23.2 million. An increase of $17.0 million is in Capital Program for one-time projects, an increase of $8.7 million in FGG for DGS due to cost of services provided to client departments, and a net increase of $5.3 million in PSG due to transfer of EMS to San Diego County Fire from HHSA partially offset by a decrease for San Diego County Fire Authority due to recategorization of revenue. A decrease of $7.0 million in HHSA for Public Health Services due to EMS transfer to PSG; $0.6 million decrease in LUEG primarily due to restructuring of APCD; and $0.2 million decrease in Finance Other for Public Liability ISF.

- Licenses, Permits & Franchises decrease by $10.4 million or 19.2% in Fiscal Year 2021–22. There is an overall $2.5 million decrease in the General Fund. A $7.9 million decrease outside of the General Fund is in LUEG primarily due to restructuring of APCD.

- Fines, Forfeitures & Penalties increase by a net of $14.0 million or 44.3% in Fiscal Year 2021–22. There is an overall $12.8 million increase in the General Fund. A $1.2 million increase outside of the General Fund is in PSG for Public Safety Group Executive Office ($2.2 million) primarily due to increase in penalty assessment revenue partially offset by $1.0 million decrease in LUEG due to restructuring of APCD.

Property and Other Taxes

Property and Other Taxes increase by $97.8 million or 7.3% in Fiscal Year 2021–22.

The overall increase of $90.1 million is in the General Fund. Outside of the General Fund, there is an increase of $7.7 million. The increase of $6.3 million in LUEG is for County Library ($3.1 million) from property taxes, for DPW ($2.8 million) for TransNet-funded projects in the Road Fund and for the Department of Parks and Recreation ($0.4 million) due to projected property tax revenue. The increase of $3.8 million in PSG is due to the transfer of Emergency Medical Services (EMS) from HHSA Public Health Services to San Diego County Fire and due to recategorization of revenue and projected increase in property tax apportionments in San Diego County Fire. The decrease of $2.4 million
in HHSA is for Public Health Services for the transfer of EMS to PSG San Diego County Fire and to support services in County Service Area (CSA) 17 and 69.

Fund Balance Component Decreases

The Use of Fund Balance Component Decreases decrease by $33.5 million or 36.5% in Fiscal Year 2021–22.

The decrease of $23.1 million in the General Fund is primarily due to the removal of prior year one-time appropriations that were supported by fund balance Committed to Realignment, fund balance Committed to Planning & Development Services (PDS) Building Reserves, fund balance Committed for San Diego Fire Equipment Replacement and fund balance Committed for Department of Environmental Health and Quality. There is a $10.4 million decrease outside of the General Fund in LUEG. A decrease of $9.2 million for DPW is due to the use of committed Road Fund fund balance associated with the $28.0 million General Fund contribution for the Road Resurfacing Program and a decrease of $1.2 million for restructuring of APCD.

Use of Fund Balance

Finally, the Use of Fund Balance increases by a net of $6.5 million or 2.0% in Fiscal Year 2021–22. There is a increase of $15.7 million in the General Fund as described in the next section.

Outside of the General Fund, there is a net decrease of $9.2 million due to $6.8 million in LUEG, $3.1 million in FGG, and $0.5 million in HHSA partially offset by an increase of $0.6 million in the Capital Program and $0.5 million increase in PSG. The decrease in LUEG is primarily due to restructuring of APCD, in the Parks Special Districts Funds for various Major Maintenance projects and in the Park Land Dedication Ordinance fund for various parks expansion projects. The decrease in FGG is for DGS in the Fleet Management ISF for countywide vehicle replacement acquisition program partially offset by increase in Purchasing ISF to reduce procurement rates and staffing increases. The decrease in HHSA is for Public Health Services due to EMS transfer to San Diego County Fire. The increase in the Capital Program is for one-time projects. The increase in PSG is in Proposition 172 Fund, the Local Public Safety Protection and Improvement Act of 1993, for costs related to regional law enforcement services and public safety focused services, partially offset by decreases in the Asset Forfeiture Funds for law enforcement project costs and for the transfer to the General Fund and in the Inmate Welfare Fund to support core services and to partially offset security upgrades and renovation of the Rock Mountain Detention Facility.
Fiscal Year 2021–22 All Funds by Department & Funding Source

Public Safety Group

<table>
<thead>
<tr>
<th>Department</th>
<th>Fees &amp; Other Revenues</th>
<th>Intergovernmental Revenues</th>
<th>General Purpose Revenue Allocation</th>
<th>Department Total</th>
</tr>
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<td>Public Safety Executive Office</td>
<td>$ 58,459,980</td>
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<td>Office of Emergency Services</td>
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<td>San Diego County Fire</td>
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<td><strong>Group Total</strong></td>
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Health and Human Services Agency

<table>
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<tr>
<th>Department</th>
<th>Fees &amp; Other Revenues</th>
<th>Intergovernmental Revenues</th>
<th>General Purpose Revenue Allocation</th>
<th>Department Total</th>
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<tr>
<td>Administrative Support</td>
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<td>38,467,232</td>
<td>817,606,006</td>
</tr>
<tr>
<td>Child Welfare Services</td>
<td>2,333,211</td>
<td>384,039,628</td>
<td>29,585,859</td>
<td>415,958,698</td>
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<tr>
<td>County Successor Agency</td>
<td>7,752,948</td>
<td>—</td>
<td>—</td>
<td>7,752,948</td>
</tr>
<tr>
<td>Homeless Solutions and Equitable Communities</td>
<td>9,382,182</td>
<td>30,319,458</td>
<td>8,294,603</td>
<td>47,996,243</td>
</tr>
<tr>
<td>Housing &amp; Community Development Services</td>
<td>37,698,166</td>
<td>70,718,159</td>
<td>5,346,581</td>
<td>113,762,906</td>
</tr>
<tr>
<td>Public Health Services</td>
<td>23,035,337</td>
<td>341,536,855</td>
<td>13,197,071</td>
<td>377,769,263</td>
</tr>
<tr>
<td>Self-Sufficiency Services</td>
<td>10,411,282</td>
<td>566,354,540</td>
<td>34,740,979</td>
<td>611,506,801</td>
</tr>
<tr>
<td><strong>Group Total</strong></td>
<td><strong>$ 272,582,539</strong></td>
<td><strong>$ 2,419,987,943</strong></td>
<td><strong>$ 149,787,620</strong></td>
<td><strong>$ 2,842,358,102</strong></td>
</tr>
</tbody>
</table>
### Land Use and Environment Group

<table>
<thead>
<tr>
<th>Department</th>
<th>Fees &amp; Other Revenues</th>
<th>Intergovernmental Revenues</th>
<th>General Purpose Revenue Allocation</th>
<th>Department Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Use and Environment Executive Office</td>
<td>$1,943,475</td>
<td>$</td>
<td>$6,236,056</td>
<td>$8,179,531</td>
</tr>
<tr>
<td>Agriculture, Weights and Measures</td>
<td>5,454,555</td>
<td>13,294,125</td>
<td>8,105,725</td>
<td>26,854,405</td>
</tr>
<tr>
<td>Air Pollution Control District</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>County Library</td>
<td>51,789,330</td>
<td>5,830,083</td>
<td>—</td>
<td>57,619,413</td>
</tr>
<tr>
<td>Environmental Health and Quality</td>
<td>39,186,390</td>
<td>13,495,805</td>
<td>2,428,384</td>
<td>55,110,579</td>
</tr>
<tr>
<td>Parks and Recreation</td>
<td>21,867,529</td>
<td>3,482,860</td>
<td>34,793,151</td>
<td>60,143,540</td>
</tr>
<tr>
<td>Planning and Development Services</td>
<td>29,185,131</td>
<td>2,422,548</td>
<td>18,940,732</td>
<td>50,548,411</td>
</tr>
<tr>
<td>Public Works</td>
<td>222,223,148</td>
<td>120,147,175</td>
<td>13,362,219</td>
<td>355,732,542</td>
</tr>
<tr>
<td>University of California Cooperative Extension</td>
<td>322,021</td>
<td>—</td>
<td>869,971</td>
<td>1,191,992</td>
</tr>
<tr>
<td><strong>Group Total</strong></td>
<td><strong>$371,971,579</strong></td>
<td><strong>$158,672,596</strong></td>
<td><strong>$84,736,238</strong></td>
<td><strong>$615,380,413</strong></td>
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</table>

### Finance and General Government Group

<table>
<thead>
<tr>
<th>Department</th>
<th>Fees &amp; Other Revenues</th>
<th>Intergovernmental Revenues</th>
<th>General Purpose Revenue Allocation</th>
<th>Department Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance &amp; General Government Executive Office</td>
<td>5,055,654</td>
<td>—</td>
<td>23,441,876</td>
<td>28,497,530</td>
</tr>
<tr>
<td>Assessor/Recorder/County Clerk</td>
<td>51,544,273</td>
<td>—</td>
<td>27,261,426</td>
<td>78,805,699</td>
</tr>
<tr>
<td>Auditor and Controller</td>
<td>9,076,722</td>
<td>1,052,101</td>
<td>31,457,098</td>
<td>41,585,921</td>
</tr>
<tr>
<td>Board of Supervisors</td>
<td>409,200</td>
<td>—</td>
<td>12,524,926</td>
<td>12,934,126</td>
</tr>
<tr>
<td>Chief Administrative Office</td>
<td>2,504,015</td>
<td>—</td>
<td>6,618,614</td>
<td>9,122,629</td>
</tr>
<tr>
<td>Citizens’ Law Enforcement Review Board</td>
<td>34,682</td>
<td>—</td>
<td>1,524,587</td>
<td>1,559,269</td>
</tr>
<tr>
<td>Civil Service Commission</td>
<td>69,914</td>
<td>—</td>
<td>510,818</td>
<td>580,732</td>
</tr>
<tr>
<td>Clerk of the Board of Supervisors</td>
<td>856,110</td>
<td>—</td>
<td>3,427,236</td>
<td>4,283,436</td>
</tr>
<tr>
<td>County Communications Office</td>
<td>611,062</td>
<td>—</td>
<td>3,330,221</td>
<td>3,941,283</td>
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</table>
### Revenues

<table>
<thead>
<tr>
<th>Department</th>
<th>Fees &amp; Other Revenues</th>
<th>Intergovernmental Revenues</th>
<th>General Purpose Revenue Allocation</th>
<th>Department Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>County Counsel</td>
<td>17,954,206</td>
<td>—</td>
<td>15,894,579</td>
<td>33,848,785</td>
</tr>
<tr>
<td>County Technology Office</td>
<td>221,675,178</td>
<td>—</td>
<td>8,770,368</td>
<td>230,445,546</td>
</tr>
<tr>
<td>General Services</td>
<td>218,755,880</td>
<td>3,761,728</td>
<td>3,000,000</td>
<td>225,517,608</td>
</tr>
<tr>
<td>Grand Jury</td>
<td>—</td>
<td>—</td>
<td>763,194</td>
<td>763,194</td>
</tr>
<tr>
<td>Human Resources</td>
<td>14,918,951</td>
<td>—</td>
<td>17,297,998</td>
<td>32,216,949</td>
</tr>
<tr>
<td>Office of Evaluation, Performance and Analytics</td>
<td>—</td>
<td>4,500,000</td>
<td>—</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Purchasing and Contracting</td>
<td>15,719,678</td>
<td>—</td>
<td>594,000</td>
<td>16,313,678</td>
</tr>
<tr>
<td>Registrar of Voters</td>
<td>8,461,270</td>
<td>455,000</td>
<td>20,569,207</td>
<td>29,485,477</td>
</tr>
<tr>
<td>Treasurer - Tax Collector</td>
<td>17,052,783</td>
<td>—</td>
<td>7,018,242</td>
<td>24,071,025</td>
</tr>
<tr>
<td><strong>Group Total</strong></td>
<td><strong>$ 584,699,578</strong></td>
<td><strong>$ 9,768,829</strong></td>
<td><strong>$ 184,004,390</strong></td>
<td><strong>$ 778,472,797</strong></td>
</tr>
</tbody>
</table>

### Capital

<table>
<thead>
<tr>
<th></th>
<th>Fees &amp; Other Revenues</th>
<th>Intergovernmental Revenues</th>
<th>General Purpose Revenue Allocation</th>
<th>Department Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Program</td>
<td>$ 244,682,516</td>
<td>$ 38,012,219</td>
<td>$ -</td>
<td>$ 282,694,735</td>
</tr>
<tr>
<td><strong>Group Total</strong></td>
<td><strong>$ 244,682,516</strong></td>
<td><strong>$ 38,012,219</strong></td>
<td><strong>$ -</strong></td>
<td><strong>$ 282,694,735</strong></td>
</tr>
</tbody>
</table>
### Finance Other

#### Revenues

<table>
<thead>
<tr>
<th></th>
<th>Fees &amp; Other Revenues</th>
<th>Intergovernmental Revenues</th>
<th>General Purpose Revenue Allocation</th>
<th>Department Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Enhancement</td>
<td>$48,036</td>
<td>–</td>
<td>$4,789,300</td>
<td>$4,837,336</td>
</tr>
<tr>
<td>Contributions to Capital Program</td>
<td>$15,100,000</td>
<td>–</td>
<td>$126,317,935</td>
<td>$141,417,935</td>
</tr>
<tr>
<td>Countywide General Expense</td>
<td>$39,333,333</td>
<td>–</td>
<td>$77,884,996</td>
<td>$117,218,329</td>
</tr>
<tr>
<td>Lease Payments-Bonds</td>
<td>$12,325,503</td>
<td>–</td>
<td>$12,179,703</td>
<td>$24,505,206</td>
</tr>
<tr>
<td>Local Agency Formation Commission Administration</td>
<td>–</td>
<td>–</td>
<td>$498,431</td>
<td>$498,431</td>
</tr>
<tr>
<td>Neighborhood Reinvestment Program</td>
<td>$10,000,000</td>
<td>–</td>
<td>–</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Pension Obligation Bonds</td>
<td>$81,488,073</td>
<td>–</td>
<td>–</td>
<td>$81,488,073</td>
</tr>
<tr>
<td>Public Liability ISF</td>
<td>$33,813,531</td>
<td>–</td>
<td>–</td>
<td>$33,813,531</td>
</tr>
<tr>
<td>Workers Compensation Emp Ben ISF</td>
<td>$52,766,617</td>
<td>–</td>
<td>–</td>
<td>$52,766,617</td>
</tr>
<tr>
<td><strong>Group Total</strong></td>
<td><strong>$244,875,093</strong></td>
<td>–</td>
<td><strong>$221,670,365</strong></td>
<td><strong>$466,545,458</strong></td>
</tr>
</tbody>
</table>

#### Countywide Totals

<table>
<thead>
<tr>
<th></th>
<th>Fees &amp; Other Revenues</th>
<th>Intergovernmental Revenues</th>
<th>General Purpose Revenue Allocation</th>
<th>County Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>County Total</td>
<td>$2,457,597,430</td>
<td>$3,224,735,329</td>
<td>$1,550,670,807</td>
<td>$7,233,003,566</td>
</tr>
</tbody>
</table>
General Fund

Overview of General Fund Financing Sources

The General Fund is the County's largest single and primary operating fund. It is used to account for all financial resources of the County except those required to be accounted for in other funds. In this CAO Recommended Operational Plan, General Fund Financing Sources total $5.54 billion for Fiscal Year 2021-22, a $527.1 million or 10.5% increase from the Fiscal Year 2020-21 Adopted Budget. In comparison, the ten-year average annual growth rate through Fiscal Year 2020-21 was 3.0%. General Fund Financing Sources decrease by $431.9 million or 7.8% in Fiscal Year 2022-23 primarily due to a reduction in the use of one-time resources.
General Fund Financing by Sources
Fiscal Years 2019-20 through 2022-23

General Fund Financing Sources (in millions)

<table>
<thead>
<tr>
<th>Source</th>
<th>Fiscal Year 2019–20 Adopted Budget</th>
<th>Fiscal Year 2020–21 Adopted Budget</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>% Change</th>
<th>Fiscal Year 2022–23 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Revenue</td>
<td>$1,384.1</td>
<td>$1,398.5</td>
<td>$1,396.8</td>
<td>(0.1)</td>
<td>$1,440.6</td>
</tr>
<tr>
<td>Federal Revenue</td>
<td>839.8</td>
<td>1,024.1</td>
<td>1,330.0</td>
<td>29.9</td>
<td>1,005.5</td>
</tr>
<tr>
<td>Other Intergovernmental Revenue</td>
<td>99.2</td>
<td>125.5</td>
<td>160.5</td>
<td>27.9</td>
<td>166.1</td>
</tr>
<tr>
<td>Operating Transfers and Other Financing Sources, Use of Money</td>
<td>435.4</td>
<td>407.6</td>
<td>483.0</td>
<td>18.5</td>
<td>413.6</td>
</tr>
<tr>
<td>&amp; Property &amp; Misc. Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for Services, Fees, &amp; Fines</td>
<td>491.8</td>
<td>504.4</td>
<td>534.2</td>
<td>5.9</td>
<td>560.9</td>
</tr>
<tr>
<td>Property &amp; Other Taxes</td>
<td>1,265.8</td>
<td>1,283.2</td>
<td>1,373.2</td>
<td>7.0</td>
<td>1,407.2</td>
</tr>
<tr>
<td>Fund Balance Component Decreases</td>
<td>63.2</td>
<td>76.9</td>
<td>53.8</td>
<td>(30.0)</td>
<td>51.9</td>
</tr>
<tr>
<td>Use of Fund Balance</td>
<td>149.5</td>
<td>193.6</td>
<td>209.3</td>
<td>8.1</td>
<td>63.1</td>
</tr>
<tr>
<td>Total</td>
<td>$4,728.7</td>
<td>$5,013.8</td>
<td>$5,540.9</td>
<td>10.5</td>
<td>$5,109.0</td>
</tr>
</tbody>
</table>
General Fund Financing Sources by Category

The preceding section presented General Fund financing sources by account type. This section looks at General Fund financing sources according to how they are generated. From that perspective, these financing sources can be categorized as one of three funding types: Program Revenue, General Purpose Revenue and Use of Fund Balance (including Fund Balance Component Decreases).

In Fiscal Year 2021-22, Program Revenue increased by $403.2 million or 12.1%, while General Purpose Revenue (GPR) increased by $131.2 million or 9.2% and the Fund Balance Component Decreases/Use of Fund Balance decreased by $7.3 million or 2.7% from the Fiscal Year 2020-21 Adopted Budget.

In Fiscal Year 2022-23, GPR increased by 2.4% ($37.8 million), Program Revenue decreased by 8.6% ($321.7 million) and the planned Use of Fund Balance declined by 56.3% ($148.1 million).

Uses of fund balance in Fiscal Year 2022-23 are tentative and subject to revision during the next Operational Plan development cycle.

General Fund Financing Sources by Category
Fiscal Year 2021-22: $5.54 billion

<table>
<thead>
<tr>
<th>General Fund Financing Sources by Category (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year 2019–20 Adopted Budget</td>
</tr>
<tr>
<td>----------------------------------</td>
</tr>
<tr>
<td>Program Revenue</td>
</tr>
<tr>
<td>Use of Fund Balance/Fund Balance Component Decreases</td>
</tr>
<tr>
<td>General Purpose Revenue</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>
**General Fund Program Revenue**

Program Revenue, as the name implies, is dedicated to and can be used only for the specific programs with which it is associated. This revenue makes up 67.3% of General Fund financing sources in Fiscal Year 2021-22, and is derived primarily from State and federal subventions, grants, and fees charged by specific programs. Of the County’s Program Revenue, the Health and Human Services Agency manages 70.2%, the Public Safety Group manages 23.1% and the balance is managed across the County’s other business groups. Program Revenue is expected to increase by 12.1% ($403.2 million) from the Fiscal Year 2020-21 Adopted Budget compared to an average annual growth for the last ten years of 3.0%.

![General Fund Program Revenue by Source](image)

**General Fund Program Revenue by Source**

**Fiscal Year 2021-22: $3.73 billion**

- State Revenue: $1,389.6M (37.3%)
- Federal Revenue: $1,329.1M (35.7%)
- Other Intergovernmental Revenue: $24.0M (0.6%)
- Fines, Forfeitures & Penalties: $23.6M (0.6%)
- Charges For Current Services: $454.2M (12.2%)
- Other Financing Sources: $376.5M (10.1%)
- Miscellaneous Revenues: $93.8M (2.5%)
- Licenses, Permits & Franchises: $32.3M (0.9%)
- Revenue From Use of Money & Property: $4.1M (0.1%)
GENERAL FUND

General Fund Program Revenue:
State Revenue History

An overall net increase of $4.2 million in Land Use and Environmental Group (LUEG) primarily in the Agriculture, Weights and Measures due to the increase in State supplemental funding along with the Invasive Shot Hole contract, in Planning & Development Services in state grants from LEAP (Local Early Action Planning) to prepare and adopt planning documents, process improvements that accelerate housing production and facilitate compliance in implementing the sixth cycle of the regional housing needs assessment, SB2 to streamline housing approvals and accelerate housing production, and Caltrans for transportation planning in Valley Center, and in Department of Parks and Recreation due to a new State grant revenue for the Coastal California Gnatcatcher Habitat Restoration project, the East Otay Regional Trail Alignment Study, and the South San Diego Coastal Trail Feasibility study.

An overall net increase of $2.3 million in Public Safety Group (PSG) primarily in the Sheriff’s Department in grant revenue to support the CHP Cannabis Tax Fund Grant Program and an increase from the Local Revenue Fund 2011, Community Corrections Subaccount due to increased reimbursement costs for required retirement contributions and negotiated labor agreements, increased electronic monitoring costs in response to AB 1869 and one-time support to provide increased programming services for incarcerated pregnant persons in the county jails and prisons in response to AB 732; and in the San Diego County Fire (SDCF), formerly known as the San Diego County Fire Authority for, in State Realignment revenue to support Emergency Medical Services operations, offset by a decrease in the Probation Department from the Community Corrections Performance Incentives Fund for adult probation activities and to support adult supervisory service.

There is an overall net decrease of $7.7 million in Finance and General Government Group (FGG) primarily in Registrar of Voters in Help America Vote Act (HAVA) funding for the purchase of minor equipment and several envelope extractors and other reimbursable costs tied to the November 2020 Presidential General election.
An overall net decrease of $0.5 million in the Health & Human Services Agency (HHSA) primarily in one-time State General Fund (SGF) allocated in Fiscal Year 2020-21 to partially offset the loss of realignment revenue tied to the economic downturn and used to fund Management Reserves, in CalWIN revenue tied to the decrease in CalWIN contracts, in State child welfare revenue to help transition from the Title IV-E California Well-Being Project to the Family First Prevention Services Act (FFPSA), in Prop 56 revenue tobacco funds to align with completion of State grant funded tobacco education and cessation activities, and in unsecured Tobacco Settlement Funds tied to the completion of the Whole Person Wellness (WPW) pilot program. These are offset primarily by increases in Realignment revenue based on projected statewide sales tax receipts and vehicle license fees that are dedicated for costs in health and human services program.

**Federal Revenue**

Federal Revenue increases by a net of $305.9 million, or 29.9%.

The net increase of $285.7 million in HHSA is primarily from federal emergency funding for the Testing, Tracing, and Treatment Strategy (T3) activities and vaccination efforts, in epidemiology and Laboratory capacity for Prevention and Control of Emerging Infectious Diseases (ELC and CDC grant funding to support for testing, case investigation and contact tracing, surveillance, containment and mitigation efforts, federal administrative revenue associated with anticipated growth in CalWORKS, CalFresh and Medi-Cal administrative allocations, Federal Emergency Management Agency (FEMA) homeland security funding to support the Great Plates Delivery Program, federal mental health services funding driven by increased rates, expanded units of service and a temporary increase in the Federal Medical Assistance Percentage (FMAP) provided under the Families First Coronavirus Response Act in the Short-Doyle Medi-Cal (SDMC) program, in Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) for COVID-19 related augmentations, federal stimulus funding to support the COVID-19 Positive Recovery Stipend Program, revenues dedicated for the Adult Protective Services and In-Home Supportive Services program and federal funds tied to services for the End of HIV Epidemic Initiative.

These are offset by decreases in federal COVID-19 response and stimulus funds associated with prior year one-time costs for COVID-19, in Coronavirus Aid, Relief, and Economic Security (CARES) Act revenue supporting one-time telehealth investments made as part of the COVID-19 response efforts, the elimination of one-time funding of CARES Act revenue to fund the COVID-19 ERAP program, and in Homeless Housing, Assistance and Prevention (HHAP), HOME Investment Partnerships Program, and CARES Act revenue to align with the expenditure estimate in addressing homelessness in the unincorporated area.

A net increase of $9.2 million in LUEG primarily in the Department of Environmental Health and Quality in American Rescue Plan Act (ARPA) funds for waiver of restaurant industry annual permit fees, waiver of temporary events permit fees, and fee revenue loss due to no fee increases and in the Department of Parks and Recreation in ARPA funds for fee waivers for the event industry.

A net increase of $5.5 million in FGG in ARPA funds for the operation of the newly established Office of Evaluation, Performance and Analytics department to support a comprehensive approach to evidence-based policy making within the County and in Auditor & Controller's Office to support the staffing needs related to the ongoing COVID-19 emergency response associated with the administration and monitoring of ARPA funds and additional support for the Transparency Advisory and Fiscal Realignment Framework and expanded enterprise financial support to the organization.

A net increase of $5.4 million in PSG primarily in the Sheriff's Department for the Urban Areas Security Initiative Grant, Homeland Security Grant Program, and the Operation Stonegarden Grant Program, in the San Diego County Fire in ARPA funds for one-time COVID-19 ambulance response, testing and vaccination contracted services, and in the District Attorney’s Office to support the addition of 5.00 staff years for Crime Victim assistance services at One Safe Place: The North County Family Justice Center. The increases are offset by a decrease in one-time FEMA assistance to Firefighters and Community Block Grant.

**Other Financing Sources**

Other Financing Sources (including Operating Transfers from Other Funds) increases by a net of $53.1 million or 16.4%.

The net increase of $51.7 million in PSG includes an increase of $57.7 million primarily in the Proposition (Prop) 172 Fund, the Local Public Safety Protection and Improvement Act of 1993, to support regional law enforcement and detention services. Increases are in Sheriff ($46.6 million), Probation ($8.5 million) and District Attorney ($2.5 million). More information about Proposition 172 funding appears in the following section. This is offset by decreases outside of Prop 172, including $6.0 million in Sheriff's Department due to the prior year one-time use of fund balance available in the Criminal Justice Facility Construction.
Fund to replace the CAD System and to partially offset security upgrades and renovation of the Rock Mountain Detention Facility, a decrease in funds to be transferred from the Inmate Welfare Fund to the General Fund associated with a reduction in reimbursement for positions and anticipated decline in Penalty Assessment revenue.

The net increase of $1.3 million in Finance Other includes an increase in funds to be transferred from Penalty Assessment Fund to the General Fund ($0.8 million) for debt lease payment specific for the 2019 Justice Facilities Refunding and an increase in funds to be transferred from Edgemoor Development Fund to the General Fund ($0.5 million) for debt lease payment for the 2014 Edgemoor & RCS refunding.

A net increase of $0.1 million in LUEG primarily in the Department of Parks and Recreation due to increased support for County Service Areas (CSA) and Community Facility District (CFD) parks including one additional staff year.

Charges For Current Services

Charges For Current Services increases by a net of $19.0 million or 4.4%. Revenues increase by $18.2 million in PSG, $0.9 million in HHSA and $0.6 million in LUEG, offset by a decrease of $0.7 million in FGG.

- In PSG, the net increase of $18.2 million includes a $12.0 million increase in Sheriff’s Department associated with State funds allocated from the Local Revenue Fund 2011, Trial Court Security Subaccount and Supplemental Trial Court Security, and to recover negotiated salaries and benefit costs and service adjustments for contracted law enforcement services to nine contract cities, transit entities, a community college district, the State of California 22nd District Agricultural Association and tribes; $5.2 million increase in PSG Executive Office primarily in Contribution for Trial Courts to align anticipated revenues in processing cases and assessing fees; $2.6 million increase in San Diego County Fire from the Jamul Indian Village, Fire Protection Districts agreements, and building inspection and plan review services, from credentialing fee revenue to support countywide Prehospital Personnel Credentialing services and from designation fee revenue to support continuation of Base Hospital and Trauma System administration. These are offset by a decrease of $0.8 million in Probation Department due to the elimination of the Public Service Work Program in the Probation Department, which is now managed through the Department of Public Works, a decrease of $0.7 million in Public Defender due to the elimination of fees and a decrease of $0.1 million in Office of Emergency Services due to Southern California Edison grant glideslope funding reduction related to San Onofre Nuclear Generating Station (SONGS).

- In HHSA, the net increase of $0.9 million is primarily tied to an increase of $7.1 million in available Intergovernmental Transfer (IGT) revenue helping to offset increased Salaries & Benefits, one-time projects, and the continuation of project based IT enhancements previously funded with Committed Realignment funds and an increase of $0.1 million in health care information system costs to automate and streamline reporting and centralize delivery of services. These are offset by a decrease of $5.2 million in Intergovernmental Transfer (IGT) revenue due to the ending of the WPW program and completion of prior year one-time projects and a decrease of $1.1 million primarily due to lower projected utilization of forensic evaluation services provided to the Superior Court and lower estimated collection of DUI fees due to the pandemic.

- In LUEG, the net increase of $0.6 million includes an increase of $2.1 million in Planning & Development Services million due to a lower than expected impact from the COVID-19 public health emergency and to align with current fiscal year actuals in plan check revenue and an increase of $0.6 million in Department of Parks and Recreation due to anticipated increase in camping use. These are offset by a decrease of $1.8 million in Department of Environmental Health and Quality primarily due to decrease in settlement funds as more fee revenue is expected in the Certified Unified Program Agency (CUPA) program and a decrease of $0.3 million in LUEG Executive Office due to the transition of the Air Pollution Control District.

- In FGG, the net decrease of $0.7 million includes a decrease of $1.1 million in the Assessor/Recorder/County Clerk primarily in trust fund revenues due to completed award and implementation of the microfilm conversion, digitization and polysulfide treatment services and major maintenance projects, in Recording Fees due to reduced number of vital certificates issued, and in Filing Documents and Notary Public Fees due to reduced number of filings offset by an increase in Recording Document and Duplicating and Filing fees due to the continued strong real estate market in refinancing homes and businesses; a decrease of $0.5 million in Registrar of Voters due to the lower number of billable jurisdictions that will participate in the June 2022 Gubernatorial Primary Election; and a decrease of $0.2 million in Department of Human Resources in cost allocation plan amounts for reimbursement of administrative services provided to other County departments. These are offset by an increase of $0.6 million in County Counsel due to an anticipated increase in legal services relating to constitutional claims, contracts review, and real estate and road liability matters, an increase of $0.4 million in FGG Executive Office in cost allocation plan revenues for reimbursement of administrative services provided to
other County departments, and an increase of $0.1 million in Treasurer-Tax Collector due to increases in AB 2890 revenue and Collection Fees for Administrative.

Other Intergovernmental Revenue

Other Intergovernmental Revenue increases by a net of $1.2 million or 5.4%. A net increase of $1.7 million in HHSA primarily in the Housing and Community Development Services in administrative revenue to align with anticipated allocation. A net increase of $0.2 million in PSG in the Sheriff’s Department from the Grossmont Union High School District for School Resource Officers. These are offset by a decrease of $0.7 million in LUEG in the Planning & Development Services primarily due to a reduction in SANDAG grants for Valley Center and Alpine Community Plan updates and the Casa De Oro specific plan.

Fines, Forfeitures & Penalties

Fines, Forfeitures & Penalties increases by a net of $5.0 million or 27.0%, primarily in PSG ($8.1 million) in the San Diego County Fire ($3.4 million) from Maddy EMS Trust Fund to support programs such as the Local Emergency Medical Services Information System (LEMSIS), in the PSG Executive Office ($2.5 million) due to increases in fine and fee revenues and in the Sheriff’s Department ($2.2 million) due to an increase in planned expenditures for the Cal-ID program partially offset by a decrease in reimbursement from the Sheriff’s Disbursement Fees Trust Fund associated with vehicle replacement and maintenance costs. And an increase in LUEG in the Department of Environmental Health and Quality ($0.3 million) due to reinstatement of late fees charged to businesses. These are offset by a decrease in HHSA in the Public Health Services ($3.4 million related to the transfer of EMS to PSG.

Licenses, Permits & Franchises

Licenses, Permits & Franchises decreases by $2.4 million or 7.0%. A net decrease of $2.6 million in LUEG primarily in the Department of Environmental Health and Quality ($5.1 million) for waiver of restaurant industry annual permit fees, waiver of temporary events permit fees and fee revenue loss due to no fee increases, offset by an increase in the Planning & Development Services ($2.1 million) due to a reduced effect from the COVID-19 public health emergency and to align with current fiscal year actuals in permit revenue and an increase in Agriculture Weights and Measures ($0.4 million) due to the categorical reclassification of the Industrial Hemp Cultivation fee which was previously budgeted under Charges for Current Services, the increase in budgeted revenue for Certified Farmer’s Market and Certified Producers fees, the increase in budgeted revenue for Pest Exclusion Phyto certificates, and the increase in budgeted Weights & Measures device revenue. A net decrease of $0.2 million in HHSA in the Public Health Services tied to the transfer of EMS to PSG. A net decrease of $0.1 million in FGG in the Assessor Recorder County Clerk due to reduced number of marriage licenses issued. A net increase of $0.5 million in PSG includes San Diego County Fire ($0.2 million) in ambulance permit and inspection fees, in the Sheriff’s Department ($0.2 million) in anticipated license fees to align the budget with anticipated actuals and in the Department of Animal Services ($0.1 million) in license fee collections.

Miscellaneous Revenues

Miscellaneous Revenues increases by a net of $23.2 million or 32.9%. The net increase of $22.4 million in HHSA includes an increase of $22.9 million in the Housing & Community Development Services in Innovative Housing Trust Fund (IHTF) to align with anticipated loan disbursements for awarded projects and an increase of $0.2 million in Aging & Independence Services in the SD-VISA program providing home and community based services to veterans. These are offset by a decrease of $0.4 million in the Self-Sufficiency Services in recoupment of payments for the General Relief program based on current trends and a decrease of $0.3 million in the Public Health Services tied to the transfer of EMS to PSG.

The net increase of $1.1 million in FGG is in the Department of Human Resources due to the reimbursement from the Employee Benefits Internal Service Fund for its portions of the Employee Benefits and Workers’ Compensation divisions and realignment of benefits and insurance revenues.

The net decrease of $0.2 million in LUEG is in the Department of Parks and Recreation due to completion of one-time projects.

The net decrease of $0.1 million in PSG includes a decrease of $1.5 million in the San Diego County Fire due to one-time Community Risk Reduction program grant revenue and Firestorm 2007 Trust Fund and a decrease of $0.3 million in the Child Support Services due to conclusion of the Digital Marketing Grant. These are offset by an increase of $1.1 million in the Sheriff’s Department from the Lucky Duck Foundation to assist with the unsheltered feeding program and an increase of $0.6 million in the District Attorney to support the addition of 4.00 staff years in Consumer Fraud Prevention services for the Workplace Justice Initiative.

Revenue from Use of Money & Property

No significant change in Revenue from Use of Money & Property.

Select General Fund Program Revenues

Following are some of the largest and most closely watched program revenues. Please see the individual Group and department sections for more specific information on the various other program revenues.

1991 and 2011 Health and Human Services
Realignment Revenues

1991 and 2011 Health and Human Services Realignment Revenues ($638.9 million in Fiscal Year 2021-22 and $683.1 million in Fiscal Year 2022-23) are projected to be received from the State to support health and social services programs.

The term “1991 Realignment” refers to the transfer in 1991 of responsibility from the State to counties for certain health, mental health and social services programs, along with the provision of dedicated sales tax and vehicle license fee (VLF) revenues to pay for these services. In Fiscal Year 2011-12 the State further realigned an additional amount of social services and behavioral health services over a two-year period (some additional mental health programs were realigned in Fiscal Year 2012-13) and as in 1991, the State dedicated additional sales tax revenues to support them.

For Fiscal Year 2021-22, it is projected that 22.5% of the HHSA’s General Fund budget is funded with Realignment Revenues as compared to only 13.6% in Fiscal Year 2010-11, the last year prior to the implementation of 2011 Realignment. These revenues are projected to increase by 9.2% ($53.9 million) compared to the Fiscal Year 2020-21 budget ($585.0 million) to align with projected statewide sales tax and vehicle license fees. An increase of 6.9% ($44.2 million) is anticipated for Fiscal Year 2022-23.

The following chart shows the realized and projected revenues for 1991 and 2011 Health and Social Services Realignment, Proposition 172, and 2011 PSG Realignment.

Proposition 172, 1991 and 2011 Realignment Sales Tax Revenue
Fiscal Year 2013-14 to Fiscal Year 2022-23

Note: Fiscal Year 2013–14 to 2019–20 figures represent actual revenues. Fiscal Year 2020–21 through Fiscal Year 2022–23 figures represent projected revenue as included in the Fiscal Years 2021–23 Adopted Operational Plan. Starting in 2011, the 1991 Realignment was adjusted to exclude funding for Mental Health support that was transferred to the 2011 Realignment. Also beginning in 2011, CalWORKs funding was incorporated into the 1991 Realignment.

2011 Public Safety Realignment Revenues

2011 Public Safety Realignment Revenues ($189.7 million in Fiscal Year 2021-22 and $194.4 million in Fiscal Year 2022-23) are projected to be received from the State to support adult and juvenile justice programs. The revenue source is a dedicated portion of State sales tax and State and local VLF. The revenues provided for realignment are deposited into the Local Revenue Fund 2011 and allocated to specific accounts and subaccounts by statute. Funds allocated to the Community Corrections Subaccount supports services required to address the transfer of responsibility for certain offenders from the State to the counties pursuant to Assembly Bill (AB) 109, Public Safety Realignment (2011), which includes supervision of individuals by the Probation Department, costs associated with the custody of individuals in jails (food, medical costs and equipment) and resources for services including mental health treatment, substance abuse treatment, and vocational and behavioral services. These revenues are projected to increase in Fiscal Year 2021-22 by 9.5% ($16.5 million) compared to Fiscal Year 2020-21. This change in reve-
nues will sustain current services following the decline of revenues in the previous year. The projected increase in sales tax revenue and vehicle license fee is due to the continued recovery from the economic impact of COVID-19 pandemic and based on formulaic assumptions provided by the State of California and assumes an underlying statewide sales tax increase rate of 8.9% for Fiscal Year 2021–22. A slow economic recovery is expected with modest increases in Fiscal Year 2022–23.

2011 Realignment for Public Safety includes the following subaccounts: Enhancing Law Enforcement Activities (various programs), Trial Court Security, Community Corrections, District Attorney and Public Defender Revocation activities and Juvenile Justice (Youthful Offender Block Grant and Juvenile Reentry).

Proposition 172, Public Safety Sales Tax Revenues

Proposition 172, Public Safety Sales Tax Revenues ($312.2 million in Fiscal Year 2021–22 and $325.9 million in Fiscal Year 2022–23) support regional public safety services provided by three Public Safety Group departments: Sheriff, District Attorney and Probation. The revenue source is a dedicated one-half cent of the statewide sales tax that was approved by voters in 1993 and is distributed to counties based on the relative levels of taxable sales in each county compared to the total taxable sales in all qualified counties. In turn, counties distribute a portion of the Proposition 172 receipts to local cities according to ratios established pursuant to the Government Code 30055(d).

For Fiscal Year 2021–22, these revenues are projected to increase by 19.6% ($51.1 million) from Fiscal Year 2020–21 budgeted amount. This assumes an underlying statewide sales tax increase rate of 8.9% for Fiscal Year 2021–22 following a minimal increase of 0.8% in Fiscal Year 2020–21. It is anticipated that these revenues will have a modest growth in Fiscal Year 2022–23 as the economy continues to recover from the economic downturn resulting from the COVID-19 pandemic. To allow for stabiliziation in Proposition 172 program revenues and to implement long-term efficiency measures, the budget includes one-time support through use of unassigned General Fund fund balance for planning purposes. This plan will be reevaluated in future years to ensure long-term sustainability of core services. The previous chart shows the realized revenues for Proposition 172 for Fiscal Years 2013–14 through 2020-21 and projected levels for Fiscal Years 2021-22 through 2022-23.

Tobacco Settlement Revenues

Tobacco Settlement Revenues ($15.1 million in Fiscal Year 2021–22 and $15.1 million in Fiscal Year 2022–23) are dedicated to healthcare-based programs pursuant to Board of Supervisors Policy E-14, Expenditure of Tobacco Settlement Revenue in San Diego County. These revenues are the result of the Master Settlement Agreement in 1998 between the California Attorney General and other states and the four major tobacco manufacturers at that time. The agreement provided more than $206.0 billion in Tobacco Settlement Payments over 25 years in exchange for the release of all past, present and future claims related to the use of tobacco products. California agreed to distribute its share of the settlement to counties based on population.

To reduce the risk of volatility or non-receipt of the Tobacco Settlement Payments, some counties and states opted to securitize these payments. Securitization is a process whereby the owner of the receivable sells the right to that income stream to a third party in exchange for an up-front payment. The County of San Diego securitized its share of the Tobacco Settlement Payments, and deposited the net proceeds of $412.0 million into the Tobacco Securitization Endowment Fund based on a securitization of $466.8 million in January 2002. These funds are spent pursuant to the Board of Supervisors Policy.

In May 2006, the County restructured its 2001 securitization and securitized additional anticipated receipts, adding $123.5 million to the endowment fund. These proceeds were intended to enable the County to fund health care programs annually through approximately year 2034.

The $15.1 million budgeted in Fiscal Year 2021–22 reflects $15.1 million in Securitized Tobacco funds for Operating Transfers to fund various Health and Social Services programs. This is a net decrease of $1.5 million to reflect a decrease in non-securitized Tobacco Settlement funds to align with funding needs in the WPW pilot project.

General Fund General Purpose Revenue

General Purpose Revenue (GPR) makes up 28.0% of the General Fund Financing Sources. Please see the separate discussion of GPR in the following section.

General Fund Use of Fund Balance/ Fund Balance Component Decreases

Use of Fund Balance, including Fund Balance Component Decreases, ($263.2 million in Fiscal Year 2021-22 and $115.1 million in Fiscal Year 2022-23), represents 4.7% of General Fund Financing Sources in Fiscal Year 2021–22. Fund Balance is the result of careful management of resources Countywide in past years. It is both a resource that can be used for one-time expenses and one that serves as a mitigation for unexpected events or requirements. By its nature, fund balance is not suitable for the support of ongoing operations.

The Fund Balance Component Decrease of $53.8 million in Fiscal Year 2021–22 consists of:

- $42.8 million from fund balance restricted for Pension Obligation Bonds (POB) to serve as an alternative funding source for a portion of existing POB costs that have been supported by GPR.
$8.3 million from fund balance committed for Chula Vista Bayfront project.

$1.0 million from fund balance committed for Parks Expansion and Improvement to fund capital project for South County Zipline.

$0.9 million from fund balance committed for Department of Environmental Health and Quality for mandated inspections of regulated facilities to offset decreased permit fee revenue from the economic impact of COVID-19 on businesses in the Food and Housing Division.

$0.8 million from fund balance assigned to Hall of Justice Lease Payments for the 2019 Justice Facilities Refunding.

The following list details the one-time operational activities of General Fund Use of Fund Balance budgeted for Fiscal Year 2021–22 ($209.3 million):

- Labor costs due to one-time negotiated salary and benefit payments.
- Provisional and temporary help.
- Contribution for Trial Courts.
- Start-up costs to support nursing, mental health and unlicensed cannabis enforcement team.
- Decedent transportation costs.
- Annual tabletop and full-scale training exercises overtime and backfill cost.
- Ongoing emergency operational activities such as temporary staff, IT maintenance, Emergency Operations Center audio-visual break fix/upgrade, and various public outreach projects.
- Support to implement long-term efficiency measures and to allow for stabilization in Proposition 172 program revenues for public safety services.
- Offset Southern California Edison grant related to San Onofre Nuclear Generating Station (SONGS) glideslope funding reduction.
- In-service staff training within the juvenile justice system to support positive youth development.
- Family Urgent Response Team (FUR).
- Radio network operating costs.
- Offset Title IV-E revenue shortfall.
- Support costs associated with Penal Code 3051 (Retroactive Cases).
- Fire and emergency medical services.
- General Relief assistance payments.
- Stabilize mental health and alcohol & drug program services.
- Drowning Prevention program.
- Affordable housing programs.
- Development of an electronic plan review program.
- Consultant services to facilitate the reorganization of existing programs.
- Organic Rodenticides and Insecticides project.
- Comprehensive Tree Program.
- Youth Environmental-Recreation Core Program.
- Start-up costs related to Sweetwater Campground Expansion and El Monte River Valley.
- EV charging stations.
- Continued implementation of the Climate Action Plan.
- Options for streamlining renewable energy projects.
- Permit fee waivers related to accessory dwelling unit applications.
- Grading ordinance update.
- Public nuisance abatements.
- TMDL compliance activities for the Watershed Protection Program.
- Design and construction of pedestrian sidewalks.
- Traffic signal upgrades.
- Design and construction of new bicycle lanes.
- Campo Water System Reliability and Operational Efficiency Improvements.
- Traffic signal batteries.
Financial study for the Campo Water Maintenance District to support the Camp Lockett Redevelopment Plan.
Conservation and Sustainable Agricultural Farming and Manure Practices.
Monitoring of the Quantity and Quality of Runoff Water in Nurseries and Greenhouses.
Community Choice Energy (CCE).
Financial Framework support.
Integrated Property Tax System (IPTS) reporting.
Support of the Uplift Boys and Men of Color initiative.
Gubernatorial Primary election.
Neighborhood Reinvestment Program.
Additional HR support for organization growth.
Provide legal representation to detained immigrants facing removal proceedings.
Medication Assisted Treatment (MAT) for inmates.
Creating a Department of Homeless Solutions & Equitable Communities.
Pilot program to address homelessness in North San Diego County.
Creating an Office of Immigrant and Refugee Affairs.
Tribal Liaison Position.
Amending the Grading, Clearing, and Watercourses Ordinance to streamline the Agricultural Clearing Permit Process.
ADU Fee Waiver Program.
Develop a regional capacity analysis for all types of recycling facilities and needs.
Office support/reorg.
Enterprise support for framework support and transparency and increased admin support.
Study for a Public Bank to finance affordable housing.
Expanding the Innovative Housing Trust Fund.
Telework Stipends.
Various information technology (IT) projects, including:
  - New lease asset inventory system.
  - Payroll benefit automation project.
  - California Statewide Automated Welfare System (CalSAWS) replacement for CalWIN.
  - Enterprise Document Processing Platform (EDPP) - upgrade & extended support.
  - Justice Electronic Library System (JELS) - upgrade & enhancements.
  - Enterprise Applications - maintenance and internet updates.
  - Identity Access Management (IDAM) Platform - upgrade & enhancements.
  - Migration of FileShare Data Project.
Various facilities, maintenance and upgrades which include:
  - Probation major maintenance projects.
  - Major maintenance projects
  - Carpet replacement.
  - Renovations, repairs and maintenance of various fire stations.
  - Public Housing Physical Needs Assessment.
  - ADA improvements at County parks.
  - Dredging in Smuggler’s Gulch.
  - San Luis Rey River Park (SLRRP) Acquisition and Improvement.
  - Inmate Transfer Tunnel.
  - Convert 3 remote fire stations from 2 to 3 person teams.
  - Senior Center Program - Starting in Valley Center (Design/Environmental)
Various equipment purchase/replacement including:
  - X-ray machine replacement.
  - Spay and neuter community outreach vehicle.
  - Fire apparatus replacement.
  - Radio replacements for the Regional Communication System.
  - Live Oak Springs Water System repairs and improvements.
  - Spring Valley Road Station Fleet Garage: replace main fire alarm control.
Various rebudget items including:
  - AB885 Onsite Wastewater Treatment.
  - Tribal Liaison.
  - Fire Victim Fee Waiver.
  - Litigation Support.
  - Urban Agriculture Incentive Zone Fee Waiver program.
  - Various IT Projects.
  - Community Enhancement returned funds.
  - Jail Information management System (JIMS) and Records Management System.
  - Startup costs and resources for Office of Equity and Racial Justice (OERJ)
General Purpose Revenue

General Purpose Revenue by Source

General Purpose Revenue (GPR) represents approximately 28.0% of the General Fund’s financing sources. This revenue comes from property taxes, property tax in lieu of vehicle license fees (VLF), the Teeter program, sales and use tax, real property transfer tax (RPTT), Aid from Redevelopment Successor Agencies, and other miscellaneous sources. It may be used for any purpose that is a legal expenditure of County funds. Therefore, the Board of Supervisors has the greatest flexibility in allocating this revenue. The following section presents details of the major components of General Purpose Revenue.

For Fiscal Year 2021-22, the $1,550.7 million budgeted for GPR is an increase of $131.2 million or 9.2% from the Fiscal Year 2020-21 budgeted amount of $1,419.5 million primarily due to increase in AV growth, decrease of delinquency rate assumption from 4.0% to 1.4%, Sales and Use Tax, and continuing growth in pass-through distributions from former redevelopment agency and higher residual revenue. These resources are projected to increase to $1,588.5 million in Fiscal Year 2022-23. The charts on the following page present GPR by source and a historical view of GPR. The accompanying table includes a summary by account of historical and projected GPR.
General Purpose Revenue by Source
Fiscal Years 2019-20 through 2022-23

Property Tax Revenue
Property Tax In Lieu of VLF
Teeter Revenue
Sales & Use Tax / In Lieu of Sales Tax
Intergovernmental Revenue
Other Revenues including RPTT

Notes: General Purpose Revenue (GPR) for Fiscal Years 2011–12 through 2020–21 represents actual revenue. For Fiscal Years 2021-22 to 2022-23, the projections are included in the Fiscal Years 2021-23 Adopted Operational Plan.
## General Purpose Revenue

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</thead>
<tbody>
<tr>
<td><strong>Adopted Budget</strong></td>
<td></td>
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<tr>
<td>Property Taxes Current Secured</td>
<td>$714,168,136</td>
<td>$717,228,809</td>
<td>$777,016,010</td>
<td>8.3%</td>
<td>$797,235,420</td>
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<td>Property Taxes Current Supplemental</td>
<td>8,978,893</td>
<td>7,786,494</td>
<td>8,782,361</td>
<td>12.8%</td>
<td>8,738,450</td>
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<td>Property Taxes Current Unsecured</td>
<td>17,807,609</td>
<td>20,253,714</td>
<td>21,516,714</td>
<td>6.2%</td>
<td>21,458,366</td>
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<tr>
<td>Property Taxes Current Unsecured Supplemental</td>
<td>55,492</td>
<td>56,325</td>
<td>57,169</td>
<td>1.5%</td>
<td>58,027</td>
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<tr>
<td><strong>Total Property Tax Revenue</strong></td>
<td>$741,010,130</td>
<td>$745,325,342</td>
<td>$807,372,255</td>
<td>8.3%</td>
<td>$827,490,263</td>
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<td>Property Taxes In Lieu of VLF</td>
<td>$437,826,006</td>
<td>$453,778,023</td>
<td>$473,900,762</td>
<td>4.4%</td>
<td>$487,585,582</td>
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<td><strong>Total Teeter Revenue</strong></td>
<td>$14,902,372</td>
<td>$16,463,777</td>
<td>$15,824,180</td>
<td>(3.9)%</td>
<td>$13,973,670</td>
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<td>State Aid Homeowner’s Property Tax Relief (HOPTR)</td>
<td>$4,714,725</td>
<td>$4,714,725</td>
<td>$4,714,725</td>
<td>0.0%</td>
<td>$4,714,725</td>
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<tr>
<td>Federal In-Lieu Taxes</td>
<td>922,549</td>
<td>922,548</td>
<td>922,547</td>
<td>0.0%</td>
<td>922,549</td>
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<tr>
<td>Local Detention Facility Revenue/State Aid Booking Fees</td>
<td>2,460,342</td>
<td>2,460,342</td>
<td>2,460,342</td>
<td>0.0%</td>
<td>2,460,342</td>
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<tr>
<td>Aid From City of San Diego</td>
<td>2,500,000</td>
<td>2,500,000</td>
<td>2,500,000</td>
<td>0.0%</td>
<td>2,500,000</td>
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<tr>
<td>Aid from Redevelopment Agencies/Aid from Redevelopment Successor Agencies</td>
<td>75,864,374</td>
<td>100,198,270</td>
<td>133,975,512</td>
<td>33.7%</td>
<td>137,994,777</td>
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<td><strong>Total Intergovernmental Revenue</strong></td>
<td>$86,461,990</td>
<td>$110,795,886</td>
<td>$144,573,126</td>
<td>30.5%</td>
<td>$148,592,393</td>
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<td>Property Taxes Prior Secured</td>
<td>400,000</td>
<td>400,000</td>
<td>400,000</td>
<td>0.0%</td>
<td>400,000</td>
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<td>Property Taxes Prior Secured Supplemental</td>
<td>7,976,068</td>
<td>7,520,357</td>
<td>8,437,956</td>
<td>12.2%</td>
<td>8,395,766</td>
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<td>Property Taxes Prior Unsecured</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>0.0%</td>
<td>150,000</td>
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<tr>
<td>Property Taxes Prior Unsecured Supplemental</td>
<td>400,000</td>
<td>400,000</td>
<td>400,000</td>
<td>0.0%</td>
<td>400,000</td>
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<td>Other Tax Aircraft Unsecured</td>
<td>2,303,461</td>
<td>2,268,909</td>
<td>2,234,875</td>
<td>(1.5)%</td>
<td>2,201,352</td>
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<td>Transient Occupancy Tax</td>
<td>5,373,163</td>
<td>2,585,395</td>
<td>4,789,263</td>
<td>85.2%</td>
<td>5,073,163</td>
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<td>Real Property Transfer Taxes (RPTT)</td>
<td>24,442,090</td>
<td>25,718,441</td>
<td>24,957,073</td>
<td>(3.0)%</td>
<td>25,206,644</td>
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<td>Franchises, Licenses, Permits</td>
<td>4,989,355</td>
<td>4,914,515</td>
<td>4,840,797</td>
<td>(3.0)%</td>
<td>4,768,185</td>
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<td>Fees, Fines &amp; Forfeitures</td>
<td>1,257,488</td>
<td>1,194,615</td>
<td>1,134,885</td>
<td>(5.0)%</td>
<td>1,078,141</td>
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<tr>
<td>Penalties &amp; Cost Delinquency Taxes</td>
<td>15,600,806</td>
<td>8,179,610</td>
<td>16,064,628</td>
<td>96.4%</td>
<td>16,059,096</td>
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<tr>
<td>Interest On Deposits &amp; Investments</td>
<td>32,166,954</td>
<td>9,105,307</td>
<td>8,708,313</td>
<td>(44.4)%</td>
<td>8,773,322</td>
</tr>
<tr>
<td>Interfund Charges/Miscellaneous Revenues</td>
<td>2,100,000</td>
<td>2,100,000</td>
<td>2,100,000</td>
<td>0.0%</td>
<td>2,100,000</td>
</tr>
<tr>
<td><strong>Total Other Revenues including RPTT</strong></td>
<td>$97,159,385</td>
<td>$64,537,149</td>
<td>$74,217,790</td>
<td>15.0%</td>
<td>$74,605,669</td>
</tr>
<tr>
<td><strong>Total General Purpose Revenue</strong></td>
<td>$1,408,377,897</td>
<td>$1,419,467,459</td>
<td>$1,550,670,807</td>
<td>9.2%</td>
<td>$1,588,535,154</td>
</tr>
</tbody>
</table>
Property Tax Revenue

Property Tax Revenue, ($807.4 million in Fiscal Year 2021-22 and $827.5 million in Fiscal Year 2022-23), including current secured, current supplemental, current unsecured and current unsecured supplemental, represents 52.1% of the total General Purpose Revenue in Fiscal Year 2021-22 and 52.1% in Fiscal Year 2022-23.

The term “current” refers to those taxes that are due and expected to be paid in the referenced budget year. For Fiscal Year 2021-22, property tax revenue is budgeted to be $62.0 million or 8.3% higher than the budget for Fiscal Year 2020-21. The increase is mainly due to the 3.0% Assessed Value (AV) growth in Fiscal Year 2021-22 plus the decrease in delinquency rate assumption from 4.0% in FY2020-21 to 1.4% in FY2021-22. Property tax revenue is projected to increase 2.5% or $20.2 million for Fiscal Year 2022-23. Property Tax Revenue in the State of California is a funding source for local governments and school districts and is based on ad valorem property taxation, whereby the amount due is calculated by applying a 1% tax rate to the assessed value of real property (land and improvements) and certain business personal property owned by tenants. The assessed value of property is tracked on the secured, unsecured and supplemental tax rolls. Counties generate the property tax bills and collect the tax payments on behalf of the taxing entities within their respective boundaries. In some cases, there are additional ad valorem taxes and special assessments approved by the voters, which are included on the tax bills as well. Property tax payment amounts received by counties are then distributed to the various taxing entities.

In 2014, improvement in the residential market and positive change in both ownership and new construction activity resulted in an increase of 6.2% in the assessed value of real property. For 2015, 2016, 2017, 2018, 2019, and 2020 the final growth rate was 5.7%, 5.6%, 6.35%, 6.13%, 5.72% and 5.33% respectively. For Fiscal Year 2021-22, an assumed rate of 3.00% is projected in overall assessed value of real property. For Fiscal Year 2022-23, an assumed rate of 3.00% is projected in overall assessed value of real property. The Fiscal Year 2022-23 revenue is estimated using a 3.00% assessed value growth.

Locally Assessed Secured Property Values
Fiscal Year 2011-12 to Fiscal Year 2021-22

Note: The projected locally assessed secured values assume a 3.0% growth rate for Fiscal Year 2021–22 and 3.0% growth rate for Fiscal Year 2022–23.
Source: San Diego County Auditor and Controller
Current Secured Property Tax Revenue

Current Secured property tax revenue ($777.0 million in Fiscal Year 2021-22 and $797.2 million in Fiscal Year 2022-23) is expected to increase by $59.8 million in Fiscal Year 2021-22 from the adopted level for Fiscal Year 2020-21.

This revenue is generated from the secured tax roll, that part of the roll containing real property, including residential and commercial property as well as State-assessed public utilities. The Fiscal Year 2021-22 revenue amount assumes an increase of 3.00% in the local secured assessed value compared to the actual current local secured assessed value amount for Fiscal Year 2020-21 of 5.33%. The Fiscal Year 2020-21 current secured revenue assumed a 3.75% increase in the local secured assessed value over the actual local secured assessed value amount for Fiscal Year 2019-20; however, the actual current local secured assessed value increased by 5.72% (gross less regular exemptions). For Fiscal Year 2022-23, local secured assessed value is assumed to grow by 3.00%. The budget also makes certain assumptions regarding the County's share of countywide property tax revenues, the delinquency rate, exemptions and the amount of tax roll corrections and refunds on prior year assessments.

Current Supplemental Property Tax Revenue

Current Supplemental property tax revenue ($8.8 million in Fiscal Year 2021-22 and $8.7 million in Fiscal Year 2022-23) is expected to increase by $1.0 million in Fiscal Year 2021-22 from the adopted level for Fiscal Year 2020-21, this is mainly due to the decrease in delinquency rate assumption from 4.0% in FY2020-21 to 1.4% in FY2021-22. This revenue is derived from net increases to the secured tax roll from either new construction or changes in ownership that occur subsequent to the January 1 lien date and are therefore more difficult to predict. These actions are captured on the supplemental tax roll.

Current Unsecured Property Tax Revenue

Current Unsecured property tax revenue ($21.5 million in Fiscal Year 2021-22 and $21.5 million in Fiscal Year 2022-23) is not based on a lien on real property and is expected to increase by $1.3 million in Fiscal Year 2021-22 from the adopted level for Fiscal Year 2020-21 based on prior year actual receipts. The unsecured tax roll is that part of the assessment roll consisting largely of business personal property owned by tenants.

Current Unsecured Supplemental Property Tax Revenue

Current Unsecured Supplemental property tax revenue ($0.1 million in Fiscal Year 2021-22 and $0.1 million in Fiscal Year 2022-23) is derived from supplemental bills that are transferred to the unsecured tax roll when a change in ownership occurs and a tax payment is due from the prior owner, or a subsequent change in ownership following the initial change in ownership occurs prior to the mailing of the initial supplemental tax bill. When this occurs, the bill is prorated and a portion of the original supplemental tax bill that is attributable to the initial change in ownership or completion of new construction becomes an unsecured supplemental tax bill.

Property Tax in Lieu of Vehicle License Fees (VLF)

Property Tax in Lieu of Vehicle License Fees (VLF) comprises 30.5% ($473.9 million) of the General Purpose Revenue amount in Fiscal Year 2021-22 and 30.6% of the projected amount ($487.6 million) in Fiscal Year 2022-23. Beginning in Fiscal Year 2004-05, this revenue source replaced the previous distribution of vehicle license fees to local governments. Per the implementing legislation, revenue levels for this funding source are based on the growth or reduction in net taxable unsecured and local secured assessed value. With a projected 3.00% increase in the combined taxable unsecured and local secured assessed value in Fiscal Year 2021-22, revenues are anticipated to be $20.1 million higher than budgeted for Fiscal Year 2020-21. The budgeted increase is partially associated with the change in actual assessed value in Fiscal Year 2021-22 which increased by 5.33% compared to a budgeted increase of 3.75%. The Fiscal Year 2022-23 revenue is estimated using a 3.00% assessed value growth.
Teeter Revenue

Teeter Revenue ($15.8 million in Fiscal Year 2021-22 and $14.0 million in Fiscal Year 2022-23) represents approximately 1.0% of General Purpose Revenue in Fiscal Year 2021-22 and 0.9% of the projected amount in Fiscal Year 2022-23. Teeter Revenue is expected to decrease by $0.6 million in Fiscal Year 2021-22 from the adopted level for Fiscal Year 2020-21 primarily due to lower than expected delinquency rate during prior fiscal year where COVID-19 did not affect property tax collections. Teeter Revenue is expected to decrease by $1.9 million in Fiscal Year 2022-23 from the adopted level for Fiscal Year 2021-22 primarily due to improving delinquency rates, indicating the strength of the local real estate market.

In Fiscal Year 1993-94, the County adopted the alternative method of secured property tax apportionment available under Chapter 3, Part 8, Division 1, of the Revenue and Taxation Code of the State of California (also known as the "Teeter Plan," named after its author). This alternative method provides funding for each taxing entity included in the Teeter Plan with its total secured property taxes and special assessments during the year for which the taxes are levied, regardless of whether all taxes due were paid by the property owner in that year. Under this plan, the County advances funds to these taxing entities to cover the unpaid (delinquent) taxes (the "Teetered taxes"). The County's General Fund benefits from this plan by being entitled to future collections of penalties and interest that are due once the delinquent taxes are paid.

Teeter Revenue is projected based on the anticipated collection of the County's portion of the Teetered taxes from all prior years as well as the interest and penalty payments, which appear in the Teeter Tax Loss Reserve Excess account. See the General Purpose Revenue table for the amount of revenue pertaining to these components. A legal requirement of the Teeter Plan requires the County to maintain a tax loss reserve fund to cover losses that may occur if delinquent taxes are not paid and the property goes into default and is sold for less than the amount of outstanding taxes and assessments. Throughout the year, all interest and penalties collected on Teetered secured and supplemental property taxes are first deposited into the Teeter Tax Loss Reserve Fund. Any excess amounts above 25% of the total delinquent secured taxes and assessments may be transferred to the General Fund.

Sales and Use Tax Revenue

Sales & Use Tax Revenue ($34.8 million in Fiscal Year 2021-22 and $36.3 million in Fiscal Year 2022-23) represents approximately 2.2% of General Purpose Revenue in Fiscal Year 2021-22 and 2.3% in Fiscal Year 2022-2023. This revenue is derived from taxable sales by retailers who sell or rent tangible personal property in unincorporated areas of the county, or from use taxes from consumers who purchase tangible personal property from out of State. Use taxes are also imposed on the storage, use, lease or other consumption of tangible personal property at any time a sales tax has not been paid by the retailer.

Sales & Use Tax Revenue in Fiscal Year 2021-22 is estimated to be $6.2 million or 21.8% higher than the Fiscal Year 2020-21 Adopted Operational Plan and is estimated to be $1.5 million higher in Fiscal Year 2022-23. The increase in Fiscal Year 2021-22 is primarily due to the Wayfair decision in the County Pools and recoveries in various categories like Food/Drugs, Building/Construction and General Consumer Goods.

Intergovernmental Revenue

Intergovernmental Revenue ($144.6 million in Fiscal Year 2021-22 and $148.6 million in Fiscal Year 2022-23) comprises 9.3% of the General Purpose Revenue amount in Fiscal Year 2021-22 and 9.4% of the projected amount in Fiscal Year 2022-23. For Fiscal Year 2021-22, the amount budgeted is $33.8 million or 30.5%
higher than the Fiscal Year 2020-21 Adopted Operational Plan due to continuing growth in pass-through distributions and recognition of higher residual revenue from the distribution of former redevelopment funds. Funding for this revenue source comes from various intergovernmental sources including Redevelopment Successor Agencies, the City of San Diego (pursuant to a Memorandum of Understanding [MOU] related to the County’s Central Jail), the federal government (Payments in Lieu of Taxes [PILT] for tax-exempt federal lands administered by the Bureau of Land Management, the National Park Service, and the U.S. Fish and Wildlife Service), and the State of California (reimbursement to the County for the Homeowner’s Property Tax Relief [HOPTR] program). Under the HOPTR program, homeowners are exempted from paying property taxes on the first $7,000 of the assessed value of their personal residence and the State reimburses local taxing entities for the related loss of revenue.

The largest portion of this funding is from aid from Redevelopment Successor Agencies generated by “pass-through” agreements in place prior to redevelopment dissolution. Redevelopment agencies were dissolved by the California Legislature in ABx1 26 on June 28, 2011. The California Supreme Court upheld the constitutionality of the dissolution on December 29, 2011 and extended the date of dissolution to February 1, 2012. Based on Section 34183 of the Health and Safety Code, the county auditor-controller shall remit from the Redevelopment Property Tax Trust Fund to each affected taxing agency property tax revenues in an amount equal to that which would have been received under Section 33401, 33492.14, 33607, 33607.6, or 33676. These “residual funds” not allocated for specific purposes will be distributed to affected taxing agencies under Section 34183 of the Health and Safety Code. The County General Fund and Library Fund, as affected taxing entities, receive a share of this “residual fund” tax distribution.

Other Revenues

Other Revenues for Fiscal Year 2021-22 total $74.2 million and increase to $74.6 million in Fiscal Year 2022-23 and are approximately 4.8% of the total General Purpose Revenue amount in Fiscal Year 2021-22 and 4.7% in Fiscal Year 2022-23. The Fiscal Year 2021-22 amount represents a 15.0% or $9.7 million increase from the Fiscal Year 2020-2021 Adopted Operational Plan.

Various revenue sources make up this category including Real Property Transfer Tax (RPTT), interest on deposits and investments, fees, fines, forfeitures, prior year property taxes, penalties and cost on delinquency taxes, franchise fee revenue and other miscellaneous revenues.

Interest on Deposits & Investments

Interest on deposits and investments ($8.7 million in Fiscal Year 2021-22 is $0.4 million or 4.4% lower than the Fiscal Year 2020-21 Adopted Operational Plan and $8.8 million in Fiscal Year 2022-23) is expected to decrease due to a lower projected cash balance in various funds in the County Pool applied to a low projected interest rate based on the Federal interest rate which is near zero. The County apportions interest earnings for all funds held in the County Pool on a quarterly basis (California Government Code Section 53647). Interest on deposits is broken down into interest earned through cash balances from various funds in the county pool as well as from borrowing premiums, interest related to property tax apportionments and miscellaneous interest generated through one-time items.

Real Property Transfer Taxes (RPTT)

RPTT revenue ($25.0 million in Fiscal Year 2021-22 and $25.2 million in Fiscal Year 2022-23) is anticipated to decrease by $0.8 million or 3.0% from the Fiscal Year 2020-21 Adopted Operational Plan. RPTT is paid when any lands, tenements or other realty exceeding $100 in value are sold and granted, assigned, transferred or conveyed to the purchaser. The tax rate is set by
the State is $0.55 per $500 of assessed valuation. The County realizes 100% of the revenues from transactions in the unincorporated area and 50% from transaction in incorporated areas.

**Penalties & Cost Delinquency Taxes**

Penalties and cost on delinquency taxes ($16.1 million in Fiscal Year 2021-22 is $7.9 million or 96.4% higher than the Fiscal Year 2020-21 Adopted Operational Plan and $16.1 million in Fiscal Year 2022-23) are projected to increase significantly from the Fiscal Year 2020-21 Adopted Operational Plan. The Fiscal Year 2020-21 Adopted Operational Plan budget was based on the assumption that a significant portion of penalties will be waived to help alleviate tax payers hardships associated with current economic conditions due to COVID-19, but the projected budget for FY2021-22 assumes that revenues from penalties will be back to pre-COVID-19 conditions that's why there is a significant increase in this revenue projection. These revenues are received from penalties assessed on late payment of current year taxes (those taxes paid late, but before the end of the fiscal year).

**Other Miscellaneous Revenues**

Other Miscellaneous Revenues are projected to be $24.5 million in Fiscal Year 2021-22 and $24.6 million in Fiscal Year 2022-23, which is an increase of $3.0 million or 13.7% from the Fiscal Year 2020-21 Adopted Operational Plan. This increase is primarily due to the Transient Occupancy Tax (TOT) revenues received from the hotel industry which have seen some recovery from the effects of COVID-19.
Allocation of General Purpose Revenue by Group/Agency

General Purpose Revenue (GPR) is allocated annually to fund County services based on an analysis of available program revenues, federal or State service delivery obligations and the priorities and strategic direction set by the Board of Supervisors. While the Fiscal Year 2021-22 budget for the Public Safety Group represents 31.1% of total County expenditures, the allocation of GPR for services in that Group equals 58.7% of the total GPR. By contrast, the Health and Human Services Agency’s budget represents 39.3% of total County expenditures, however due to significant amounts of funding from program revenues, it is allocated only about 9.7% of total GPR.

The allocation of GPR for Fiscal Years 2021-22 and 2022-23 reflects a multi-year strategy to manage County resources including strategies to partially mitigate the effects of COVID-19 on the local economy. The primary goals of this strategy are to preserve essential core services to the public, while limiting expansion of new or existing nonessential programs/staffing unless approved by the board prior to COVID-19, maintaining the commitment to the County’s capital program, and addressing increases in contributions to the retirement fund.

GPR is budgeted at $1,550.7 million in Fiscal Year 2021-22, an increase from Fiscal Year 2020-21 budget of $1,419.5 million. While in Fiscal Year 2020-21 employer contributions to the retirement fund are budgeted to increase by 5.9%, the annual rate of increase beyond Fiscal Year 2021-22 is not certain. Future contribution rates will be driven by actual market performance of the retirement fund and actuarial assumptions. If the fund does not meet its assumed rate of return for the current fiscal year, and/or if there are changes to future assumptions, contributions could increase beyond current projections. Beginning in Fiscal Year 2020-21, the assumed rate of return to be used for budget was decreased from 7.25% to 7.00%.
The resource management strategy to address this issue over the next two years is summarized as follows:

- The Fiscal Year 2021-22 Adopted Operational Plan allocates $96.9 million of GPR to fund growth in salary and benefit costs including retirement ($6.0 million) as well as allocation for programs ($90.9 million). GPR stabilization remaining as of Fiscal Year 2020-21 was $131.6 million. The Fiscal Year 2021-22 GPR stabilization balance increased by $59.1 million, to reflect the allocation of GPR net of GPR growth of $119.7 million, leaving a remaining balance total stabilization resources to $190.7 million. In Fiscal Year 2021-22, these resources will be spent on a one-time basis to support capital, retirement, to address COVID-19 related expenses and other various one-time operational expenses.

- The Fiscal Year 2022-23 Adopted Budget allocates $44.7 million of GPR to fund increases to support salary and benefit growth as well as allocation for programs. GPR Stabilization is anticipated to decrease to $182.8 million in Fiscal Year 22-23. In subsequent budget years these amounts will be used to address anticipated increases in retirement costs, negotiated labor agreements, and to support capital.

Further detail on GPR allocations is provided in the Group and Department sections. The previous charts and table show the amount of GPR allocated to support each Group/Agency compared to the two prior fiscal years.
Summary of Financial Policies

Background

The County of San Diego has long been recognized for its strong financial management practices. The Government Finance Officers Association has recognized the County for its annual financial report with the Certificate of Achievement for Excellence in Financial Reporting and for its budget document with the Distinguished Budget Presentation Award. The following is an overview of various policies that the County adheres to in its financial management practices and that guide the County’s budgetary decision making process. The policies can be viewed online at: http://www.sandiego-county.gov/content/sdc/cob/ocd.html.

On February 14, 2020, the County of San Diego declared a local public health emergency due to COVID-19. In response to the declared emergency and the economic impacts of COVID-19 on County finances, on May 19, 2020 the Board of Supervisors ratified the Chief Administrative Officer’s suspension of sections 113.2, 113.5(a), and 113.5(b) of the San Diego County Administrative Code and any other provision of local law pertaining to General Fund balance, reserves, commitments, assignment and management practices until further notice.

Financial Planning and Budget

The County is actively engaged in ongoing financial and strategic planning activities. As discussed previously, the General Management System is the framework that guides County operations as set forth in Board of Supervisors Policy A-136, Use of County of San Diego General Management System for Administration of County Operations.

With the GMS as a guide for fiscal management practices, the County will:

- Maintain fiscal stability to ensure the ability to provide services that customers rely on, in good times and in bad. All departments share in the responsibility of ensuring fiscal stability for the County.
- Ensure that the financial management activities of the County support structural balance between ongoing revenues and expenditures.
- Use the Strategic Plan as a guide to develop an annual five year financial forecast to review primary cost drivers, service needs and available funding sources, which will lay the foundation for the upcoming Operational Plan.
- Annually develop a structurally-balanced two-year Operational Plan, the first year of which is formally adopted by the Board of Supervisors as the County’s budget and the second year is accepted as a tentative plan.

- California Government Code §29009 requires a balanced budget, defined as “the funding sources shall equal the financing uses,” in the recommended, adopted and final budgets.
- A structurally balanced budget means that ongoing, not one-time, resources are used to fund ongoing costs.
- Conduct Quarterly financial reporting processes to allow County managers to appropriately address changes in the external economic or internal financial conditions of the organization. At no time shall total expenditures exceed total appropriations; a budget amendment must be submitted and approved by the Board of Supervisors.
- Develop and use performance measures to monitor progress and ensure that the County is on track to achieve its goals.

Management Practices

The County’s long-term financial management is guided by County Charter, County Administrative Code and Board and other policies.

The County Charter was amended by voters in November 2018 with the passage of Measure C, Protecting Good Government through Sound Fiscal Practices, which adds Section 800.1, requiring that once the Board of Supervisors has appropriated funds for pension stabilization, these funds shall not be used for any other purpose than pension-related liabilities.

The San Diego County Administrative Code Section 91.5, Auditor & Controller Records and Reports, calls for the provision of periodic updates related to fund status, General Fund cash flow, and budget status reports. Section 113.5, Management Practices, provide guidelines for use on general purpose revenues that are generated by maturing or refunded long-term financial obligations or by greater than anticipated assessed value growth.

Board Policy B-65, Long-term Financial Obligations and Management Policy, establishes guidelines to govern and manage a long-term financial strategy at the County. Guidance is provided on financial planning, monitoring and reporting as well the use of certain types of funding sources including the following financial reporting and management practices:

- The County shall engage in Long-Term Financial Planning to align financial capacity with service objectives.
- The County shall prepare a structurally balanced multi-year budget (operational plan).
- The Board of Supervisors will receive quarterly budget status reports that may include recommended changes to appropriations to address unanticipated needs.
The County shall publish an annual cash flow projection and quarterly status of actual/projected cash flows.

The County shall maintain fund balances and reserves in the General Fund to support fiscal health and stability.

The County shall invest general purpose revenue savings generated by maturing long-term obligations and/or refinancings to accelerate payment of outstanding long-term obligations (including pension unfunded actuarial accrued liability and/or economic defeasance of outstanding long-term obligations) and/or to avoid the issuance of new long-term obligations by cash financing of capital projects.

The County shall invest one-time over-realized general purpose revenue generated by greater-than-anticipated assessed value growth to accelerate payment of pension unfunded actuarial liability.

The County Charter, Administrative Code Section 113.5 and Board Policy B-65 also provide guidelines for managing the County’s long-term financial obligations. More details on these can be found in the Debt Management sub-section.

Revenues

As a political subdivision of the State of California, the County has all the powers specifically stated and necessarily implied in general law and the County Charter, including the power to assess, levy and collect fees and taxes. There are three basic categories of funding sources for County programs and services: Program Revenue, General Purpose Revenue and Fund Balance. Descriptions of major revenues policies are included in the section immediately following the definition of these revenue categories.

Program Revenue may be received in the form of fees paid by customers for a particular service or may be received as a subvention or grant from the State or federal government based on qualifying services being provided to local residents. For purposes of constructing the Operational Plan, Program Revenue is defined to also include all revenue received by special funds.

General Purpose Revenue may be used to provide for any service that is within the legal purview of the County. It is used to match federal or State program revenues where required and to fund mandated and discretionary services where either no program revenue or insufficient program revenue is received. General Purpose Revenue shall be budgeted only after all other funding sources for those services are taken into account.

Fund Balance results from an excess of revenues over expenditures in prior fiscal years. Fund balance is used to support one-time projects only, not ongoing services.

Devise and monitor the goals and objectives of a revenue management program within policy guidelines prescribed by the Board of Supervisors. This includes a periodic review of the County's financial condition in order to ensure that the County’s financial sources (revenues) are sufficient to meet anticipated obligations.

Develop annual revenue estimates for the development of the Operational Plan relating to revenues under control of the Chief Administrative Officer.

Ensure that full cost is recovered from fees, grants and revenue contracts to the extent legally possible. If not, the reasons for recovery of less than full cost will be documented and disclosed.

All revenues received by the County identified as “one-time” revenues will only be appropriated for “one-time” expenditures per the County of San Diego Administrative Manual 0030–14, Use of One-Time Revenues and San Diego County Administrative Code Section 113.4, Fund Balances and Use of One-time Revenues.

County departments will seek to recover the full cost of all services provided to agencies or individuals outside the County of San Diego organization on a contractual or fee basis or when obtaining grant funding. Exceptions to this policy require specific Board of Supervisors approval for the non-reimbursed costs as set forth in Board of Supervisors Policy B-29, Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery.

Full cost is defined as the sum of direct costs plus departmental overhead costs plus external indirect costs as calculated pursuant to the federal Office of Management and Budget Circular A-87 cost plan for the County.

All proposed grant funding requests must be certified by the department head as being worthy of funding with County resources if external financing was unavailable.

Funding sources that will require a revenue match from the County General Fund shall be limited to the designated match level mandated as a condition of funding.

The establishment of fees, and subsequent changes to fees, will be done by ordinance at regularly scheduled meetings of the Board of Supervisors. Fees are to be deposited or paid in advance of delivery or completion of services. All fee schedules will be reviewed annually or more frequently if warranted, to allow for full cost recovery.

The Chief Administrative Officer shall review all proposed new or changed fee schedules, grant applications and revenue contracts from an overall policy perspective before they are submitted to the Board of Supervisors for action. County Counsel shall review all revenue contracts to ensure that the County’s interests are protected.

During the budget development process, selected departments may be asked to analyze services, either County operated or contracted, to determine if the quality, economy and productivity are equal to that of an alternative delivery method, including other government agencies, and to deter-
Expenditures

- Pursuant to the Charter of the County of San Diego, Article VII, §703.4, the Chief Administrative Officer supervises the expenditures of all departments and reports to the Board of Supervisors whether those expenditures are necessary.

- Changes during the year to the adopted budget are permitted by State law with approval by the Board of Supervisors or, in certain instances, by the Deputy Chief Administrative Officer/Chief Financial Officer.

- Appropriation transfers of any amount between objects within a budget unit may be processed by the Deputy Chief Administrative Officer/Chief Financial Officer, except for Road Projects, Operating Transfers between departmental budget units, Capital Projects and considered routine major maintenance requiring capitalization for financial reporting purposes, or when the transfer would have actual or potential programmatic impacts. Programmatic impact is defined as a change in program emphasis (e.g., due to shifts in workload or new opportunities), staffing or method of service delivery from the adopted budget. Appropriation transfer requests that fall within the exception categories require approval from the Board of Supervisors pursuant to County of San Diego Administrative Manual 0030–10, Transfers of Appropriations between Objects within a Budget Unit.

- As a general practice, the County does not backfill programmatic funding eliminated by the State of California.

- Contracts for services, when properly issued and administered, are an approved method to accomplish County program objectives. Pursuant to the Charter of the County of San Diego §703.10 and §916, the County may employ an independent contractor if it is determined that the services can be provided more economically and efficiently than by persons employed in the Classified Service. The County may enter into contracts for services based upon conditions and methods set forth in Board of Supervisors Policy A-81, Procurement of Contract Services.

- The County shall procure items or services on a competitive basis unless it is in the County’s best interests not to use the competitive procurement process. The competitive procurement requirements may be satisfied through conducting either (a) formal bidding or (b) competitive negotiated procurement. Definitions and guidelines for exemptions and exceptions are outlined in Board of Supervisors Policy A-87, Competitive Procurement.

- The County will establish appropriations for the Community Enhancement Program at a level approximately equal to the amount of Transient Occupancy Tax revenues estimated to be collected each fiscal year. Each of the five Board of Supervisors office is allocated 20% of the total program amount for purposes of recommending grant awards to community organizations based on eligibility criteria and application guidelines included in Board of Supervisors Policy B-58, Funding of the Community Enhancement Program.

All appropriations available for the Neighborhood Reinvestment Program will be included annually in the County’s Operational Plan. Resources available may vary and may range up to $10.0 million, distributed evenly among the five Board of Supervisors districts, subject to the budget priorities of the Board of Supervisors as detailed in Board of Supervisors Policy B-72, Neighborhood Reinvestment Program.

Reserves

- The County provides a wide variety of services that are funded by a number of revenue sources. The County must be prepared for unforeseen events or economic uncertainties that could result in additional expenditure requirements or loss of revenue by establishing and maintaining prudent levels of fund balance and reserves.

- Pursuant to San Diego County Code of Administrative Ordinances Article VII, Section 113.1 General Fund Balances and Reserves, as adopted by the Board of Supervisors on December 5, 2017, the County will maintain a portion of Unassigned Fund Balance as a reserve that equals a minimum of two months of audited General Fund expenses (which is equivalent to 16.7% of audited General Fund expenses). The General Fund Reserve will protect the County against expenditure and revenue volatility, natural disasters and other unforeseen emergencies, economic downturns, and other issues which impact fiscal health and stability.

- Appropriation of the General Fund Reserve minimum balance and/or transfers from the General Fund Reserve appropriation, requires a four fifths vote of the Board of Supervisors.
In the event the General Fund Reserve falls below established levels, the Chief Administrative Officer shall present a plan to the Board of Supervisors for restoration of those targeted levels within one to three years.

In addition, the Administrative Code authorizes the Board of Supervisors to commit fund balance and the Chief Administrative Officer to assign fund balance for specific purposes that do not result in the General Fund Reserve falling below the minimum required balance.

Finally, the Administrative Code recognizes the General Fund Reserve and all County fund balances as one-time funding sources. These sources of revenue should be appropriated for one-time uses or in conjunction with a long-term financial plan to cover short-term expenditure increases or revenue shortfalls to prevent budgetary imbalances. In general, fund balance is established when assets are greater than liabilities at the end of a year. In practice, fund balance can be generated when revenues exceed expenditures in any year.

One-time revenues may include grants, revenue from the sale of assets, one-time expenditure savings, and revenue sources which may be available for more than one year but are either non-recurring or will be required to address future expenditure growth that is anticipated to exceed future revenue growth.

One-time expenditures may include the following: program startup costs, short-term expenditure increases or revenue shortfalls to prevent budgetary imbalances, early debt retirement, capital costs, or other one-time expenditures as recommended by the CAO.

For additional details on County Reserves, refer to the section on Reserves and Resources.

Debt Management

The use and management of the County’s long-term financial obligations is directed by the County Charter, County Administrative Code and Board and other policies. The County Charter requires that proceeds of any long-term obligation of the General Fund shall not be used for recurring operational needs. The County Administrative Code reiterates this and also provides guidance on elements that are also included in Board Policy. The County adopted Board of Supervisors Policy B-65, Long-Term Obligations and Financial Management Policy, to ensure prudent management of the County’s finances, including its long-term financial obligations. The Policy sets forth practices to be adhered to in managing the County’s long-term financial outlook. These documents provide guidelines related to the following:

- Reinvesting general purpose revenue savings generated by maturing debt obligations and/or refinancing to accelerate payment of outstanding debt obligations (including pension unfunded actuarial accrued liability and/or economic defeasance of outstanding debt obligations) and/or to avoid issuance of new debt.
- Long-Term Obligations shall not be used to finance current operations or for recurring needs.
- Annual principal and interest payments on Long-Term Obligations of the General Fund shall not exceed 5% of General Fund revenue.
- Besides long-term obligations, from time to time the County may issue Tax and Revenue Anticipation Notes (TRANs) as a short-term financing instrument to overcome temporary shortfalls in cash due to the timing of expenditures and receipt of revenues.

For additional details on the County’s debt management policy, refer to the Debt Management Policies and Obligations section.

Investments

The Treasurer-Tax Collector is responsible for the collection, banking, investment, disbursement and accountability of public funds, excluding pension funds. Accordingly, the Treasurer-Tax Collector annually prepares an Investment Policy that will be reviewed and monitored by the County Treasury Oversight Committee, established by the Board of Supervisors pursuant to California Government Code §§27130–27137.

The monies entrusted to the Treasurer-Tax Collector (the Fund) will comprise an actively managed portfolio. This means that the Treasurer and his staff will observe, review and react to changing conditions that affect the Fund.

The San Diego County Treasurer’s Pooled Money Fund Investment Policy is annually reviewed and approved at a public meeting by the Board of Supervisors. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds:

- The primary objective shall be to safeguard the principal of the funds under the Treasurer-Tax Collector's control.
- The secondary objective shall be to meet the liquidity needs of the participants.
- The third objective shall be to achieve an investment return on the funds under control of the Treasurer within the parameters of prudent risk management.

More information about the Fund and the policy is available at www.sdtreastax.com/treasury.html

The Treasurer-Tax Collector prepares a monthly investment report to be posted on the Treasurer-Tax Collector’s website at www.sdtreastax.com/treasury.html

The Treasurer-Tax Collector provides to the Treasury Oversight Committee an annual independent review by an external auditor to assure compliance with policies and procedures set forth by the California Government Code.
Capital Improvements

- The County Board of Supervisors has jurisdiction over the acquisition, use and disposal of County-owned real property and County-leased property under the authority of California Government Code §23004.
- The need for capital improvements is assessed annually. Board of Supervisors Policy B-37, Use of the Capital Program Funds, establishes funding methods, administration and control, and allowable uses of the Capital Program Funds.
- The physical assets of the County are extensive; thus it is essential that the County follows an effective strategy to manage and plan for current and long-term capital and space needs. The Department of General Services shall be the responsible agency to manage the capital facilities planning and space needs of the County. The department is responsible for establishing the general objectives and standards for the location, design and occupancy of County-owned or leased facilities, as well as serving as the steward of a County-wide master plan and individual campus plans per Board of Supervisors Policy G-16, Capital Facilities and Space Planning.
- The Capital Program Funds were established by the Board of Supervisors to provide centralized budgeting for the accumulation and expenditure of funds. The CAO Administrative Manual Policy 0030-23; Use of the Capital Program Funds, Capital Project Development and Budget Procedure, establishes procedures for developing the scope of capital projects, monitoring the expenditure of funds for capital projects, timely capitalization of assets and closure of capital projects within the Capital Program Funds.

Additional details on the County's Capital Program can be found in the Capital Program section.

Measurement Focus and Basis of Accounting

Pursuant to the Governmental Accounting Standards Board (GASB), the County uses various types of funds that reflect different types of resources or intended uses. Governmentwide, proprietary and fiduciary fund accounting is done in compliance with Generally Accepted Accounting Principles (GAAP) and reported using the economic resources measurement focus and the modified accrual basis of accounting. Under this method, Governmental Fund revenues are recognized when measurable and available. Sales taxes, investment income, State and federal grants and charges for services are accrued at the end of the fiscal year if their receipt is anticipated within 180 days. Property taxes are accrued if they are collectible within 60 days after the end of the accounting period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the County’s enterprise funds and internal service funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include the costs of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Basis of Budgeting

The County’s budget is prepared, reviewed and approved in accordance with the County Budget Act and is generally aligned with the County’s basis of accounting, however there are some differences as noted below.

Governmental Funds

An operating budget is adopted each fiscal year by the Board of Supervisors for the governmental funds. The annual resolution adopts the budget at the object level of expenditure within departments and authorizes the carry forward of appropriations and related funding for prior year encumbrances. Certain annual appropriations are budgeted on a project or program basis. If such projects or programs are not completed at the end of the fiscal year, unexpended appropriations, including encumbered funds, are carried forward to the following year with the approval of the Board of Supervisors. Expenses are budgeted at an amount sufficient for the fiscal year and balance with available funding sources. Any budget amendments are approved by the Group and department managers or the Board of Supervisors.
Proprietary Funds

The Board of Supervisors approves an annual spending plan for proprietary funds. Although the adopted expense estimates are not appropriations, their budgetary controls are the same as those of the governmental funds. Because these funds collect fees and revenues generally to cover the cost of the goods and services they provide, their accounting and budgeting bases are closer to commercial models, which is done on an accrual basis, reflecting both revenues and expenses when earned.
Capital Projects

Each year, the County assesses the need for capital improvements in accordance with Board of Supervisors Policies G-16, *Capital Facilities Planning* and B-37, *Use of the Capital Program Funds*. On May 19, 2020 (19), portions of the Board Policy G-16 were revised to reflect the changes to the Capital Improvement Needs Assessment (CINA) Program and update the County's current standards and practices for the Capital Program. These policies provide guidelines for the County’s multi-year approach to planning for capital projects. The projects identified in this process include the improvement to or acquisition of land and facilities. Certain recurring capital or infrastructure projects, such as roads, bridges and sewer lines, are reviewed separately and budgeted in the applicable operating fund (e.g., Road Fund or sanitation district funds). The Major Maintenance Capital Outlay Fund was implemented for financial reporting purposes in Fiscal Year 2017-18. This fund enables the County to capitalize major maintenance projects that meet the capitalization requirement per accounting rules, which are considered routine maintenance but require capitalization, are funded through the originating departmental operating budget. The Fiscal Year 2021-22 capital projects budget for the County is $273.9 million. This excludes the $8.8 million appropriated in Fiscal Year 2021-22 and $8.8 million in Fiscal Year 2022-23 in the Edgemoor Development Fund to support the costs associated with the Edgemoor Skilled Nursing Facility, including the lease payments related to the long-term financings executed to help fund construction.

The following table shows the dollar amount and number of projects with new appropriations by Capital Program fund. Once appropriations are established for a capital project, they are carried forward until the project is completed.

<table>
<thead>
<tr>
<th>Appropriation Increases for New and Existing Capital Projects (Fiscal Year 2021–22)</th>
<th>Dollar Amount</th>
<th>Number of Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Maintenance Capital Outlay Fund</td>
<td>$ 16,084,000</td>
<td>31</td>
</tr>
<tr>
<td>Capital Outlay Fund</td>
<td>138,685,000</td>
<td>24</td>
</tr>
<tr>
<td>Library Projects Capital Outlay Fund</td>
<td>24,327,935</td>
<td>3</td>
</tr>
<tr>
<td>County Health Complex Capital Outlay Fund</td>
<td>11,500,000</td>
<td>3</td>
</tr>
<tr>
<td>Justice Facility Construction Fund</td>
<td>75,800,000</td>
<td>2</td>
</tr>
<tr>
<td>Multiple Species Conservation Program Fund</td>
<td>7,500,000</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 273,896,935</strong></td>
<td><strong>64</strong></td>
</tr>
</tbody>
</table>

The Capital Program section of this Operational Plan highlights major projects and provides project details on all outstanding capital projects. The Finance Other section includes a schedule of lease-purchase payments related to previously debt-financed projects.
General Fund Reserves and Resources

The County maintains a prudent level of resources to help protect fiscal health and stability. The following table reflects General Fund Balances as of June 30, 2020, as reported in the County’s Comprehensive Annual Financial Report (Annual Report). The Annual Report can be accessed at www.sdcounty.ca.gov/auditor/cafr.html.

<table>
<thead>
<tr>
<th>General Fund Fund Balance Categories (in thousands)</th>
<th>Annual Report (June 30, 2020)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonspendable</td>
<td>$ 23,244</td>
</tr>
<tr>
<td>Restricted</td>
<td>696,261</td>
</tr>
<tr>
<td>Committed</td>
<td>626,470</td>
</tr>
<tr>
<td>Assigned</td>
<td>414,650</td>
</tr>
<tr>
<td>Unassigned</td>
<td>707,871</td>
</tr>
<tr>
<td><strong>Total General Fund Balance</strong></td>
<td><strong>$ 2,468,496</strong></td>
</tr>
</tbody>
</table>

**Nonspendable fund balance** represents amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

**Restricted fund balance** represents amounts with constraints placed on their use that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. The most significant restricted amounts included in the June 30, 2020 annual report includes:

- Unused amounts that were appropriated for pension stabilization that are legally restricted for pension related costs
- Amounts restricted for laws or regulations of other governments including the Behavioral Health Impact Fund, the No Place Like Home program, housing loans, recorder modernization and vital records, the Teeter program and various public safety activities

**Committed fund balance** represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Supervisors. Amounts include commitments for capital project funding and various other programs and services including realigned health and social service programs, the public safety regional communications system, and parks expansion and improvements. The most significant committed amounts included in the June 30, 2020 annual report includes amounts committed for capital projects in progress including:

- Phase 1 of the Youth Transition Center (formerly Juvenile Justice Campus)
- Live Well Centers
- County Administration Center Renovations
- various libraries, parks, trails, land, community centers including the Multiple Species Conservation Program
- Tri-City Health Care District Psychiatric Health Facility
- Bonita Animal Shelter
- Integrated Property Tax System
- Regional Communications System upgrade

Other significant amounts committed include:

- Contributions to support development of the Chula Vista Bayfront
- Innovative Housing Trust Fund

**Assigned fund balance** represents amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. General Fund Balances as of June 30, 2020, reflect one-time appropriations included in the Fiscal Year 2020-21 Operational Plan, amounts obligated under multi-year contracts, and assignments of fund balance for potential litigation exposure. The most significant assigned amounts reflected in the June 30, 2020 annual report include:

- One-time amounts included in the 2020-21 Adopted Budget
- Contracted services for: health, mental health and social services; planning, land use, watershed and parks; legislative and administrative services; law enforcement, detentions, and fire protection
- Amounts set aside for outstanding redevelopment litigation
Unassigned fund balance represents the residual classification for the General Fund or amounts that have not been restricted, committed or assigned for specific purposes within the General Fund, and is used to maintain the minimum fund balance required pursuant to the General Fund Balance Policy described below. Unassigned fund balance also provides the funding for many of the one-time uses as listed in the General Fund Use of Fund Balance/Fund Balance Component Decreases section.

Minimum General Fund Balance Policy

The County provides a wide variety of services that are funded by a number of revenue sources. Expenditures for these services are subject to fluctuations in demand, mandates and requirements; revenues are influenced by changes in the economy and budgetary decisions made by the State of California and the federal government.

In accordance with the Code of Administrative Ordinance Sec. 113.1, General Fund Balances and Reserves, a portion of Unassigned Fund Balances shall be maintained as a reserve (General Fund Reserve) at a minimum of two months of audited General Fund Expenses (which is the equivalent of 16.7% of audited General Fund expenses). The General Fund Reserve protects the County against expenditure and revenue volatility, natural disasters and other unforeseen emergencies, economic downturns, unfunded pension liabilities, and aging infrastructure. On February 14, 2020, the County of San Diego declared a local public health emergency due to COVID-19. In response to the declared emergency and the economic impacts of COVID-19 on County finances, on May 19, 2020 the Board of Supervisors ratified the Chief Administrative Officer’s suspension of sections 113.2, 113.5(a), and 113.5(b) of the San Diego County Administrative Code and any other provision of local law pertaining to General Fund balance, reserves, commitments, assignment and management practices until further notice.

Furthermore, on January 12, 2021 (11), the Board of Supervisors took action to realign policies that govern County resources. It is anticipated that as a result of this planned framework adjustment that the Administrative Code provisions regarding fund balance will be revised in the near future.

Fiscal Year 2021–22 Adopted Uses of Fund Balance

The Fiscal Year 2021-22 total $394.0 million Uses of fund balance and fund balance components includes amounts within and outside of the General Fund. Outside of the General Fund, $130.8 million uses are primarily in Public Works, County Library, Proposition 172, Penalty Assessment, Criminal Justice Facility, Sheriff Asset Forfeiture, General Services/Purchasing Internal Service Funds, Tobacco Securitization, and Edgemoor Development. The remaining $263.2 million represents the use of General Fund resources including $53.8 million of balances restricted for Pension Obligation Bonds, Chula Vista Bayfront, environmental health and quality, parks and debt and the use of $209.3 million of General Fund Unassigned fund balance used to fund capital projects and one-time operational needs and to provide stabilization of core public safety and health and human services programs until sales tax driven revenues fully recover. Details of these planned uses are included in the “General Fund” section of this document.

Decreases (Uses) in Fund Balance Commitments and Assignments

Fund balance component decreases of $53.8 million are budgeted for Fiscal Year 2021-22. The table below lists those fund balance components and respective amounts that are adopted for use. For additional details, please see the General Fund: Financing Sources, General Fund Use of Fund Balance/Fund Balance Component Decreases discussion.

<table>
<thead>
<tr>
<th>Decreases (Uses) in Fund Balance Commitments and Assignments (in millions)</th>
<th>Fiscal Year 2021–22 Adopted Budget</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assigned: Hall of Justice Lease Payment</td>
<td>$ 0.8</td>
<td>Assigned</td>
</tr>
<tr>
<td>Restricted: Pension Stabilization</td>
<td>$42.8</td>
<td>Restricted</td>
</tr>
<tr>
<td>Committed: Chula Vista Bayfront Project</td>
<td>$8.3</td>
<td>Committed</td>
</tr>
<tr>
<td>Committed: Environmental Health</td>
<td>$0.9</td>
<td>Committed</td>
</tr>
<tr>
<td>Committed: Park Expansion &amp; Improvement</td>
<td>$1.0</td>
<td>Committed</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$53.8</strong></td>
<td></td>
</tr>
</tbody>
</table>

Note: In the table, the sum of individual amounts may not total due to rounding.
Projected General Fund Unassigned Fund Balance Projections

Projected General Fund Unassigned Fund Balance is an indicator of resources available. This section describes the impact of budget recommendations on projected unassigned balances. Starting with the year-end balance as of June 30, 2020, which was $707.9 million, through various actions the Board of Supervisors has approved the use of $49.8 million of last year’s balance which must be subtracted. Next, the projected year end operating results in the General Fund of $272.6 million and the $43.8 million in anticipated Annual Report adjustments are added. And finally, the $209.3 million planned to balance next year’s budget must be subtracted. The final net impact of these types of adjustments will ultimately drive the final figures reported on the balance sheet for June 30, 2021. Financial Statements for Fiscal Year 2020-21 will not be available prior to the adoption of the budget; however, preliminary unaudited projections indicate that the unassigned fund balance will be approximately $765.1 million. The Administrative Code requires maintaining a minimum reserve equal to two months’ operating expenses. Projections indicate that the minimum will be $829.2 million, which means that the County will not meet the requirement based on these assumptions and the County would be required to develop a plan to replenish the minimum reserve by $64.1 million over three years based on final year end operating results.

Restoration of Fund Balances and Reserves

In accordance with the Code of Administrative Ordinance Sec. 113.3, Restoration of General Fund Reserve Minimum Balance, in the event that the General Fund Reserve falls below the minimum required balance, the Chief Administrative Officer shall present a plan to the Board for restoration of those targeted levels. The plan shall restore balances to targeted levels within one (1) to three (3) years, depending on the use, reasons for use, and severity of the event. In the event that the General Fund Reserve is used to serve as a short-term financing bridge, the plan shall include mitigation of long-term structural budgetary imbalances by aligning ongoing expenditures to ongoing revenues.

The Fiscal Year 2020-21 Adopted Budget projected that General Fund Reserves would draw $139 million below the minimum. However, final amounts reported in the 2019-20 Annual Report reflected a draw below the minimum of $10 million. It is anticipated that this draw below the minimum of $10 million will be fully restored during Fiscal Year 2020-21 by current year general fund year end operating results which are projected at $272.6 million.

The Fiscal Year 2021-22 Adopted Budget includes a use of General Unassigned fund balance of $209.3 million which is anticipated to result in the General Fund minimum falling short of its target by $64.1 million. If the General Fund Reserve falls below the minimum required balance, the Administrative Code requires the CAO to present a plan to the Board for replenishment.

To restore the General Fund Reserves minimum required balance, the plan detailed in the table below assumes that favorable conditions will result in continued positive year end budget results and surpluses which will be used to replenish the projected $64.1 million draw below the projected June 30, 2021 minimum target of $829.2 million. The final unassigned balance including the minimum target and any amounts drawn below the minimum target will be based on the County’s June 30, 2021 audited Annual Report which will be published in the Fall of 2021.

| Restoration of Fund Balance & Reserves (in millions) |
|----------------|----------------|
| Fiscal Year     | Amount        |
| 2021–22         | $24.1         |
| 2022–23         | 20.0          |
| 2023–24         | 20.0          |
| Total           | $64.1         |
Debt Management

The County of San Diego uses debt financing to: (i) fund certain capital assets that support the provision of services by the County; (ii) achieve savings in existing financial obligations through refinancing; and (iii) manage short-term cash flow requirements. The decision to use debt financing is governed by several factors including the nature of the project to be financed, availability of other financing, and debt affordability. The County enters into both long-term and short-term financings, which are reviewed by the credit rating agencies. The County's long-term financings adhere to a policy approved by the Board of Supervisors. This policy, the County's current credit ratings and the various forms of debt financing used by the County are described in more detail below. The term “debt” is used to refer to certain financial obligations of the County that are sold in the capital markets, including its bonds, certificates of participation and notes.

Long-Term Obligation Policy

The foundation of any well-managed debt program includes a comprehensive and fiscally prudent policy that sets forth parameters for issuing debt and managing outstanding debt and provides guidance to decision makers. Adherence to a long-term financial strategy and policy is important to ensure that the County maintains a sound debt position and that credit quality is protected.

The Board of Supervisors adopted Board Policy B-65, Long-Term Financial Management Policy, on August 11, 1998. The policy was updated in 2017, expanding the scope to provide additional guidelines on general long-term financial management and the management of long-term obligations. In 2018, portions of Board Policy B-65 related to administering the County’s long-term financial obligations were incorporated into County Administrative Code Article VII, Section 113.5 to codify existing County practices and Board policy. See the “Summary of Financial Policies” section for more details on this policy. Policy B-65, along with Administrative Code Article VII, Section 113.5, are the foundation for managing the County’s debt program. Most recently, in November 2018, voters approved a measure amending the County Charter to limit the proceeds of long-term financial obligations. Long-term financial obligations are those that exceed one fiscal year.

On February 14, 2020, the County of San Diego declared a local public health emergency due to COVID-19. In response to the declared emergency and the economic impacts of COVID-19 on County finances, on May 19, 2020 (19) the Board of Supervisors ratified the Chief Administrative Officer’s suspension of sections 113.2, 113.5(a), and 113.5(b) of the San Diego County Administrative Code and any other provision of local law pertaining to General Fund balance, reserves, commitments, assignment and management practices until further notice.

Long-Term Obligation Limits

- All long-term obligations shall comply with federal, State and County Charter requirements.
- All long-term obligations must be approved by the Board of Supervisors after approval and recommendation by the Debt Advisory Committee, established by the Chief Administrative Officer, which is currently composed of the Assistant Chief Administrative Officer, the Deputy Chief Administrative Officer/Chief Financial Officer, Auditor & Controller, and the Treasurer-Tax Collector.
- Prior to its recommendation, the Debt Advisory Committee shall assess the credit impact of the financing, which includes analyzing the ability of the County to repay the obligation, identifying the funding source of repayment, evaluating the impact of the ongoing obligation on the current budget and future budgets, and assessing the maintenance and operational requirements of the project to be financed.
- The term of the long-term obligation will not exceed the useful life or the average life of the project(s) financed.
- Total annual principal and interest payments on all long-term obligations of the General Fund will not exceed 5% of General Fund revenue.
- Long-term financial obligations shall not be used to finance current operations or recurring needs.
- The Board of Supervisors may consider long-term obligations for the purpose of providing office space or operational facilities to County departments or agencies, upon recommendation of the Debt Advisory Committee. Capital projects identified as candidates for long-term financing first should have been identified and prioritized during the development of the County’s multi-year Capital Improvement Needs Assessment. If the Debt Advisory Committee deems that the financing is feasible, financially and economically prudent, aligned with the County’s objectives and does not impair the County’s creditworthiness, then it will be forwarded to the Board of Supervisors for consideration.

Structuring Practices

- The County shall continually review outstanding obligations and aggressively initiate refinancings when economically feasible and advantageous pursuant to the Refunding Policy of the Debt Advisory Committee.
Variable rate obligations shall not exceed 15% of the total amount of the County’s outstanding long-term obligations.

Derivative products, such as interest rate swaps, may be considered only if they meet the economic goals and policy objectives of the County as outlined in the Swap Policy of the Debt Advisory Committee.

Management Practices

- The County shall engage in Long-Term Financial Planning to align financial capacity with service objectives.
- The County shall prepare a structurally balanced multi-year budget.
- The County shall maintain fund balances and reserves in the General Fund to support fiscal health and stability.
- The County shall publish an annual cash flow projection and quarterly status of actual/projected cash flows.
- The County shall reinvest General Purpose Revenue (GPR) savings generated by maturing long-term obligations and/or refinancings to accelerate repayment of outstanding obligations (including pension unfunded actuarial accrued liability and/or economic defeasance of outstanding debt obligations) and/or to avoid the issuance of new long-term obligations by cash financing of capital projects. This requirement has been suspended until further notice due to the COVID-19 public health emergency.
- The County shall invest one-time over-realized GPR generated by greater-than-anticipated assessed value growth to accelerate payment of pension unfunded actuarial accrued liability. This requirement has been suspended until further notice due to the COVID-19 public health emergency.
- The County shall encourage and maintain good relations with credit rating agencies, investors in the County’s long-term obligations and those in the financial community who participate in the issuance or monitoring of the County’s long-term obligations.

Use of Proceeds

- The County shall comply with the internal controls outlined in the Debt Advisory Committee Post Issuance Tax Compliance Policy, including those guidelines relating to the segregation of bond proceeds.
- The County shall employ the services of a Trustee for the disbursement of bond proceeds in accordance with the applicable financing documents.
- The County shall enforce the filing of notices of completion on all projects within five years of their financing.
- All investment of bond proceeds shall comply with State and federal requirements. In addition, all investments of bond proceeds deposited in the Pooled Money Fund Investment Fund shall comply with the San Diego County Treasurer’s Pooled Money Fund Investment Policy.
- The Debt Advisory Committee shall annually review the disbursement and investment of bond proceeds. Excess earnings will be rebated as required by the U.S. Treasury to avoid the loss of tax-exempt status.

See the “Summary of Financial Policies” section of this document for additional detail on general long-term financial management practices outlined in this policy.

Credit Ratings

The County of San Diego seeks ratings from three municipal credit rating agencies, Moody’s Investors Service, Standard and Poor’s and Fitch Ratings, in order to provide an objective measure of the strength of the County’s credit.

The most recent full credit review of the County by the rating agencies was performed in August 2019 in accordance with Board Policy B-65, Long-Term Financial Management Policy.

As part of this review, Fitch, Standard and Poor’s and Moody’s affirmed the County of San Diego’s ratings including its issuer rating of ‘AAA’ due to the County’s strong operating performance, supported by solid expenditure and revenue frameworks, as well as low to moderate long-term liabilities.

The County of San Diego’s credit ratings are presented in the table below.

<table>
<thead>
<tr>
<th>Credit Ratings</th>
<th>Moody’s Investors Service</th>
<th>Standard &amp; Poor’s</th>
<th>Fitch Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>County of San Diego (Issuer Rating)</td>
<td>Aaa</td>
<td>AAA</td>
<td>AAA</td>
</tr>
<tr>
<td>Certificates of Participation and Lease Revenue Bonds</td>
<td>Aa1</td>
<td>AA+</td>
<td>AA+</td>
</tr>
<tr>
<td>Pension Obligation Bonds</td>
<td>Aa2</td>
<td>AAA</td>
<td>AA+</td>
</tr>
</tbody>
</table>
Authority to Finance and Bond Ratios

The Authority to Finance table lists the statutes authorizing the County of San Diego to enter into long-term and short-term obligations and, if applicable, the legal authority on maximum bonded indebtedness. All long-term and short-term obligations must conform to State and local laws and regulations. The basic constitutional authority for State and local entities to enter into long-term and short-term obligations is in the Tenth Amendment to the U.S. Constitution. To incur long-term or short-term obligations within the State of California, a political subdivision must have either express or implied statutory authority.

State constitutional limitations prohibit cities and counties from entering into indebtedness or liability exceeding in any year the income and revenue provided for such year unless the local agency first obtains two-thirds voter approval for the obligation.

However, there are three major exceptions to the debt limit that have been recognized by the California courts: (i) the Offner-Dean lease exception, (ii) the special fund doctrine and (iii) the obligation imposed by law exception. These types of obligations are not considered indebtedness under the State constitution and are therefore not subject to the limitations on general obligation debt. The reason these obligations are not subject to the debt limit are further discussed below.

The Offner-Dean lease exception provides that a long-term lease obligation entered into by an agency will not be considered an indebtedness or liability under the debt limit if the lease meets certain criteria.

The special fund doctrine is an exception to the debt limit which permits long-term indebtedness or liabilities to be incurred without an election if the indebtedness or liability is payable from a special fund and not from the entity’s general revenue. An example of a special fund would be one consisting of enterprise revenue that is used to finance an activity related to the source of the revenue.

The courts have applied the obligation imposed by law exception to indebtedness used to finance an obligation imposed by law. In this case, the obligation is involuntary; therefore, it would not be relevant to obtain voter approval.

<table>
<thead>
<tr>
<th>Authority to Finance</th>
<th>Issuance Legal Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>County of San Diego</td>
<td>General: Government Code §5900 et seq. and §29900 et seq.</td>
</tr>
<tr>
<td></td>
<td>Maximum Indebtedness: Government Code §29909</td>
</tr>
<tr>
<td></td>
<td>Short-Term TRANs: Government Code §53820 et seq.</td>
</tr>
<tr>
<td></td>
<td>Pension Obligation Bonds: Government Code §53580 et seq.</td>
</tr>
<tr>
<td>Nonprofit Public Benefit Corporation</td>
<td>Corporations Code §5110 et seq.</td>
</tr>
<tr>
<td>Joint Powers Authority</td>
<td>Government Code §6500 et seq.</td>
</tr>
<tr>
<td>Redevelopment Successor Agency</td>
<td>Health and Safety Code §34177.5 et seq.</td>
</tr>
<tr>
<td>Housing Authority</td>
<td>Health and Safety Code §34200 et seq.</td>
</tr>
<tr>
<td>Assessment Bonds</td>
<td>Multi-family Rental Housing Bonds: Health and Safety Code §52075 et seq.</td>
</tr>
<tr>
<td>Mello-Roos Community Facilities District</td>
<td>Street and Highway Code §6400 et seq. and §8500 et seq.</td>
</tr>
<tr>
<td></td>
<td>Education Code §15000 and following</td>
</tr>
<tr>
<td></td>
<td>Government Code §53500 and following</td>
</tr>
</tbody>
</table>
DEBT MANAGEMENT POLICIES AND OBLIGATIONS

ADOPTED OPERATIONAL PLAN FISCAL YEARS 2021-22 AND 2022-23

Net Bonded Debt is outstanding principal at the beginning of the fiscal year that is secured by the County General Fund, and reflects amounts in reserve funds.

Population is based on population figures provided by the State of California Department of Finance.

Assessed value includes total secured, unsecured, and unitary property.

Note: If the County were to issue General Obligation Bonds, the debt limit pursuant to Government Code §29909 would be 1.25% of the taxable property of the county.

### Bond Ratios

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Bonded Debt (in millions)¹</td>
<td>$813.0</td>
<td>$745.0</td>
<td>$682.5</td>
<td>$603.3</td>
<td>$537.1</td>
</tr>
<tr>
<td>Net Bonded Debt per Capita²</td>
<td>$245</td>
<td>$223</td>
<td>$204</td>
<td>$181</td>
<td>$181</td>
</tr>
<tr>
<td>Ratio of Net Bonded Debt to Assessed Value³</td>
<td>0.15%</td>
<td>0.13%</td>
<td>0.12%</td>
<td>0.10%</td>
<td>0.10%</td>
</tr>
</tbody>
</table>

¹ Net Bonded Debt is outstanding principal at the beginning of the fiscal year that is secured by the County General Fund, and reflects amounts in reserve funds.

² Population is based on population figures provided by the State of California Department of Finance.

³ Assessed value includes total secured, unsecured, and unitary property.

Note: If the County were to issue General Obligation Bonds, the debt limit pursuant to Government Code §29909 would be 1.25% of the taxable property of the county.

### Bond and Debt Service Ratios

The Bond Ratios table presents bond ratios useful to County management, gauging the County’s long-term financial obligations within the context of population and assessed value.

### General Fund Debt Service Ratios

The total debt service reported in the Components of General Fund Debt Service Ratio table is composed of payments on the County’s General Fund long-term financial obligations, which include Pension Obligation Bonds, Certificates of Participation and Lease Revenue Bonds. They are described in the following section titled Long-Term Obligations. In addition, the detail of the annual payments required for the Certificates of Participation and Lease Revenue Bonds and the payments required for the Pension Obligation Bonds is provided in the Finance Other section.

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Revenue¹</td>
<td>$4,247.1</td>
<td>$4,422.6</td>
<td>$4,681.7</td>
<td>$5,277.7</td>
<td>$4,993.9</td>
</tr>
<tr>
<td>Total Debt Service</td>
<td>$111.8</td>
<td>$109.9</td>
<td>$106.8</td>
<td>$105.9</td>
<td>$105.5</td>
</tr>
<tr>
<td>Ratio of Total Debt Service to General Fund Revenue</td>
<td>2.63%</td>
<td>2.48%</td>
<td>2.28%</td>
<td>2.01%</td>
<td>2.11%</td>
</tr>
<tr>
<td>General Fund Share of Debt Service Cost²</td>
<td>$89.2</td>
<td>$87.6</td>
<td>$84.1</td>
<td>$83.6</td>
<td>$83.2</td>
</tr>
<tr>
<td>Ratio of General Fund Share of Debt Service to General Fund Revenue</td>
<td>2.10%</td>
<td>1.98%</td>
<td>1.80%</td>
<td>1.58%</td>
<td>1.67%</td>
</tr>
</tbody>
</table>

¹ General Fund Revenue excludes fund balance and reserve/designation decreases.

² General Fund Share of Debt Service Cost excludes debt service chargeable to special revenue funds, enterprise funds, special districts and external funding sources.
Long-Term Obligations

The County’s outstanding General Fund secured long-term principal bonded debt as of June 30, 2021, and projected as of June 30, 2022, are presented in the table above.

The following discussion explains the nature and purpose of each of the long-term financing instruments available to or used by the County.

Certificates of Participation (COPs) and Lease Revenue Bonds (LRBs)

COPs and LRBs are sold to investors to raise cash for the financing of capital infrastructure. The repayment of these COPs and LRBs is secured by a revenue stream created by lease payments, often associated with the capital asset that the proceeds of the COPs or LRBs are funding. These lease payments are established in agreements between the County and another entity, typically either a nonprofit corporation, such as the San Diego County Capital Asset Leasing Corporation, formed by the Board of Supervisors to advise and assist with capital financings, or a joint powers authority, such as the San Diego Regional Building Authority, which is a joint powers authority between the County and the San Diego Metropolitan Transit System. The annual lease payments from the County to the financing entity are in an amount sufficient to satisfy the principal and interest payments due to the holders of the COPs or LRBs. At the end of the lease period, the title of a given lease premise used in a financing is cleared of this lease obligation.

The County first used COPs in 1955 with the financing of the El Cajon Administrative Building. Since then, the County has used various lease-backed transactions, both COPs and LRBs, to fund the County’s major capital requirements. The County currently has COPs and LRBs outstanding, the proceeds of which were used to fund the construction of various justice facilities, the Edgemoor Skilled Nursing Facility, the County Operations Center, the County Administration Center Waterfront Park, and the Cedar & Kettner Development Project Parking Structure. As of June 30, 2021, the County is anticipated to have $211.6 million of COPs and LRBs outstanding.

Taxable Pension Obligation Bonds (POBs)

POBs are financing instruments typically used to pay some or all of a pension plan’s unfunded liability. The bond proceeds are transferred to the issuer’s pension system as a prepayment of all or part of the unfunded pension liabilities of the issuer, and the proceeds are invested as directed by the pension system. POBs have been issued on several occasions by the County to reduce the unfunded actuarial accrued liability (UAAL) of the San Diego County Employees Retirement Association (SDCERA) retirement fund on a lump sum basis rather than making actuarially determined amortized payments over a specified period of years. The size of the UAAL is determined annually by SDCERA’s actuary and can increase or decrease depending on changes in actuarial assumptions, earnings on the assets of the fund and retiree benefits. POBs totaling $430,430,000 were first issued by the County in February 1994. Since this initial issuance, the County has issued additional series of POBs: in October 2002, the County issued $737,340,000 of POBs, a portion of which refunded the POBs issued in 1994; in June 2004, the County issued an additional $454,112,916 of POBs; and in August 2008, $443,515,000 of POBs were issued to refund the variable rate portion of the POBs issued in 2002.

A total of $264 million of the principal component of the County’s outstanding taxable POBs has been prepaid. As included in the Fiscal Year 2009-10 Adopted Operational Plan, the most recent prepayment occurred on July 1, 2009 and retired the $100 million of outstanding 2008 Series B1-B2 POBs (variable rate demand obligations). This most recent prepayment resulted in lowering the aggregate annual debt service for the taxable POBs from $86.0 million to $81.4 million and a further
shortening of the final maturity to Fiscal Year 2026-27. As of June 30, 2021, the County is anticipated to have $400.1 million of taxable POBs outstanding.

In November 2018, San Diego County voters approved Measure C, which amended the County Charter to include Section 800.1, Pension Stabilization, requiring any funds appropriated for pension stabilization to be used for pension-related liabilities. To manage overall pension costs, the County implemented a pension stabilization strategy, wherein a portion of GPR is set aside each year to mitigate any significant changes in retirement costs. In the subsequent fiscal year, the unused amounts of these annual set-asides are committed as fund balance in the General Fund, specifically to support the portion of POB payments that had been paid by GPR in prior years. Portions of this fund balance commitment will be appropriated each year and will serve as an alternative to GPR as a funding source for POB costs. Fiscal Year 2017-18 is the first year that these committed amounts were used, and portions will be appropriated each year until the final maturity of the POBs. This management practice has been suspended until further notice due to the COVID-19 public health emergency.

Redevelopment Successor Agency Tax Allocation Bonds (TABs)

TABs are limited obligations issued by the former Redevelopment Agency of the County of San Diego (Agency) to help pay for improvements related to projects within its redevelopment areas. The Agency was formed on October 14, 1974, pursuant to Redevelopment Law, and effective February 1, 2012 was dissolved by the State legislature. Any outstanding TABs of the Agency are now limited obligations of the County of San Diego Successor Agency, which now manages the assets, repays the debts, and fulfills other obligations that were previously attributable to the Agency. An initial series of TABs was issued on September 12, 1995, as limited obligations of the Agency in the amount of $5.1 million for the construction of public improvements at the Gillespie Field Airport located on the Gillespie Field Redevelopment Project Area, which was one of the Agency’s two redevelopment project areas. On December 22, 2005, the Agency issued $16.0 million in TABs to refund all of the Agency’s outstanding 1995 bonds and to repay loans owed to the County’s Airport Enterprise Fund. These loans from the County Airport Enterprise Fund were used by the Agency to finance redevelopment activities in the Gillespie Field Redevelopment Project Area. In connection with the 2005 TABs, the County pledged to make limited payments to the Agency from the Airport Enterprise Fund. This pledge remains a limited obligation of the Successor Agency and is not secured by the County’s General Fund. This pledge, along with certain Redevelopment Property Tax Trust Fund revenues generated in the Gillespie Field Redevelopment Project Area, support annual principal and interest payments of approximately $1.1 million through Fiscal Year 2032–33; the final maturity of the 2005 TABs is in December 2030.

General Obligation Bonds (GO Bonds)

GO Bonds are debt instruments issued by local governments to raise funds for the acquisition or improvement of real property. GO bonds are backed by the full faith and credit of the issuing entity. In California, authorization to issue GO bonds requires supermajority (two-thirds) voter approval as the bonds are secured by an ad valorem tax that may be levied in whatever amount is necessary to pay debt service. The County has no outstanding General Obligation Bonds.

The Long-Term Debt Obligations chart shows the County’s scheduled long-term obligation payments through final maturity of Fiscal Year 2041-42 as of June 30, 2021, which include Certificates of Participation (COPs), Lease Revenue Bonds (LRBs), Taxable Pension Obligation Bonds (POBs) and Tax Allocation Bonds (TABs), and does not include any future debt issuances by the County. The Outstanding County Financings table details the final maturity date, original principal amount and the outstanding principal amount for each of the County’s current long-term financings.
### Long-Term Debt Obligations

#### Fiscal Years 2021–22 through 2041–42

**Outstanding County Financings (in thousands)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Final Maturity Date</th>
<th>Original Principal Amount</th>
<th>Principal Amount Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Certificates of Participation &amp; Lease Revenue Bonds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014 Edgemoor and RCS Refunding, issued September 2014</td>
<td>2029</td>
<td>$93,750</td>
<td>$62,075</td>
</tr>
<tr>
<td>2016 COC Refunding, issued March 2016</td>
<td>2035</td>
<td>$105,330</td>
<td>$88,140</td>
</tr>
<tr>
<td>2019 Justice Facility Refunding</td>
<td>2025</td>
<td>$19,450</td>
<td>$15,645</td>
</tr>
<tr>
<td>2020 CAC Waterfront Park Refunding, issued November 2020</td>
<td>2041</td>
<td>$21,910</td>
<td>$21,910</td>
</tr>
<tr>
<td>2020 Cedar and Kettner Development Refunding, issued November 2020</td>
<td>2041</td>
<td>$23,815</td>
<td>$23,815</td>
</tr>
<tr>
<td><strong>Total Certificates of Participation and Lease Revenue Bonds</strong></td>
<td></td>
<td><strong>$264,255</strong></td>
<td><strong>$211,585</strong></td>
</tr>
<tr>
<td><strong>Taxable Pension Obligation Bonds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Series 2004</td>
<td>2024</td>
<td>$454,113</td>
<td>$197,525</td>
</tr>
<tr>
<td>Series 2008</td>
<td>2027</td>
<td>$343,515</td>
<td>$202,600</td>
</tr>
<tr>
<td><strong>Total Pension Obligation Bonds</strong></td>
<td></td>
<td><strong>$797,628</strong></td>
<td><strong>$400,125</strong></td>
</tr>
<tr>
<td><strong>Redevelopment Successor Agency Tax Allocation Bonds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005 Gillespie Field Refunding</td>
<td>2032</td>
<td>$16,000</td>
<td>$7,850</td>
</tr>
<tr>
<td><strong>Total Tax Allocation Bonds</strong></td>
<td></td>
<td><strong>$16,000</strong></td>
<td><strong>$7,850</strong></td>
</tr>
</tbody>
</table>

*This table reflects the County's outstanding financings as of June 30, 2021.*

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1. Represents principal and interest due until final maturity on outstanding obligations of the County as of June 30, 2021. Details of these obligations are provided in the Outstanding County Financings table nearby.
Short-Term Obligations

During the ordinary course of business, local governments, including the County, typically experience temporary mismatches in cash flow due to the timing of the County’s payment of expenditures, which is ongoing, and receipt of revenues, which is largely focused on months surrounding tax payment dates. To mitigate these cash flow imbalances, the County may borrow cash through the issuance of Tax and Revenue Anticipation Notes (TRANs). These notes mature within 12 to 13 months of the date of issuance and are, therefore, considered short-term obligations. The chart above shows TRANs borrowing since 2012–13. The County has not issued TRANs on its own behalf for the past eight fiscal years.

Conduit Issuances

In previous years, the County has assisted qualified nonprofit and for-profit entities to access tax-exempt financing for projects that provide a public benefit, contribute to social and economic growth and improve the overall quality of life to the residents of the San Diego region. In these financings, the County is a conduit issuer whereby it issues tax-exempt long-term bonds on behalf of the qualifying entity. That entity, the conduit borrower, is responsible for all costs in connection with the issuance and repayment of the financing. Debt issued under the conduit program is secured by the borrower, and is not considered to be a debt of the County. As of June 30, 2021, the County will have seven outstanding conduit issuances and has not issued a conduit financing since 2015.

Because of the expanding market and availability of other nonprofit agencies specializing in these conduit programs, the County has discontinued its conduit program. The County will continue to administer the remaining outstanding conduit issuances until the debt matures.