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March 28, 2025

GENERAL PLAN & HOUSING ELEMENT ANNUAL PROGRESS REPORT 2024 UPDATES

The County of San Diego's (County) General Plan and Housing Element Annual Progress Report (GP APR) is enclosed for calendar year 2024 (January 1 – December 31, 2024). This annual report is submitted to the California Department of Housing and Community Development (HCD) and the Governor's Office of Land Use and Climate Innovation (LCI) regarding progress on the County's Housing Element and housing production within the unincorporated area under the County's jurisdiction, including progress towards its current Regional Housing Needs Allocation (RHNA) goals. As part of the County's commitment to continuous improvement, several key changes for the 2024 General Plan and Housing Element Annual Progress Report are noted.

In previous years the County's GP APR has included a summary of all actions across the County enterprise in a calendar year. However, as the Board of Supervisors aims to directly respond to the housing crisis in the region and state, this year's report focuses on land use changes and housing production data exclusively in line with the specific requirements from the State for the GP APR to support ease of use and clarity in explaining the key information provided in the report. Information about projects included in previous GP APRs from the County Department of Public Works, Department of Parks and Recreation, and Department of General Services can be found in each department's respective annual reports or main project webpages to ensure that the reader has access to the most up-to-date information for projects of interest.

Thank you to our stakeholders who have played a key role in refining the content and structure of the report so that it is comprehensive and written in plain language to support readers. The County continues to work to address the housing crisis and promote housing production within its purview, as demonstrated through the efforts to improve this annual report for 2024 and beyond.

Sincerely,
The Planning & Development Services Team

General Plan & Housing Element Annual Progress Report

March 28, 2025

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TABLE OF CONTENTS

GLOSSARY 3

1 INTRODUCTION 5
1.1 Purpose 5

2 LAND USE ACTIVITIES 6
2.1 General Plan Amendments 6
2.2 Zoning Ordinance Updates 6
2.2.1 2024 Fallbrook Subarea Plan Update 6
2.3 Annexations 7

3 HOUSING DEVELOPMENT PROCESS & UPDATES 8
3.1 Discretionary Process 8
3.2 Ministerial Process 10
3.3 Housing Development Timeline & Considerations 11
3.4 New State Laws Related to Housing Development 12
3.5 Housing Projects Applications Related to State Law 13

4 DISCRETIONARY HOUSING PROJECTS 16
4.1 Discretionary Housing Project Applications Submitted 16
4.2 Discretionary Housing Project Applications Approved 18
4.3 Discretionary Project Revisions and Time Extensions 18

5 RHNA & COMPLETED HOMES 19
5.1 Overview of RHNA 19
5.2 Completed Housing Units 20
5.3 Regional Housing Needs Assessment (Sixth Cycle) Progress 21
5.4 Housing Production and Capacity Portal 23

6 HOUSING ELEMENT & POLICIES 24
6.1 Housing Element Implementation Plan Progress 24
6.1.1 Policies and Actions Brought to Public Hearing 24
6.1.2 Policies and Actions Completed Internally 24
6.1.3 Housing Element Implementation Actions in Progress 25
6.2 Additional Housing Policies & Programs 25

APPENDIX 1 – ANNUAL HOUSING ELEMENT PROGRESS REPORT 26

APPENDIX 2 – HOUSING SUCCESSORS TO REDEVELOPMENT AGENCIES 27

APPENDIX 3 – METHODOLOGY 28

TABLES:

Table 1: Submitted Senate Bill (SB) 9 Applications 2024 13
Table 2: Approved Senate Bill (SB) 9 Applications 2024 14
Table 3: Submitted discretionary applications By Project Type 2024 17
Table 4: Approved Discretionary Applications by Project Type 2024 18
Table 5: Housing Units Permitted and Completed by Affordability Category 2024 21
Table 6: 6th Cycle RHNA Progress 22

GLOSSARY

Accessory Dwelling Unit (ADU) - An attached or detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. Accessory dwelling units shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated. (See Government Code Section 65852.2; California Building Code definition).

Affordability Category - The affordability categories for RHNA are based on each jurisdiction's Area Median Income (AMI) and categories are defined in accordance with guidelines from the California Department of Housing and Community Development. The RHNA affordability categories are as follows: Very Low (50% or below AMI), Low (51-80% AMI), Moderate (81-120% AMI), and Above Moderate (above 120% AMI).

Affordable Housing - Housing in which the occupant is paying no more than 30% of gross income for housing costs, including utilities (U.S. Housing and Urban Development definition). Affordable housing may be deed restricted.

Annexations - Transfer of land into or out of a district or municipality with a resulting change to the jurisdiction's boundaries.

Approved Application (Discretionary Project) – An application for a discretionary project that has been approved by the appropriate approving authority.

Building Permit – An official document issued by the building official that authorizes the applicant to begin construction for their project.

Completed Housing Unit – A housing unit associated with a building permit where construction has been completed, has passed the final inspection, and is ready for move-in. A completed housing unit reflects the receipt of a Certificate of Occupancy.

Deed Restriction - A private legal restriction on the use of land recorded in the deed. The restriction limits the use of the property in some way.

Discretionary Review - A discretionary review is one that involves judgment or discretion in determining compliance with the approval requirements. The review is discretionary because not all of the approval requirements are objective. Discretionary reviews must provide opportunities for public involvement.

Discretionary Project - A development project which requires the jurisdiction to exercise judgment in deciding whether to approve or deny the project. In San Diego County, discretionary projects require approval from the relevant approving authority: Director of Planning & Development Services, Zoning Administrator, County Planning Commission, or Board of Supervisors.

General Plan – The General Plan is the foundational planning document for local land use planning, which provides the vision, goals, and policies for how a jurisdiction will grow and develop presently

and into the future. The County's General Plan includes seven elements: land use, mobility, conservation and open space, noise, safety, housing, and environmental justice.

General Plan Amendment (GPA) - A General Plan Amendment is considered to be any change to the General Plan maps or text. State law provides that each mandatory General Plan element may be amended no more than four times per year.

Housing Unit – For the purposes of the Annual Progress Report, the California Department of Housing and Community Development (HCD) defines a housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building, and which have direct access from the outside of the building or through a common hall. Single room occupancy (SRO) units, ADUs and Junior ADUs, and permanent Homekey conversions are included in this definition.

Ministerial Project - Ministerial (also referred to as "by-right") projects are reviewed and approved based on objective criteria, such as a checklist of items. A common type of a ministerial permit is a building permit.

Parcel - A lot in single ownership or under single control usually considered a unit for purposes of development.

Permitted Housing Unit – A housing unit associated with a project that has been issued a building permit. Permitted housing units are considered anticipated housing units, as these have not yet been built and completed.

Regional Housing Needs Allocation (RHNA) - A determination of the projected need for housing within a region, made by a council of governments (COG) or by the California Department of Housing and Community Development (HCD). The RHNA numerically allocates the future housing need by household income group for each city and county within the region. This allocation must be reflected in the Housing Element of the General Plan.

Specific Plan – Specific plans are tools for the systematic implementation of the General Plan and are intended to implement and regulate land use and development within a specific project boundary, subject to the substantive and procedural requirements of State law.

Subdivision - The division of a tract of land into defined lots, either improved or unimproved, which can be separately conveyed by sale or lease, and which can be altered or developed.

Submitted Application (Discretionary Project) – An application for a discretionary project that has been submitted but has not been approved.

Tentative Parcel Map (TPM) – The subdivision of land into four lots or less.

Zoning Ordinance - The General Plan identifies general land use designations while the Zoning Ordinance identifies specific uses and development standards. The Zoning Ordinance must be consistent with the General Plan and State law.

1 Introduction

1.1 Purpose

California requires that all local governments (counties and cities) adequately plan to meet the housing needs of everyone in the community, at all income levels. Like all local governments, the County of San Diego (County) meets this requirement by adopting a housing plan known as a Housing Element as part of its General Plan. The General Plan serves as the County's land use planning "blueprint" for how the County will grow and develop. The County's General Plan includes seven elements: land use, mobility, conservation and open space, noise, safety, housing, and environmental justice. The County must prepare an annual General Plan and Housing Element Annual Progress Report (GP APR) on the County's status and progress in implementing its Housing Element. This Report reflects information from calendar year 2024 (January 1-December 31, 2024). The County's GP APR is prepared by the County of San Diego's Planning & Development Services (PDS) department in collaboration with Housing and Community Development Services (HCDS) and the Department of General Services (DGS). The GP APR focuses only on the unincorporated area of the County where PDS has land use jurisdiction.

The GP APR is required to be prepared and submitted to the County Board of Supervisors, Governor's Office of Land Use and Climate Innovation (LCI), and the California Department of Housing and Community Development (HCD) by April 1st of each year. This Report addresses the following requirements:

- The status of the General Plan and progress in its implementation
- Priorities for land use decision-making
- Actions related to land use, such as General Plan Amendments and Zoning Ordinance updates
- Housing project applications submitted and approved
- The County's efforts to meet its share of the regional housing needs
- Policies, goals, and programs related to implementing the General Plan and Housing Element.

2 Land Use Activities

The County's Planning & Development Services (PDS) department has jurisdiction over land use in unincorporated areas of the County. The County's land use jurisdiction is currently approximately 760,000 acres out of the approximately 2.2 million acres of unincorporated lands. Federal, state, special district, and tribal lands make up the remaining portion of the unincorporated area outside of the County's land use jurisdiction. Land use actions taken by the County affect what can be built, how it's built, and where it's located.

This section covers the County's land use activities, including General Plan amendments, Zoning Ordinance updates, and annexations, all of which can impact what can be done on a given lot of land under single ownership or control, referred to as a *parcel*.

2.1 General Plan Amendments

All jurisdictions in California (State) are required to have a General Plan. The *General Plan* is a planning document that provides the vision, goals, and policies for how a jurisdiction will grow and develop presently and into the future. The County's General Plan also guides what land uses are allowed on all parcels in the unincorporated areas of the County under the County's land use jurisdiction. The current General Plan was adopted by the County Board of Supervisors in 2011.

Projects proposing land use inconsistent with the existing General Plan are able to request *General Plan Amendments (GPAs)*. While GPAs may allow for land uses not originally envisioned by the General Plan, a GPA must still demonstrate overall consistency with the General Plan policy framework. In other words, GPAs must not change the policy intent of the General Plan. GPAs could be supported for a variety of reasons such as increased attainable housing, community parks, or infrastructure improvements. State law allows each of the mandatory elements of the General Plan (i.e., land use, mobility, conservation and open space, noise, environmental justice, safety, and housing) to be amended up to four times during a calendar year. An amendment may be made at any time, and each amendment may include more than one change to the General Plan accordingly (Gov. Code Section 65358(b)). There were no GPAs submitted or approved by the County during calendar year 2024.

2.2 Zoning Ordinance Updates

The County administers its General Plan primarily through its Zoning Ordinance. The General Plan identifies general land use designations while the *Zoning Ordinance* identifies specific uses and development standards. As mandated by the State, the Zoning Ordinance must be consistent with the General Plan, and changes in the General Plan may require an update to the Zoning Ordinance. The Zoning Ordinance must also be consistent with State law. Thus, changes to State law or the General Plan may require an update to the Zoning Ordinance.

2.2.1 2024 Fallbrook Subarea Plan Update

With the support of community and industry stakeholders, staff identified amendments to the Fallbrook Village zoning regulations that will help achieve the long-term vision of the village while removing potential

constraints to development and barriers to housing. Some of the zoning amendments include changes to building setbacks, building height, commercial parking standards, residential density, and a rezone of four privately owned parcels.

2.3 Annexations

Annexations transfer land into or out of the unincorporated area where the County has land use jurisdiction. Land may be incorporated into a neighboring city's jurisdiction, State lands, or tribal governments may purchase land to undergo federal land transfer, converting the land to tribal jurisdiction. Tribal land transfers are considered complete once the Bureau of Indian Affairs (BIA) sends out their Notice of Determination. These annexations may affect the County's housing capacity and existing housing stock in the unincorporated area if the land that was transferred into or out of the County's land use jurisdiction was designated for housing development or contained existing housing. There were no tribal land transfers or interjurisdictional annexations during calendar year 2024, so there was no impact to the County's land designated for housing development or changes to existing housing within the County's unincorporated land due to annexations or tribal land transfers.

3 Housing Development Process & Updates

The process to build new housing in the unincorporated area of the County begins when an application is submitted. There are two review processes that a housing development application received by PDS goes through depending on the specific type and details of a given project – ministerial and discretionary. Housing development applications that go through the *discretionary* process requires review and approval from the relevant approving authority: Director of PDS, Zoning Administrator, County Planning Commission, or Board of Supervisors. Figure 1 below demonstrates the stages a discretionary housing project may go through before being allowed to start construction. *Ministerial* (also referred to as "by-right") project applications are reviewed and approved based on objective criteria. All discretionary housing development projects also go through the ministerial process following discretionary approval to receive the appropriate permit(s) to start construction. More information on the two types of permits, discretionary and ministerial, can be found in this section.

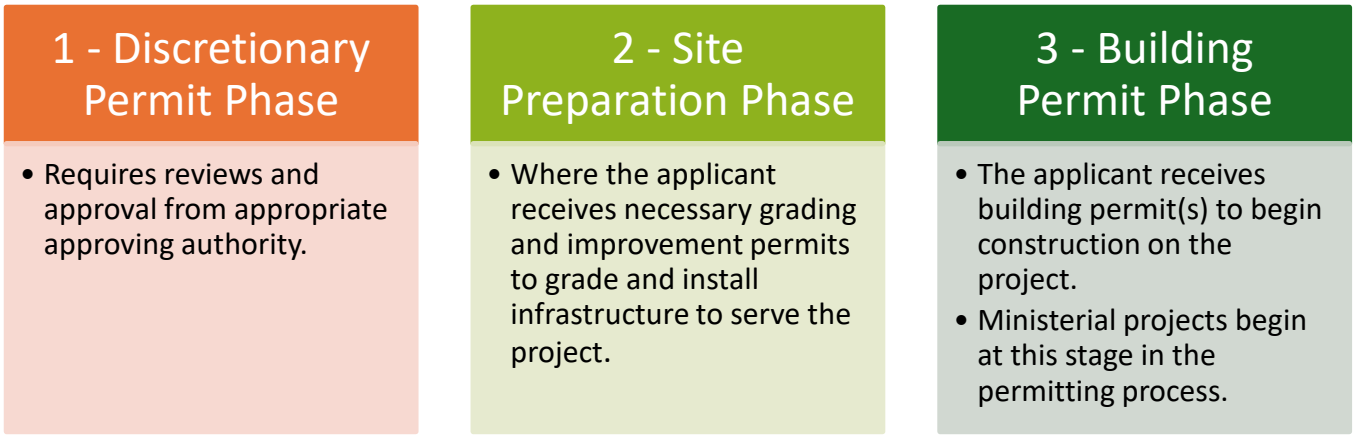

FIGURE 1: HOUSING PERMITTING LIFECYCLE

It is noted that discretionary applications can include a wide variety of projects ranging from large renewable energy projects to warehouses to multi-family homes. However, the GP APR focuses only on those discretionary projects that are anticipated to add new housing units to the County's housing stock within its jurisdiction in the unincorporated area.

3.1 Discretionary Process

Figure 2 summarizes the typical discretionary process.

1. The applicant may elect to have a pre-application meeting with the Project Planning division in PDS.
2. The applicant submits their discretionary permit application(s) to develop a property for housing involving lot *subdivisions* (i.e., the division of a tract of land into defined lots) and/or multiple housing units.

3. The discretionary permit application(s) is (are) reviewed for conformance with applicable ordinances and regulations, including the County General Plan, Zoning Ordinance and Community Plans and Design Guidelines. The applications are also reviewed by private service districts (e.g., water and/or sewer district(s)), the County's Department of Environmental Health and Quality (DEHQ), PDS' Land Development division, and other departments or independent agencies who provide conditions for project approval. Discretionary permit applications undergo an environmental review to meet California Environmental Quality Act (CEQA) requirements, which often includes a public review period. The project is presented to the Director of PDS, Zoning Administrator, County Planning Commission, or the County Board of Supervisors, depending on the type of discretionary permit(s) required, who has the authority to approve, approve with conditions or deny the discretionary permit(s).
4. Once a housing development project has received approval of the discretionary permit(s), the applicant then can receive grading and improvement permits to grade and install infrastructure to serve the projects and building permit(s) to begin the construction phase of the project.

FIGURE 2: DISCRETIONARY PROCESS

3.2 Ministerial Process

All development projects within the unincorporated County require a building permit. The rights to obtain these permits can either be granted by virtue of the current Zoning Ordinance and the General Plan, or by first going through the discretionary process described in the above section. Project types incentivized under State streamlining processes (e.g., in line with specific state legislation) are also eligible to begin the process through the *ministerial* (also referred to as "by right") process (Figure 3). As such, the State and the County are working to make more housing project types eligible to go through the ministerial process.

It is important to note that some projects contain multiple components (e.g., a project may require the creation of a *Specific Plan* to allow for the densities it plans for; following that, a Tentative Map can be required to ensure that the subdivision into individual lots complies with the Specific Plan. This can be completed prior to applying for ministerial building permits.), in which some components of the project may be eligible to be approved ministerially, while other components of the project may need to go through the discretionary process to get approved. Most discretionary project types must also undergo a ministerial building permit process to obtain the required permits to start construction.

During construction, inspections must be performed at various stages, and once construction is complete, a final inspection will be conducted to ensure the building meets all requirements for health, safety, and code before allowing any type of occupancy. Once the building passes the final inspection, the construction is designated as *complete*.[1] Various factors beyond the County's building permitting process and general purview may impact the construction of housing, such as availability of materials, financing, or labor shortages.

[1] The designation of a housing unit as complete upon passing the final inspection is equivalent to having received a Certificate of Occupancy (COO). PDS does not currently provide a physical Certificate of Occupancy.

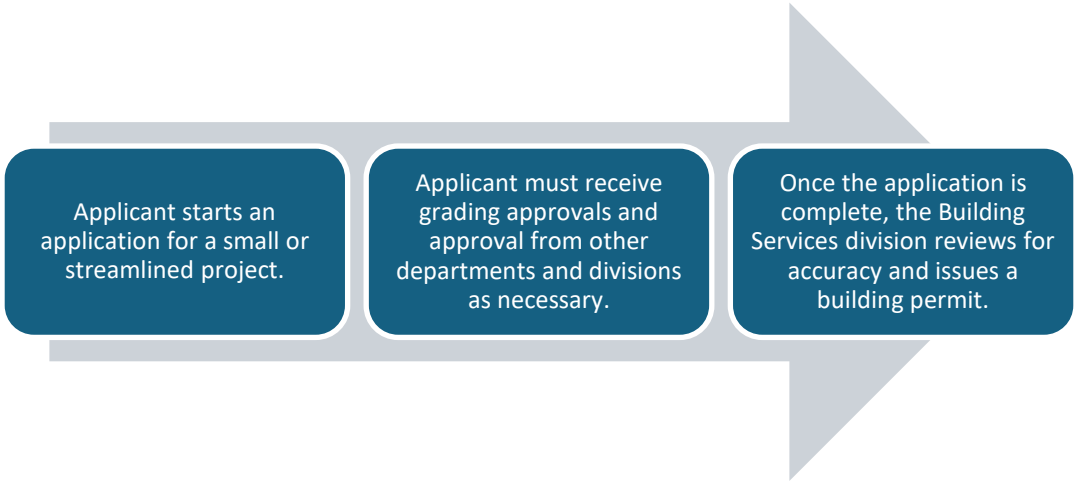

FIGURE 3: MINISTERIAL PROCESS

3.3 Housing Development Timeline & Considerations

Permit & Development Process Lifecycle

The time to bring a housing development project from project concept to getting approved through the permitting process(es) to a constructed home ready for move-in varies greatly depending on the specific details of the project and individual project applicants. Not all project applicants with approved discretionary housing applications will apply for grading and building permits to start construction immediately. Additionally, even for housing projects where a building permit has been issued, the applicant may not start construction immediately or build at all, due to various factors affecting the feasibility of construction outside of the County's purview, such as financing, supply chain issues, labor availability, and shifts in market conditions. In short, it is unlikely that a housing project would be approved, complete site preparation, get issued a building permit, and be constructed within the same calendar year. Housing projects and the associated housing units anticipated or built reported in the following sections may reflect projects submitted or approved, respectively, in previous calendar years. Likewise, projects reported as submitted in calendar year 2024 will likely be reflected in further phases of the project permitting and development lifecycle in future calendar years' GP APR reports.

Anticipated Housing Units

As discussed in the previous sections (3.1 and 3.2), projects to develop housing may be approved through two separate yet interrelated processes: discretionary and ministerial. Housing units anticipated to be built through a residential development project feed into a "pool" of all housing units anticipated to be built. Both the discretionary and ministerial processes feed into this "pool." It is important to keep in mind that potential housing units in the "pool" still must be constructed, in which various factors outside

of the County's purview, such as supply chain issues, financing, and labor availability, may impact whether a housing unit ultimately gets built. Figure 4 below demonstrates the pool concept for potential housing units from both permit pathways.

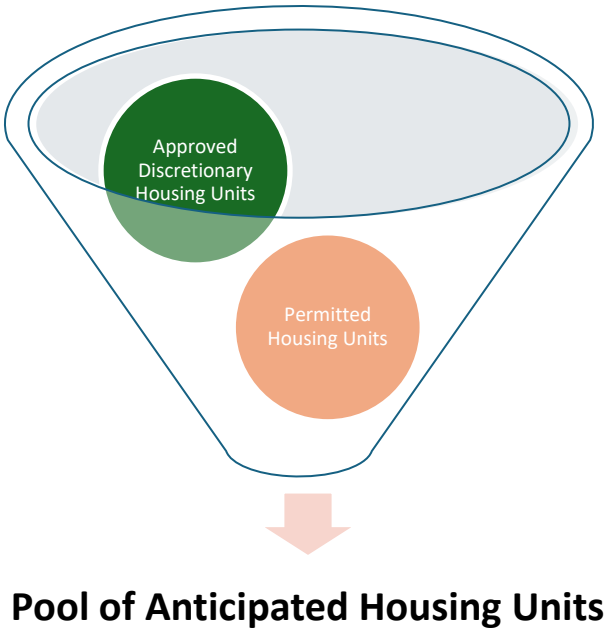

FIGURE 4: POOL OF ANTICIPATED HOUSING UNITS

Housing projects approved through the discretionary process may be offset by housing projects being approved through the ministerial process, consistent with state legislation that has been passed in recent years intended to streamline the permitting process for certain types of housing. For example, the passing of Senate Bill 9 (SB 9; discussed in more detail below), allows for subdivision of lots through a ministerial process. Previously, all subdivisions required discretionary approval. When a housing unit has been built, that housing unit moves from the "pool" of potential units to realized housing units added to the County's housing stock in the unincorporated area.

3.4 New State Laws Related to Housing Development

The California State Legislature has passed multiple pieces of legislation over the last several years that have sought to greatly encourage housing production and affordable housing. Senate Bill (SB) 9, which went into effect in 2022, created a ministerial process to split single family properties into two parcels and build two housing units on each new parcel. Assembly Bill (AB) 2011 and SB 6, effective in 2023, created ministerial and discretionary processes to allow housing in commercial zones. These bills built off a multifamily ministerial process and the criteria outlined in SB 35, effective in 2018. Most recently, SB 684, which went into effect July 1, 2024, allows up to 10 single family housing units on certain multifamily properties regardless of the site's maximum density. Zoned density is the amount of housing units allowed on a land parcel. In 2024, the California Legislature passed a bill (SB 1123) to modify SB 684 to allow up

to 10 units on vacant single-family properties as well. This provision will become effective on July 1, 2025. All of these bills apply in census-designated urban areas which include many major villages, such as Spring Valley, Fallbrook, Ramona, and Alpine, but does not apply in more rural villages, like Julian or Borrego Springs.

3.5 Housing Projects Applications Related to State Law

Under SB 9, PDS processes Tentative Parcel Maps (TPMs) for subdivisions into two lots through the ministerial process. In 2024, ten SB 9 TPM applications were submitted for 20 housing units. Table 1 shows the applications submitted through the SB 9 TPM subdivision process.

TABLE 1: SUBMITTED SENATE BILL (SB) 9 APPLICATIONS 2024

2024 Submitted SB 9 Applications			
ID	**Project Name**	**Community**	**Housing Units***
TPM-21441	Morales SB 9 2 Lot TPM	Vista	2
TPM-21456	Fares TPM SB 9 2-Lot	Escondido	2
TPM-21460	Barrett TPM SB 9 2 Lot	El Cajon	2
TPM-21461	Baughman TPM SB-9 2 Lot	La Mesa	2
TPM-21462	The Keys Project SB 9 2-Lot TPM	Spring Valley	2
TPM-21464	Woolf TPM SB 9	Alpine	2
TPM-21465	Cleal TPM SB 9	Escondido	2
TPM-21466	Reich TPM SB 9	Fallbrook	2
TPM-21469	Valenzuela TPM SB 9	Jamul	2
TPM-21470	Kirovski TPM SB 9	Escondido	2
Total			**20**

Note. Data as of February 3, 2025.

Table 2 shows the SB 9 projects approved in 2024 and the anticipated housing units associated with these approved SB 9 projects. There were 24 SB 9 projects approved associated 48 new anticipated housing units.

Two housing units are currently allocated to each SB 9 project (i.e., one housing unit for each new lot created after the lot split), as housing units have resulted in the unincorporated area from County approved SB 9 projects in prior years. Housing units associated with SB 9 projects (submitted and approved) are considered to be anticipated, not guaranteed, as the actual housing units for these projects will be determined once the project moves further along in the permit and development process lifecycle.

TABLE 2: APPROVED SENATE BILL (SB) 9 APPLICATIONS 2024

2024 Approved SB 9 Applications			
ID	**Project Name**	**Community**	**Housing Units***
TPM-21277	Coleman Tentative Parcel Map SB 9 2 lot subdivision	Escondido	2
TPM-21300	Jones SB 9 TPM	Fallbrook	2
TPM-21308	Hasan and Mizel Lot (2 LOT TPM SB 9)	El Cajon	2
TPM-21309	Aleman Santiago TPM (SB 9-2 Lot)	Spring Valley	2
TPM-21311	Leaf Lane 2- Lot TPM SB 9	Escondido	2
TPM-21318	Cooper TPM (SB 9)	Fallbrook	2
TPM-21320	Collins 2 Lot SB 9 TPM	Bonita	2
TPM-21326	Sparhawk SB 9 TPM	La Mesa	2
TPM-21330	Lavach TPM SB 9	Lakeside	2
TPM-21332	Valenti 2 lot SB 9 TPM	Rancho Santa Fe	2
TPM-21334	Gutierrez TPM SB 9 2- Lot	Bonita	2
TPM-21440	Nunez SB 9 2 Lot TPM	Fallbrook	2
TPM-21443	SB 9 2-Lot TPM	Spring Valley	2

TPM-21448	Yates SB 9 2-Lot TPM	Lakeside	2
TPM-21450	Georgees SB 9 2-Lot TPM	La Mesa	2
TPM-21452	Segni SB 9 2-Lot TPM	Lakeside	2
TPM-21453	Potra TPM SB 9	El Cajon	2
TPM-21456	Fares TPM SB 9 2-Lot	Escondido	2
TPM-21460	Barrett TPM SB 9 2 Lot	El Cajon	2
TPM-21461	Baughman TPM SB-9 2 Lot	La Mesa	2
TPM-21462	The Keys Project SB 9 2-Lot TPM	Spring Valley	2
TPM-21464	Woolf TPM SB 9	Alpine	2
TPM-21465	Cleal TPM SB 9	Escondido	2
TPM-21466	Reich TPM SB 9	Fallbrook	2
Total			**48**

Note. Data as of February 3, 2025.

4 Discretionary Housing Projects

Discretionary housing projects can cover a variety of project types representing different housing types. The following sections will describe each private housing development application type and associated anticipated housing units in more detail. Tables 3 and 4 showing the new discretionary housing projects submitted and approved during 2024, respectively, also indicates the number of deed restricted units. Deed restricted units have a private restriction on the income level of the occupants to ensure housing is available for all income levels.

In 2024, 16 new discretionary applications for housing projects were submitted with a total of 2,025 housing units. There were eight discretionary housing applications approved during calendar year 2024 for 183 units. These numbers exclude SB 9 projects, which were covered in the previous section (3), but are included in the housing unit totals submitted to the Department of Housing and Community Development. The discretionary process rarely takes place within a single calendar year, as the approval and revision processes may include various steps, such as environmental review under CEQA, and may also involve other non-County private and public entities; therefore, timing for housing projects moving through the discretionary process is variable depending on the specific details and requirements for a given project. As such, discretionary housing project applications submitted and approved may reflect projects started in different calendar years.

4.1 Discretionary Housing Project Applications Submitted

There are many different types of discretionary housing projects depending on the details of the project. Table 3 shows the new discretionary project applications submitted by project type. A *Tentative Map* (TMs) is the subdivision of a lot or lots into a total of five lots or more. In 2024, six Tentative Maps were submitted for 676 housing units. *Tentative Parcel Maps (TPMs)* are used to subdivide land into four lots or less. In 2024, four Tentative Parcel Map applications were submitted for 10 housing units.

A Site Plan is a type of discretionary permit that is required prior to the construction of a project. As required by the Zoning Ordinance, which defines how specific geographic zones can be used*, Site Plans* show the physical site design, vehicular and pedestrian access, and the interrelationship of these elements. They also establish conformance with community design guidelines and Zoning Ordinance regulations, such as parking, setbacks, height, signage, and landscaping. Site Plans are reviewed for conformance with the California Environmental Quality Act (CEQA) to determine if the project may have any impacts on the environment. Typical topics reviewed for CEQA include biological resources, cultural resources, noise, and traffic. Residential Site Plan (STP) projects do not subdivide lots and are typically for housing types that include multi-family housing. In 2024, five residential Site Plans were submitted for 33 housing units.

In 2024, one other residential project, a Specific Plan Amendment, was submitted. This plan applied for 1,306 housing units to be developed.

As mentioned previously, there may be changes to the housing units made to submitted discretionary projects as the project moves through the discretionary review and approval process. Therefore, it is not guaranteed that all the submitted discretionary applications will be approved with the anticipated housing

unit totals shown in Table 3. Future years' APRs may include discretionary applications submitted in 2024 (in this report) as approved discretionary applications in future years.

While not counted by the State, a Major Use Permit for a group care facility was also submitted in 2024 for 40 beds, as well as an application that was submitted and later withdrawn.

TABLE 3: SUBMITTED DISCRETIONARY APPLICATIONS BY PROJECT TYPE 2024

2024 Submitted Discretionary Housing Applications by Project Type					
Project Type	**ID**	**Project Name**	**Community**	**Deed Restricted Units**	**Housing Units**
TM	TM-5652	Peppertree Park Villages 7&8	Fallbrook	N/A	46
TM	TM-5653	Vista Valle Camino Subdivision TM	Fallbrook	N/A	6
TM	TM-5654	1140 North First Street Condos	El Cajon	N/A	0
TM	TM-5655	Valley Center - Indian Creek	Valley Center	N/A	575
TM	TM-5656	W Oak Glen Road Subdivision TM	Valley Center	N/A	7
TM	TM-5657	Pasqual Heights	Escondido	4 units Very Low | 3 units Moderate	42
				TM Total	**676**
TPM	TPM-21458	Mora Lot Split	El Cajon	N/A	2
TPM	TPM-21463	Fortuna Ranch TPM 2- Lot	Encinitas	N/A	2
TPM	TPM-21467	Riverford Split	Lakeside	N/A	3
TPM	TPM-21468	Seligman TPM	Rancho Santa Fe	N/A	3
				TPM Total	**10**
Site Plans	STP-24-003	Afdasta STP	Fallbrook	N/A	1
Site Plans	STP-24-007	H Grove NK Investors Site Plan	Escondido	N/A	29
Site Plans	STP-24-010	ADU at 4628 Sun Valley Rd Site Plan	Del Mar	N/A	1
Site Plans	STP-24-016	5872 Rancho Diegueno Rancho Road, Del Mar STP	Rancho Santa Fe	N/A	1
Site Plans	STP-24-017	SAWTOOTH RESIDENCE "R" DESIGNATOR	Del Mar	N/A	1
				Site Plan Total	**33**
Misc.	SPA-24-01	Rams Hill Specific Plan Amendment	Borrego Springs	N/A	1,306
				Misc. Total	**1,306**
Total		**Projects**	**16**	**Housing Units**	**2,025**

Note. Data as of February 3, 2025.

4.2 Discretionary Housing Project Applications Approved

TABLE 4: APPROVED DISCRETIONARY APPLICATIONS BY PROJECT TYPE 2024

2024 Approved Discretionary Housing Applications by Project Type					
Project Type	**ID**	**Project Name**	**Community**	**Affordability Category**	**Housing Units**
TM	TM-5643	Questhaven	Encinitas	4 Very Low Income | 3 Moderate Income	76
TM	TM-5647	Vista II	Vista		37
TM	TM-5650	Honey Hill Condo	Alpine		0*
TM	TM-5609	Residences at the Inn	Rancho Santa Fe		0*
TM	TM-5611	Greenhills Ranch	Lakeside		63
				TM Total	**176**
TPM	TPM-21278	Lehman Tentative Parcel Map	Fallbrook		3
TPM	TPM-21286	Parcel Map	Valley Center		2
				TPM Total	**5**
Site Plans	STP-23-024	Baerg Residence STP	Bonsall		2
				Site Plan Total	**2**
Total		**Projects**	**8**	**Housing Units**	**183**

Note 1. *These projects are for condominium conversions and would not result in additional housing units.

Note 2. Data as of February 3, 2025.

There was a total of eight discretionary housing projects approved in 2024 with 183 housing units anticipated. Now that these discretionary applications are approved, the applicants can move onto the next stage in the permitting process, including obtaining grading and building permits.

4.3 Discretionary Project Revisions and Time Extensions

Applicants may request additional time through time extension applications to receive more time to further their discretionary applications that were approved in prior years. They may also revise discretionary project applications, even for discretionary applications that were approved in prior years. Discretionary project revisions may change the number of housing units for a given project, which if approved in a prior year, would be reported in that GP APR for the year of the initial project approval. Since revised discretionary projects are not *newly* submitted or approved discretionary projects, they are not included in the 2024 GP APR. However, project revisions that change the number of housing units for a given project will change the overall number of housing units in the "pool" that could be built in the future. Two significant project revisions of note are the Otay Majestic project being previously approved for 3,158 housing units in 2018, which was then reverted back to an industrial use, approved by the Board in 2024 and the Valiano project which was approved for 326 housing units in 2018 and was then revised to reduce the project to 243 housing units, approved by the Planning Commission in 2024.

5 RHNA & Completed Homes

5.1 Overview of RHNA

Since 1969, California has required that all local governments (cities and counties) adequately plan to meet the housing needs of everyone in the community. The California Housing and Community Development (HCD) department determines how much housing at various affordability levels is needed in each region. In the San Diego region, the San Diego Association of Governments (SANDAG) develops a methodology to allocate that housing need to local jurisdictions in the region, including the County for the unincorporated area within its land use jurisdiction. Local governments are responsible for updating their Housing Elements every eight years to provide sufficient land use and zoning capacity to accommodate their share of housing for each affordability level, as measured by the land use capacity for homes. The SANDAG Board of Directors approved the final Regional Housing Needs Allocation (RHNA) Plan for the sixth (6^{th}) cycle on July 10, 2020. The allocation of homes for each housing element cycle are independent and are not cumulative. This means that housing units from a previous cycle do not "roll over" into subsequent cycles. For the RHNA sixth cycle from 2021 to 2029, the entire region has been allocated 171,685 housing units to meet the region's need for new housing. Of the regional allocation, the unincorporated County has been allocated 6,700 housing units. This Report tracks the progress towards meeting the allocation annually. The housing units associated with projects that have been issued building permits to start construction (*permitted housing units*) serve as the measure for tracking progress towards the RHNA housing goal.

The affordability categories are based on each jurisdiction's Area Median Income (AMI) and the average federal interest rate for the calendar year. This means the ranges for each affordability category changes from year to year to reflect the current market. The AMI for San Diego County for 2024 was $119,500 and the federal interest rate used to allocate housing units into the RHNA affordability categories was 6.8%. New housing units for the calendar year need to be divided across the following RHNA affordability categories: Very Low (50% or below AMI), Low (51-80% AMI), Moderate (81-120% AMI), and Above Moderate (above 120% AMI). Housing units counted under the RHNA affordability categories may not all be considered *affordable housing*, which refers to housing in which the occupant is not paying more than 30% of gross income, including utilities, for housing costs (rent or mortgage; U.S. Housing and

Urban Development).[2] Affordable housing may also be *deed-restricted*, placing restrictions on the recorded deed for how the property may be used (e.g., cannot raise rent to market value). The affordability categorizations are based on current market data. The State requires sorting housing units into affordability categories when a building permit is issued to provide a picture of what the anticipated additional housing units to the housing stock may look like for local jurisdictions as part of understanding broader housing needs across the state and addressing the housing crisis.

5.2 Completed Housing Units

The County tracks permitted housing units, as well as housing units that are complete (i.e., built and final inspection passed) and ready for move-in. Permitted and completed housing units for 2024 are provided in Table 5 by affordability category. While permitted housing units are the relevant measure for RHNA, completed housing units are also shown below to provide another view of progress with housing units that were completed and ready for move-in during 2024. Homes may take more than a single calendar year build, due to the specific details of a given project and factors, like supply chain issues, labor availability, or financing that may impact construction of that project. Thus, a home that was issued a building permit may not be completed and ready for move-in during the same calendar year.

[2] The 30% of income threshold serves as the indicator of housing affordability to ensure that households have enough money available to pay for other essential needs, such as food, transportation, and healthcare.

TABLE 5: HOUSING UNITS PERMITTED AND COMPLETED BY AFFORDABILITY CATEGORY 2024

2024 Housing Units Permitted and Completed by Affordability Category		
Affordability Category	**Permitted Housing Units**	**Completed Housing Units**
Extremely Low and Very low	149	78
Low	285	144
Moderate	224	168
Above Moderate	430	564
Total	**1,088**	**954**

Note 1. Data as of January 13, 2025.

Note 2. Totals shown in this table reflect housing units for projects that have received building permits to begin construction. These totals do not include totals for discretionary projects or SB 9 projects.

5.3 Regional Housing Needs Assessment (Sixth Cycle) Progress

Table 6 shows the County's progress towards meeting its RHNA allocation in the sixth housing cycle. The sixth housing cycle is from 2021 to 2029, however due to variations in reporting years across the state, half of the transition year 2020 counts towards the sixth cycle. The County issued permits for 5,645 housing units between July 1, 2020, and December 31, 2024, meeting 84% of the total RHNA allocation. As can be seen in Table 6, the County has already surpassed the goal for Moderate and Above Moderate affordability categories and is close to meeting its goal for the Low affordability category. However, the Very Low affordability category continues to be an area of challenge, as housing meeting Very Low affordability generally require subsidies, grants, and/or other forms of financial assistance for development. An affordable housing project receiving funding support through the County for a senior living complex and permanent supportive housing in Vista consisting of 85 affordable housing units received building permits in 2024 and is continuing to move forward. The County is also in the process of developing an Inclusionary Housing Ordinance to help facilitate the building of affordable housing at the Very Low and Low affordability levels.

TABLE 6: 6TH CYCLE RHNA PROGRESS

	Very Low (Less than 50% of AMI)	Low (50-80% of AMI)	Moderate (80-120% of AMI)	Above Moderate (Over 120% of AMI)	Subtotal
RHNA Allocation	1,834	992	1,165	2,709	**6,700**
Permitted Housing Units During 6th Cycle					
Jul. 1, 2020 to Dec. 31, 2020	12	27	169	193	**401**
Jan. 1, 2021 to Dec. 31, 2021	46	318	398	663	**1,425**
Jan. 1, 2022 to Dec. 31, 2022	132	181	235	963	**1,511**
Jan. 1, 2023 to Dec. 31, 2023	101	174	215	730	**1,220**
Jan. 1, 2024 to Dec. 31, 2024	149	285	224	430	**1,088**
Total RHNA Progress					
Units	440	987	1,242	2,976	**5,645**
Percentage	24%	99%	107%	110%	**84%**

Note 1. Data as of January 13, 2025.

Note 2. Totals shown in this table reflect housing units for projects that have received building permits to begin construction. These totals do not include totals for discretionary projects or SB 9 projects.

ADUs & Affordability Categorization

The permitted housing units allocated across the affordability categories reflect various types of housing, including single-family homes, multifamily housing, manufactured homes, and Accessory Dwelling Units (ADUs). Market data was used to determine the affordability level of each housing unit (see Appendix 3 for further explanation of methodology). The overall make-up of the types of permitted housing units within each affordability category differs. For example, ADUs made up almost 45% (489) of the overall permitted housing units. Approximately 68.5% (102) of the permitted housing units in the Very Low affordability category were ADUs and approximately 31.5% (47) being 5+ multifamily units in the Very Low category. For the Low affordability category, approximately 51.6% (147) of permitted housing units were ADUs and for the Moderate category 84.3% (189) were ADUs, while ADUs made up only 11.9% (51) of the permitted housing units in the Above Moderate category. For the Above Moderate category, 75.1% (323) of the permitted housing units were single family homes.

The use of market data for allocating ADUs to affordability categories has some notable limitations. Not all ADUs will be represented by the market data if ADUs are not available on the market for rent (ADUs cannot currently be sold separately from the primary housing unit in the County). According to a 2021 report from the UC Berkeley Center for Community Innovation, "ADUs often serve as affordable housing for friends or relatives: 18% of the state's new ADUs provide no-cost housing for family members (16%) or friends (2%)" (p. 14).[3] Since market value estimations for ADUs that have never been on the rental market are not available, an estimate of 18% of ADUs were considered to be "no-cost" housing categorized in the Very Low affordability category. Given the lack of data available for these ADUs that are not and have never been on the market, it is assumed that this "no-cost" housing may meet the *intent* of the Very Low affordability category by providing housing for people who may otherwise qualify for housing within the Very Low affordability category. However, it is important to note that there is no guarantee that these "no-cost" housing units categorized as Very Low affordability would remain that way in the future if put on the market, as these ADUs are not deed-restricted. Other caveats to this approach include ADUs that are used as short-term vacation rentals (STVRs), home offices, or other used that are not captured by the rental market data used in this report and off-market ADUs where the owner lives or that the condition of the ADU doesn't meet the standards for a rental unit.

5.4 Housing Production and Capacity Portal

The General Plan identified the total capacity for 239,948 housing units in the unincorporated area, including existing homes. The remaining capacity for housing development under the General Plan reflects changes in land use capacity from annexations, changes in conservation lands, and General Plan Amendments that can increase or decrease capacity for housing development, as well as approved discretionary projects that reduce the remaining capacity under the General Plan based the current model.[4]. The County utilizes a Housing Production and Capacity Portal to track these changes and generate an estimate of remaining capacity under the General Plan.

[3] Chapple, K., Ganetsos, D., and Lopez, E. (April 22, 2021). *Implementing the Background Revolution: Perspectives of California's ADU Owners*. University of California at Berkeley Center for Community Innovation.
[4] Currently, the capacity estimate does not reflect constructed housing units that have been completed.

6 Housing Element & Policies

The County of San Diego Board of Supervisors (Board) is dedicated to addressing the housing crisis through implementing the Housing Element that was approved in 2021 and through additional Board directed actions. The State of California requires jurisdictions to report on their progress in implementing the Housing Element.

6.1 Housing Element Implementation Plan Progress

The Housing Element acts as a guiding document to what the County is doing to support housing development. It includes zoning information and an implementation plan that lays out the policies and programs the County is committed to completing during the 6th cycle (2021 – 2029) that will increase housing production. This section lays out the actions completed in the calendar year 2024. For a full report of all implementation items and their status, see Appendix 1 Table D.

6.1.1 Policies and Actions Brought to Public Hearing

6.1.1.1 Inclusionary Housing Ordinance – Directed to Return 2026

The Inclusionary Housing Ordinance would require some new housing developments to include a few units as affordable to lower and moderate-income residents. The program would offer expanded density bonus and incentives to market-rate developers for providing affordable housing and offer alternative ways to comply with the ordinance such as paying a fee towards future affordable units instead of including affordable units on site. The Inclusionary Housing Program was presented to the Board of Supervisors in 2024; the Board directed staff to return after a Vehicle Miles Travelled (VMT) mitigation program and the Development Feasibility Analysis are presented.

6.1.1.2 Opportunities for Streamlining Affordable and Attainable Housing – A Direction Received

On October 9, 2024, the Board of Supervisors received the materials for the Opportunities for Streamlining Affordable and Attainable Housing and directed staff to proceed with all the recommendations provided to develop the following:

- Small Lot Subdivision Program
- Senior Housing and Assisted Living Facility Program
- Expanded By-Right Program
- Development of a local Accessory Dwelling Units (ADUs) Ownership Opportunities Program

6.1.2 Policies and Actions Completed Internally

6.1.2.1 Lot Consolidation Assistance Program

This program was completed this year. Staff interviewed stakeholders to identify resources that could support development on certain sites identified in the Housing Element Site Inventory. Staff developed technical assistance for lot consolidations. These include a web map of lots identified for consolidation in

the Housing Element Site Inventory, an updated checklist, and website that includes an FAQ section. These resources are available at Lot Consolidation.

6.1.2.2 ADU Assistance & Resources

The County continues to provide programs to facilitate the development of ADU, including pre-approved ADU plans free of charge. An ADU Handbook was created and shared publicly to provide information for developing ADUs. The ADU Handbook can be found on the County's website - ADU Information.

6.1.2.3 Programs Completed through State Law Implementation

A few programs from in the Housing Element (HE) implementation plan passed in 2021 have been satisfied by subsequent state laws. PDS has implemented new state laws including AB 2011 and SB 6 to complete Housing Element program 3.1.1.H (Housing Yields in Mixed-Use Zones), SB 35 & SB 330 through completing program 3.1.1.F (Objective Design Standards), and AB 1397 through satisfying program 3.1.1.B (By-Right Program)

6.1.3 Housing Element Implementation Actions in Progress

6.1.3.1 Inclusionary Housing Ordinance – Return

The Inclusionary Housing Ordinance is expected to return to the Board in 2026 for consideration for adoption.

6.1.3.2 Proactive Housing Rehabilitation Resources

Staff has begun identifying potential data sources to identify areas of concentrated rehabilitation needs to complete Housing Element program 3.6.7.C (Proactive Housing Rehabilitation Resources). By the end of 2025, staff are expected to develop a proactive housing rehabilitation resources program that targets areas of concentrated rehabilitation needs to facilitate repairs and to mitigate potential costs, displacement, and relocation impacts on residents.

6.2 Additional Housing Policies & Programs

This Report is a snapshot in time that focuses on State reporting requirements. In addition to the activities listed above, the County has other policies and programs that aim to support housing. The County has also been recognized by the State as a Pro Housing Jurisdiction for its dedication to housing development. See the below list for the websites of other projects related to housing:

- Housing Blueprint | Engage San Diego County
- Removing Barriers to Housing Production | San Diego County News Center
- Transformative Housing Solutions

Appendix 1 – Annual Housing Element Progress Report

Each jurisdiction (city council or board of supervisors) must prepare an Annual Progress Report (APR) on the jurisdiction's status and progress in implementing its housing element (Government Code Section 65400(2)(B)). The following pages include information on entitled projects, building permits issued, and Certificates of Occupancy. Entitled projects are analogous to discretionary projects approved by the Board, Planning Commission, or PDS Director. Certificates of Occupancy are analogous to completed building permits issued by the Building Division. The format of the following tables is established by the State of California, Department of Housing and Community Development (HCD) and the information is transmitted to HCD electronically.

Section	Description
Start Here	General information
Table A	Housing development applications submitted
Table A2	Annual building activity report summary – new construction, entitled, permits, and completed units
Table B	Regional Housing Needs Allocation progress
Table C law	Sites identified or rezoned to accommodate shortfall housing need and no net loss
Table D	Program implementation status
Table E	Commercial development bonus approved
Table F	Units rehabilitated, preserved, and acquired for alternative adequate sites
Table F2	Above Moderate Income units converted to Moderate Income
Table G	Locally Owned Lands Included in the Housing Element Sites Inventory that have been sold, leased, or otherwise disposed of
Table H	Locally Owned Surplus Sites
Table J	Density Bonus for Low Income student housing
Table K	Tenant Preference Policy
LEAP Reporting	Local Early Action Planning (LEAP) Reporting
Summary	Overview of data provided in Appendix 1

Appendix 2 – Housing Successors to Redevelopment Agencies

On January 24, 2012, the County of San Diego was designated as the Successor Agency to the Redevelopment Agency. The Successor Agency is required to oversee the close out of the former Redevelopment Agency's operations. In accordance with Health and Safety Code Section 34176.1(f) of Senate Bill 341, a status update is provided of the assets of the two redevelopment areas, known as Gillespie and the Upper San Diego River Improvement Project. The County of San Diego Housing and Community Development Services has the responsibility of monitoring these developments annually and tracking the Low and Moderate Income Housing Fund. Fiscal year 2022-23 asset balances are identified in Attachment B. The Comprehensive Annual Financial Report outlines the financial activity for the Low and Moderate Income Housing Fund, as required by law.

Attachments

SB 341 Compliance Report and its Attachment A and B

Comprehensive Annual Financial Report (excerpt)

Appendix 3 – Methodology

Point-in-Time Reporting

Data reported in the General Plan and Housing Element Annual Progress Report (GP APR) reflects a point-in-time snapshot as of the date that the data was extracted from the department's database. Data for housing projects moving through the permitting process is dynamic. For example, projects may be changed or withdrawn by the applicant, or projects may be approved or denied for a permit(s). Therefore, data pulled at a later date will reflect changes and updates to projects, which may adjust totals for projects and housing units associated with a given project.

Housing Units: Permitted and Completed

Permitted housing units are the housing units associated with residential projects where a building permit has been issued to allow construction to begin. Completed housing units are the housing units associated with residential projects that have been constructed and have passed the final inspection and are now ready for move-in. Issued and completed permits for between January 1 – December 31, 2024, along with reissued permits after 7/1/2020 for the respective time period, were extracted from the database on January 13, 2025. These three datasets were combined into a single dataset, which were then de-duplicated and cleaned.

The address and type of structure for each record was extracted from the Description field. Records were classified into the HCD housing types (e.g., multi-unit, ADUs, mobile home/manufactured homes, single-family dwelling) based on HCD's categorization criteria, which includes the number of buildings, numbers of single-family dwellings, total housing units, and existing address types to determine the appropriate classification of units associated with each record. Square footage for each record was the extracted; however, in some cases it was not possible to extract these values. A manual review was conducted to verify and complete the square footage for any cases that were unable to be identified previously.

Consistent with the requirements for reporting Accessory Dwelling Units (ADUs) provided by the California Department of Housing and Community Development (HCD), ADUs (includes attached and detached) and Junior ADUs (JADUs) associated with a permit were included in the ADUs reported.

Permitted and completed housing units are reported separately in accordance with HCD's requirements. For most projects, it is unlikely that a project would be permitted and completed within the same calendar year. However, for some smaller projects, such as ADUs, a project may be permitted and completed within the same calendar year. Those projects will be counted in the permitted and completed housing unit totals, respectively, as these are separate. Therefore, totals for the permitted housing units and completed housing units cannot simply be added together for an overall total.

Submitted and Approved Discretionary Applications

Discretionary project applications that were submitted or approved between January 1 – December 31, 2024 were extracted on February 3, 2025, records were cleaned, and then categorized according to the HCD categories consistent with the defined criteria from HCD. Housing units associated with these applications on the date of extraction from the database were reported. It is noted that discretionary project applications may be updated, changed, or withdrawn, so the number and associated housing units for the discretionary applications submitted or approved, respectively, may change in the future, which may be reflected in future reporting for the period of January 1 – December 31, 2024. For SB 9 projects, two housing units were allocated to each SB 9 project (i.e., one housing unit for each new lot created after the lot split), as housing units have resulted in the unincorporated area from County approved SB 9 projects in prior years.

Home Affordability Calculator for Affordability Categorizations

A household size of four people was used for determining income levels from the HCD State Income Limits[5] for all housing types, except ADUs (see Assumptions for ADUs section for more information). Home Expenses is a variable also included in the calculation to determine the Maximum Affordable Home Price and were provided by HCD as guidelines to use in the calculations. These calculations determine income by household size and the income threshold for each affordability category. This data provided by HCD is used with the API to determine the maximum affordable home by price given the income level. The objective of the Home Affordability Calculator is to input the outlined HCD variables into a series of formulas and functions to output the Maximum Affordable Home Price and Maximum Monthly Living costs to determine the maximum home price that a buyer can afford based on their maximum monthly payment and other financial factors for a realistic estimate of affordability. A formula was created to calculate the Maximum Affordable Home Price based on a given Maximum Monthly Mortgage Payment, considering factors including interest rate, mortgage period, down payment, property tax, private mortgage insurance (PMI), insurance, utilities, and household size. Consistent with HCD guidelines, anything above Moderate Income is classified as Above Moderate.

Zillow housing records were pulled according to the address and coordinates of the property. If a property record was not found that corresponded to the correct address, a similar property was used based on a search radius, home type, and square footage. The property information, such as price, was then compared to the income level categories calculated by the Home Affordability Output.

Home Affordability Output

Income Level	Max Affordable Home Price	Annual Income	Max Monthly Living
Acutely Low	$ 21,702.37	$ 17,950.00	$ 1,495.83
Extremely Low	$ 107,822.91	$ 45,450.00	$ 3,787.50
Very Low	$ 202,712.08	$ 75,750.00	$ 6,312.50
Low	$ 345,202.42	$ 121,250.00	$ 10,104.17
Median	$ 339,722.02	$ 119,500.00	$ 9,958.33
Moderate	$ 489,415.17	$ 143,400.00	$ 11,950.00

Note. Based on household size of four.

The Home Affordability Output was then used with the Zillow housing records for each permitted and completed housing unit, respectively, to allocate housing units into the appropriate affordability category.

Assumptions for ADUs

For ADUs, a household size of two was considered for determining income levels from the HCD State Income Limits, due to the size constraints of ADUs. The maximum allowable square footage for ADUs is 1,200 square feet.

Rental prices were used for classifying ADUs against the HCD State Income Limits. Currently, ADUs on the market are only available for rent, as the County currently does not allow ADUs to be sold separately.

Market Distribution for ADUs

HCD has recommended that the affordability distribution based on market data for ADUs be updated every two years to remain current with local market trends. Current market data was obtained using the Zillow API. Completed ADUs currently available on the market for rent were then assigned to the appropriate affordability category. Three percent of the ADUs fell into the Very Low affordability category, 37% into Low, 47% into Moderate, and 13% into the Above Moderate category for the market distribution.

Off-Market ADUs

According to a 2021 report from the UC Berkeley Center for Community Innovation, ADUs often serve as affordable housing for friends or relatives, with 18% of new ADUs providing no-cost housing for family members (16%) or friends (2%). Since market data for ADUs that have never been on the rental market are not available, an estimate of 18% of ADUs was included in the overall ADU distribution. The normalized distribution for ADUs is shown in the below table.

Affordability	2024-2025 (normalized)
Very Low	21%
Low	30%
Moderate	38%
Above Moderate	11%

Assumptions for Off-Market ADUs

Off-market ADUs may be considered “no-cost” housing, assuming that family members or friends may be occupying these ADUs. Given the lack of available data regarding estimated affordability of off-market ADUs, it was assumed that this “no-cost” housing may meet the *intent* of the Very Low affordability category by providing housing for people who may otherwise qualify for housing within the Very Low affordability category.

Limitations

There is no guarantee that these “no-cost” housing units categorized as Very Low affordability would remain that way in the future if put on the market, as these ADUs are not deed-restricted. Other caveats to this approach include ADUs that are used as short-term vacation rentals (STVRs), home offices, or other used that are not captured by the rental market data used in this report and off-market ADUs where the owner lives or that the condition of the ADU doesn’t meet the standards for a rental unit. It is also acknowledged that the estimate of 18% of ADUs being off-market is based on limited available research, notably survey data from Chapple and Lopez (2021), since pricing estimates for off-market ADUs are not available in market data.

Please Start Here

General Information	
Jurisidiction Name	San Diego County - Unincorporated
Reporting Calendar Year	2024
Contact Information	
First Name	Vince
Last Name	Nicoletti
Title	Director Planning & Development Services
Email	vince.nicoletti@sdcounty.ca.gov
Phone	6199930042
Mailing Address	
Street Address	5510 Overland Avenue | Suite 210 | MS: O-377
City	San Diego
Zipcode	92123

Optional: Click here to import last year's data. This is best used when the workbook is new and empty. You will be prompted to pick an old workbook to import from. Project and program data will be copied exactly how it was entered in last year's form and must be updated. If a project is no longer has any reportable activity, you may delete the project by selecting a cell in the row and typing ctrl + d.

Click here to download APR Instructions

Click here to add rows to a table. If you add too many rows, you may select a cell in the row you wish to remove and type ctrl + d.

v_01_23_25

Optional: This runs a macro which checks to ensure all required fields are filled out. The macro will create two files saved in the same directory this APR file is saved in. One file will be a copy of the APR with highlighted cells which require information. The other file will be list of the problematic cells, along with a description of the nature of the error.

with the table split across 4 tabs, each of which can fit onto a single page for easier printing. Running this macro will remove the comments on the column headers, which contain the instructions. Do not save the APR file after running in order to preserve comments once it is reopened.

Optional: This macro identifies dates entered that occurred outside of the reporting year. RHNA credit is only given for building permits issued during the reporting year.

Link to the online system: https://hcd.my.site.com/hcdconnect

Toggles formatting that turns cells green/yellow/red based on data validation rules.

Submittal Instructions

Please save your file as Jurisdictionname2024 (no spaces). Example: the city of San Luis Obispo would save their file as SanLuisObispo2024

Housing Element Annual Progress Reports (APRs) forms and tables must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1 of each year for the prior calendar year; submit separate reports directly to both HCD and OPR pursuant to Government Code section 65400. There are two options for submitting APRs:

1. **Online Annual Progress Reporting System - Please see the link to the online system to the left.** This allows you to upload the completed APR form into directly into HCD's database limiting the risk of errors. If you would like to use the online system, email APR@hcd.ca.gov and HCD will send you the login information for your jurisdiction. *Please note: Using the online system only provides the information to HCD. The APR must still be submitted to OPR. Their email address is opr.apr@opr.ca.gov.*

2. **Email -** If you prefer to submit via email, you can complete the excel Annual Progress Report forms and submit to HCD at APR@hcd.ca.gov and to OPR at opr.apr@opr.ca.gov. Please send the Excel workbook, not a scanned or PDF copy of the tables.

Jurisdiction	ego County - Unincorporated	
Reporting Year	2024	(Jan. 1 - Dec. 31)
Housing Element Planning Period	6th Cycle	04/30/2021 - 04/30/2029

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	47
	Non-Deed Restricted	102
Low	Deed Restricted	43
	Non-Deed Restricted	242
Moderate	Deed Restricted	0
	Non-Deed Restricted	224
Above Moderate		430
Total Units		**1088**

Note: Units serving extremely low-income households are included in the very low-income

Units by Structure Type	Entitled	Permitted	Completed
Single-family Attached	0	0	144
Single-family Detached	0	336	332
2 to 4 units per structure	0	0	4
5+ units per structure	0	174	21
Accessory Dwelling Unit	0	489	369
Mobile/Manufactured Home	0	89	84
Total	**0**	**1088**	**954**

Infill Housing Developments and Infill Units Permitted	# of Projects	Units
Indicated as Infill	309	309
Not Indicated as Infill	779	779

Housing Applications Summary	
Total Housing Applications Submitted:	27
Number of Proposed Units in All Applications Received:	2,054
Total Housing Units Approved:	14
Total Housing Units Disapproved:	0

Use of SB 423 Streamlining Provisions - Applications

Number of SB 423 Streamlining Applications	0
Number of SB 423 Streamlining Applications Approved	0

Units Constructed - SB 423 Streamlining Permits			
Income	**Rental**	**Ownership**	**Total**
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	**0**	**0**	**0**

Streamlining Provisions Used - Permitted Units	# of Projects	Units
SB 9 (2021) - Duplex in SF Zone	4	4
SB 9 (2021) - Residential Lot Split	1	1
AB 2011 (2022)	0	0
SB 6 (2022)	0	0
SB 423 (2023)	0	0

Ministerial and Discretionary Applications	# of	Units
Ministerial	10	20
Discretionary	17	2034

Density Bonus Applications and Units Permitted	
Number of Applications Submitted Requesting a Density Bonus	1
Number of Units in Applications Submitted Requesting a Density Bonus	42
Number of Projects Permitted with a Density Bonus	5
Number of Units in Projects Permitted with a Density Bonus	5

Housing Element Programs Implemented and Sites Rezoned	Count
Programs Implemented	58
Sites Rezoned to Accommodate the RHNA	0

Jurisdiction	County - Unincorporated	
Reporting Year	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	04/30/2021 - 04/30/2029

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Table A
Housing Development Applications Submitted

Project Identifier					Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes								Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Density Bo Applica
1					2	3	4	5							6	7	8	9	10
Prior APN+	Current APN	Street Address	Project Name+	Local Jurisdiction Tracking ID	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted (see instructions)	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project	Please select state streamlining provision/s the application was submitted pursuant to.	Did the housing development application seek incentives or concessions pursuant to Government Code section 65915?
Summary Row: Start Data Entry Below								4	0	0	0	3	0	2047	2054	14	0		
	183-125-62-00	1683 watson way , vista, 92083	Morales SB-9 2 Lot TPM (COUNTER)	PDS2023-TPM-21441	SFD	O	1/8/2024							2	2			SB 9 (2021) - Residential Lot Split	No
	239-060-05-00	450 bear valley pkwy , escondido, ca 92025	Fares TPM SB-9 2-Lot (COUNTER)	PDS2023-TPM-21456	SFD	O	1/8/2024							2	2	2		SB 9 (2021) - Residential Lot Split	No
	513-101-13-00	1964 harbison canyon rd , el cajon, ca 92019	Mora Lot Split (COUNTER)	PDS2024-TPM-21458	SFD	O	2/2/2024							2	2			NONE	No
	109-210-16-00	38505 jubilee dr , fallbrook, ca 92028	Afdasta STP (COUNTER)	PDS2024-STP-24-003	SFD	O	2/8/2024							1	1			NONE	No
	200-271-24-00	1881 rams hill rd , borrego springs, ca 92004	Rams Hill Specific Plan Amendment (COUNTER)	PDS2024-SPA-24-001	SFD	O	3/1/2024							1306	1306			NONE	No
	102-361-06-00	1865 rice canyon rd , fallbrook, ca 92028	TPM Hernandez Residence Lot Split	PDS2024-TPM-21459	SFD	O	3/5/2024							1	1			NONE	No
	388-031-34-00	8222 rockview dr , el cajon, ca 92021	Barrett TPM SB9 2 Lot (COUNTER)	PDS2024-TPM-21460	SFD	O	3/11/2024							2	2	2		SB 9 (2021) - Residential Lot Split	No
	497-212-56-00	11022 dutton dr , la mesa, 91941		PDS2024-TPM-21461	SFD	O	4/9/2024							2	2	2		SB 9 (2021) - Residential Lot Split	No
	504-242-01-00	9421 montemar dr , spring valley, ca 91977	The Keys Project SB-9 2-Lot TPM (COUNTER)	PDS2024-TPM-21462	SFD	O	4/16/2024							2	2	2		SB 9 (2021) - Residential Lot Split	No
	235-570-56-00	21485 trail blazer ln , escondido, 92029	H Grove NK Investors Site Plan	PDS2024-STP-24-007	SFD	O	4/22/2024							29	29			NONE	No
	106-041-55-00	peppertree ln , fallbrook, 92028	Peppertree Park Villages 7&8	PDS2024-TM-5652	SFD	O	5/2/2024							46	46			NONE	No
	264-450-08-00	1735 rancho summit dr , encinitas, ca 92024	Fortuna Ranch TPM 2- Lot (COUNTER)	PDS2024-TPM-21463	SFD	O	5/7/2024							2	2			NONE	No
	403-240-17-00	1975 alpine creek ln , alpine, 91901	Woolf TPM SB-9 (Counter)	PDS2024-TPM-21464	SFD	O	5/8/2024							2	2	2		SB 9 (2021) - Residential Lot Split	No
	108-170-19-00	vista valle camino , fallbrook, ca 92028	Vista Valle Camino Subdivision TM (Counter)	PDS2024-TM-5653	SFD	O	5/29/2024							6	6			NONE	No

	228-090-36-00	1510 avocado way , escondido, ca 92026	Cleal TPM SB-9 (Counter)	PDS2024-TPM-21465	SFD	O	6/13/2024							2	2	2		SB 9 (2021) - Residential Lot Split	No
	105-841-33-00	860 rosemere ln , fallbrook, ca 92028	Reich TPM SB-9 (Counter)	PDS2024-TPM-21466	SFD	O	8/9/2024							2	2	2		SB 9 (2021) - Residential Lot Split	No
	302-202-02-00	4628 sun valley rd , del mar, ca 92014	ADU at 4628 Sun Valley Rd Site Plan(Counter)	PDS2024-STP-24-010	ADU	R	8/12/2024							1	1			NONE	No
	394-061-30-00	12584 laurel st , lakeside, ca 92040	Caspian Apartments (Counter)	PDS2024-STP-24-011	5+	R	8/22/2024							8	8			NONE	No
	379-011-04-00	10270 riverford rd , lakeside, ca 92040	Riverford Split (Counter)	PDS2024-TPM-21467	SFD	O	9/17/2024							3	3			NONE	No
	188-230-06-00	no address	Valley Center - Indian Creek (Counter)	PDS2024-TM-5655	SFD	O	9/25/2024							575	575			NONE	No
	133-081-55-00	no address	W Oak Glen Road Subdivision TM (Counter)	PDS2024-TM-5656	SFD	O	10/1/2024							7	7			NONE	No
	302-303-16-00	5872 rancho diegueno rd , rancho santa fe, ca 92067	5872 Rancho Diegueno Rancho Road, Del Mar STP (Counter)	PDS2024-STP-24-016	SFD	O	10/28/2024							1	1			NONE	No
	305-020-32-00	7028 carmel valley rd , san diego, ca 92130	Seligman TPM (Counter)	PDS2024-TPM-21468	SFD	O	10/31/2024							3	3			NONE	No
	234-160-25-00	830 idaho ave , escondido, ca 92025	Pasqual Heights (Counter)	PDS2024-TM-5657	SFD	O	11/21/2024	4				3		35	42			NONE	Yes
	268-220-18-00	4832 linea del cielo , del mar, ca 92014	SAWTOOTH RESIDENCE "R" DESIGNATOR	PDS2024-STP-24-017	SFD	O	11/25/2024							1	1			NONE	No
	597-230-58-00	no address	Valenzuela TPM SB-9 (Counter)	PDS2024-TPM-21469	SFD	O	11/27/2024							2	2			SB 9 (2021) - Residential Lot Split	No
	228-160-05-00	1249 oasis dr , escondido, ca 92026	Kirovski TPM SB-9 (Counter)	PDS2024-TPM-21470	SFD	O	12/31/2024							2	2			SB 9 (2021) - Residential Lot Split	No
	104-330-01-00	313 womack ln , fallbrook, ca 92028	Nunez SB-9 2 Lot TPM (COUNTER)	PDS2023-TPM-21440	SFD	O	6/27/2023							2	2	2		SB 9 (2021) - Residential Lot Split	No
	121-230-28-00	no address	Cooper TPM (SB9) (COUNTER)	PDS2022-TPM-21318	SFD	O	10/28/2022							2	2	2		SB 9 (2021) - Residential Lot Split	No
	123-261-14-00	3600 linda vista dr , fallbrook, 92028	Lehman Tentative Parcel Map	PDS2020-TPM-21278	SFD	O	3/11/2020							3	3	3		NONE	No
	123-340-77-00	1553 via monserate , fallbrook, ca 92028	Jones SB9 TPM (COUNTER)	PDS2022-TPM-21300	SFD	O	4/5/2022							2	2	2		SB 9 (2021) - Residential Lot Split	No
	127-141-42-00	1305 aerie heights rd , bonsall, ca 92003	Baerg Residence STP (COUNTER)	PDS2023-STP-23-024	SFD	O	10/10/2023							2	2	2		NONE	No

Jurisdiction	"County" County Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Table A2
Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units

Project Identifier					Unit Types		Affordability by Household Incomes - Completed Entitlement								Affordability by Household Incomes - Building Permits							Affordability by Household Incomes - Certificates of Occupancy										Streamlining	SB35	Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions/Units	Term of Affordability or Deed Restriction/Units	Demolished/Destroyed Units			Density Bonus				Notes
1					2	3	4							5	6							7								8	9	10								11	12	13	14	15	16	17	18	19	20		21	22	23	24	25
Prior APN	Current APN	Street Address	Project Name	Local Jurisdiction Tracking ID	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Very Low-Income Restricted	Very Low-Income Non-Deed Restricted	Low-Income Deed Restricted	Low-Income Non-Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non-Deed Restricted	Above Moderate-Income	Entitlement Date, Approved	# of Units issued Entitlements	Very Low-Income Deed Restricted	Very Low-Income Non-Deed Restricted	Low-Income Deed Restricted	Low-Income Non-Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non-Deed Restricted	Above Moderate-Income	Building Permits Date Issued	# of Units Issued Building Permits	Very Low-Income Deed Restricted	Very Low-Income Non-Deed Restricted	Low-Income Deed Restricted	Low-Income Non-Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non-Deed Restricted	Above Moderate-Income	Certificates of Occupancy or other forms of readiness (see instructions) Date Issued	# of Units issued Certificates of Occupancy or other forms of readiness	How many of the units were Extremely Low Income?	Please select the one streamlining provision the project was APPROVED pursuant to. (may select multiple)	SB35 Units? Y/N	Assistance Program for Each Development (may select multiple - see instructions)	Deed Restriction Type (may select multiple - see instructions)	For units affordable without financial assistance or deed restrictions, explain how the jurisdiction determined the units were affordable (see instructions)	Term of Affordability or Deed Restriction (if applicable, enter in perpetuity, enter 1000)	Number of Demolished/Destroyed Units	Demolished or Destroyed Units Owner or Renter	Total Density Bonus Applied to the Project (Percentage Increase in Total Allowable Units or Total Maximum Allowable Residential Gross Floor Area)	Number of Other Incentives, Concessions, Waivers, or Other Modifications Granted to the Project (Excluding Parking Waivers or Parking Reductions)	List the incentives, concessions, waivers, and modifications granted (excluding Parking Waivers or Parking Modifications)	Did the project receive a density bonus for providing standard? (Y/N)	Notes*
Text	Text	Text	Text	Text																																									
	434-331-26-00	1789 aucutta ct, alamo, ca 9450			ADU	R															1		10/2/2024	1									0		NONE	N										
	366-151-19-00	9711 verdos ct, alamo, ca 94506			ADU	R															1		7/9/2024	1									0		NONE	Y										
	376-090-22-00	11102 shore way, lakeside, ca 92040			ADU	R													1				2/26/2024	1									0		NONE	N										
	123-291-29-00	3810 linda drive, lafayette, ca 94549			SFD	O																1	4/11/2024	1									0		NONE	N										
	097-242-07-00	27354 chestnut way, perris, ca 92570			SFD	O																1	5/17/2024	1									0		NONE	N										
	097-291-19-00	19958 poma ln, perris, ca 92570			ADU	R															1		1/9/2024	1									0		NONE	N										
	156-441-34-00	205 ridge creek ln, bethel, ca 94509			ADU	R										1							9/24/2024	1									0	0	NONE	N										
	156-191-25-00	455 skyline ct, bethel, ca 94509			MH	O																1	8/30/2024	1									0		NONE	N										
	159-392-02-00	36330 rancho rancho, ca 92592			MH	O															1		10/8/2024	1									0		NONE	N										
	159-392-57-00	11457 rancho rancho, ca 92592			ADU	R										1							10/11/2024	1									0	0	NONE	N										
	156-392-57-00	11505 rancho heights rd, perris, ca 92563			SFD	O																1	10/11/2024	1									0		NONE	N										
	152-331-25-00	31717 oak glen dr, valley center, ca 92082			ADU	R															1		8/15/2024	1									0		NONE	N										
	134-470-14-00	2775 locust lane, fallbrook, ca 92028			ADU	R													1				9/6/2024	1									0		NONE	N										
	121-221-32-00	5120 creek rd, bonsall, ca 92003			SFD	O																1	9/3/2024	1									0		NONE	N										
	121-312-13-00	4357 lake del rey, bonsall, ca 92003			ADU	R													1				9/25/2024	1									0		NONE	N										
	126-270-24-00	31429 golfclub ct, bonsall, ca 92003			ADU	R															1		1/2/2024	1									0		NONE	N										
	126-151-21-00	31212 palo brea dr, valley center, ca 92082			SFD	O																1	3/6/2024	1									0		NONE	N										
	126-151-21-00	31214 palo brea dr, valley center, ca 92082			ADU	R													1				6/18/2024	1									0		NONE	N										
	126-340-03-00	31330 old ranch, bonsall, ca 92003			ADU	R															1		12/3/2024	1									0		NONE	N										
	170-091-67-00	567 mesquite ct, vista, ca 92083			ADU	R													1				1/12/2024	1									0		NONE	N										
	167-090-04-00	36038 hurgrove, temecula, ca 92591			ADU	R															1		6/14/2024	1									0		NONE	N										
	046-070-16-00	31777 cudeback dam rd, ramona, ca 92065			ADU	R															1		1/26/2024	1									0		NONE	N										
	046-070-19-00	31779 cudeback dam rd, ramona, ca 92065			SFD	O																1	1/26/2024	1									0		NONE	N										
	234-190-35-00	936 ralph way, escondido, ca 92027			ADU	R													1				1/5/2024	1									0		NONE	Y										
	222-440-19-00	1503 la plaza dr, escondido, ca 92029			ADU	R													1				12/11/2024	1									0		NONE	Y										
	236-030-54-00	2403 will shea dr, escondido, ca 92026			ADU	R															1		4/9/2024	1									0		NONE	Y										
	264-330-21-00	3272 san dimas ln, carlsbad, ca 92065			ADU	R													1				12/2/2024	1									0		NONE	N										
	265-092-32-00	1061 lilcan way, encinitas, ca 92024			ADU	R										1							1/9/2024	1									0	0	NONE	N										
	261-030-36-00	2249 ocotillo dr, encinitas, ca 92024			ADU	R													1				6/18/2024	1									0		NONE	N										
	216-030-54-00	167 1/2 highland, encinitas, ca 92024			ADU	R													1				1/12/2024	1									0		NONE	N										
	216-150-25-00	780/82 wyeforest rd, encinitas, ca 92024			SFD	O																1	10/18/2024	1									0		NONE	N										
	222-190-21-00	1505 meadowlark, encinitas, ca 92024			ADU	R															1		10/29/2024	1									0		NONE	Y										
	267-142-11-00	16322 alfieboro rd, poway, ca 92127			ADU	R										1							1/9/2024	1									0	0	NONE	N										
	267-142-11-00	16332 alfieboro rd, poway, ca 92127			SFD	O																1	1/9/2024	1									0		NONE	N										
	266-020-33-00	47959 la verita rancho santa fe, ca 92067			ADU	R																1	7/26/2024	1									0		NONE	N										
	266-081-10-00	28040 mountain rancho santa fe, ca 92091			SFD	O																1	7/31/2024	1									0		NONE	N										
	266-190-48-00	48127 calle de oro, rancho santa fe, ca 92067			ADU	R																1	3/8/2024	1									0		NONE	N										
	266-190-48-00	48179 calle de oro, rancho santa fe, ca 92067			SFD	O																1	3/8/2024	1									0		NONE	N										
	266-090-30-00	16602 dunesque rd, rancho santa fe, ca 92067			ADU	R																1	10/15/2024	1									0		NONE	N										
	265-041-22-00	6960 calle venado, rancho santa fe, ca 92067			ADU	R																1	1/22/2024	1									0		NONE	N										
	265-041-22-00	6950 calle venado, rancho santa fe, ca 92067			SFD	O																1	1/22/2024	1									0		NONE	N										
	266-191-28-00	17415 rose del mar, rancho santa fe, ca 92067			ADU	R																1	12/27/2024	1									0		NONE	N										
	266-140-39-00	16626 sadeeny, rancho santa fe, ca 92067			ADU	R																1	7/19/2024	1									0		NONE	N										
	266-200-01-00	16760 luna ct, rancho santa fe, ca 92091			SFD	O																1	7/15/2024	1									0		NONE	N										
	266-132-06-00	48217 eagle pine rd, julian, ca 92036			SFD	O																1	3/6/2024	1									0		NONE	N										
	262-090-20-00	228 pinecrest drive #1, julian, ca 92036			SFD	O										1							7/17/2024	1									0		NONE	N										
	261-110-24-00	2984 sapphire, julian, ca 92036			SFD	O																1	10/24/2024	1									0		NONE	N										
	266-561-19-00	29765 sungrove rd, rancho santa fe, ca 92091			ADU	R													1				7/1/2024	1									0		NONE	N										

Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

| | | |

Jurisdiction	"Jurisdiction" County Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"City" or "County" or "Unincorporated"
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Jurisdiction" Covering Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Jurisdiction" Grantby" Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"City" or "County" or "Unincorporated"
Reporting Year	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

| | | |

Jurisdiction	"Orange" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Jurisdiction" County Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

| | | |

Jurisdiction	"Orange" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

| | | |

Jurisdiction	"Sonoma" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Select" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

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Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Cupertino" or County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Cells in grey contain auto-calculation formulas

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Jurisdiction	"Orange" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Jurisdiction" Country Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

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Jurisdiction	"Unincorporated County"
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

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| | | |

Jurisdiction	"County" County Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"Jurisdiction" Country - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"Sonoma" County, Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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| Jurisdiction | "Jurisdiction" Covering Unincorporated | | |

Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"Jurisdiction" County Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"City" or "County" or "Unincorporated"
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Jurisdiction	"City" or "County" or "Unincorporated"
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

| | | |

Jurisdiction	"Jurisdiction" County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

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Jurisdiction	"City" or "County" Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Cells in grey contain auto-calculation formulas

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Jurisdiction	County - Unincorporated
Reporting Year	2024 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

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Cells in grey contain auto-calculation formulas

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Jurisdiction	San Diego County - Unincorporated	
Reporting Year	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	04/30/2021 - 04/30/2029

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.

Please contact HCD if your data is different than the material supplied here

Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

		1	Projection Period	2									3	4
Income Level		**RHNA Allocation by Income Level**	**Projection Period - 06/30/2020-04/29/2021**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**Total Units to Date (all years)**	**Total Remaining RHNA by Income Level**
Very Low	Deed Restricted	1,834	-	-	31	-	47	-	-	-	-	-	440	**1,394**
	Non-Deed Restricted		19	39	101	101	102	-	-	-	-	-		
Low	Deed Restricted	992	-	-	5	-	43	-	-	-	-	-	988	**4**
	Non-Deed Restricted		91	255	176	176	242	-	-	-	-	-		
Moderate	Deed Restricted	1,165	-	-	-	-	-	-	-	-	-	-	1,242	**-**
	Non-Deed Restricted		281	286	235	216	224	-	-	-	-	-		
Above Moderate		2,709	394	463	963	727	430	-	-	-	-	-	2,977	**-**
Total RHNA		**6,700**												
Total Units			**785**	**1,043**	**1,511**	**1,220**	**1,088**	**-**	**-**	**-**	**-**	**-**	**5,647**	**1,398**

Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).

	5										6	7
	Extremely low-Income Need		**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**Total Units to Date**	**Total Units Remaining**
Extremely Low-Income Units*	917		-	4	3	-	-	-	-	-	-	**7**	**910**

*Extremely low-income housing need determined pursuant to Government Code 65583(a)(1). Value in Section 5 is default value, assumed to be half of the very low-income RHNA. May be overwritten.

Please Note: Table B does not currently contain data from Table F or Table F2 for prior years. You may login to the APR system to see Table B that contains this data.

Note: units serving extremely low-income households are included in the very low-income RHNA progress and must be reported as very low-income units in section 7 of Table A2. They must also be reported in the extremely low-income category (section 13) in Table A2 to be counted as progress toward meeting the extremely low-income housing need determined pursuant to Government Code 65583(a)(1).

Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will only include units that were permitted since the start of the planning period. Projection Period units are in a separate column.

Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at apr@hcd.ca.gov.

VLI Deed Restricted
VLI Non Deed Restricted

Jurisdiction	San Diego County - Unincorporated	
Reporting Year	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	04/30/2021 - 04/30/2029

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

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Table C

Sites Identified or Rezoned to Accommodate Shortfall Housing Need and No Net-Loss Law

Project Identifier				Date of Rezone	RHNA Shortfall by Household Income Category				Rezone Type	Sites Description							
1				2	3				4	5	6	7	8		9	10	11
APN	Street Address	Project Name+	Local Jurisdiction Tracking ID+	Date of Rezone	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Rezone Type	Parcel Size (Acres)	General Plan Designation	Zoning	Minimum Density Allowed	Maximum Density Allowed	Realistic Capacity	Vacant/Nonvacant	Description of Existing Uses
Summary Row: Start Data Entry Below																	

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Jurisdiction	San Diego County - Unincorporated	
Reporting Year	2024	(Jan. 1 - Dec. 31)

Table D

Program Implementation Status pursuant to GC Section 65583

Housing Programs Progress Report

Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.

1	2	3	4
Name of Program	**Objective**	**Timeframe in H.E**	**Status of Program Implementation**
3.1.1.A - Residential Sites Inventory for Regional Housing Needs Allocation (RHNA)	Maintain land use policies that provide adequate sites for a variety of housing for the County's 6th Cycle RHNA of 6,700 units: • Low Income – 992 units • Moderate Income – 1,165 units • Above Moderate Income – 2,709 units	Ongoing	The County continues to maintain land use policies that can provide adequate sites for a variety of housing types, including housing for lower, moderate, and above-moderate incomes.

3.1.1.B - By-Right Approval for Projects with 20 Percent Affordable Units	Pursuant to AB 1397, amend the Zoning Ordinance by the end of 2023 to require by-right approval of housing development that includes 20 percent of the units as housing affordable to lower-income households, on sites being used to meet the 6th Cycle RHNA that represent a "reuse" of sites identified in the 4th Cycle and 5th Cycle Housing Elements.	0-2 Years	The County developed AB 1397 guidance documents for project applicants pursuing by-right approval for a housing development that includes 20% of housing units as affordable to lower-income households, on sites being used to meet the 6th Cycle RHNA that represent a "reuse" of sites identified in the 4th Cycle and 5th Cycle Housing Elements. These documents include an elegibility spreadsheet and AB 1397 Checklist available online at the County website - https://www.sandiegocounty.gov/content/sdc/pds/zoninghome/ab1397.html . The County is developing an expanded By-Right Approval Program, including feasible options for an expanded program that would apply to additional sites after an initial analysis of the program was presented to the Board of Supervisors in Fall 2024, as part of the Opportunities for Streamlining Affordable and Attainable Housing project.
3.1.1.C - Zoning Ordinance Amendments to Achieve Maximum Density	Amend the Zoning Ordinance by early 2023 to facilitate development on sites identified in the Sites Inventory for the 6th Cycle RHNA. Specifically, establish minimum densities for multi-family districts at 70 percent of the maximum allowable densities, with the goal of achieving an average development density at 80 percent of the maximum allowable density.	Ongoing	The County developed a scope of work and procured a consultant to complete this program as part of the Development Designators project. The project is expected to be completed in 2-3 years. The project will analyze the Zoning Ordinance and develop options to align with the General Plan to 1) Expand Housing Diversity and 2) Facilitate RHNA and Multi-Family Site Development and Group Homes.

3.1.1.D - Diversity of Land Use Designation and Building Type	Maintain a mixture of residential land use designations and development regulations that accommodate various building types and styles, including but not limited to: small lot single-family homes; tiny homes; detached condominium Projects; townhomes; duplex/triplex/multiplex; courtyard apartments; bungalow courts; live/work units; mixed-use projects; moveable tiny homes; 3D printed homes; and new prefab housing types that meet state and local building code standards. Continue to explore innovative building types and housing options that can be implemented through the County's Zoning Ordinance by reviewing development designators and designations and amend the Ordinance as appropriate (in coordination with action 3.1.3.A).	Ongoing	The County developed a scope of work and procured a consultant to complete this program as part of the Development Designators project. The project is expected to be completed in 2-3 years. The project will analyze the Zoning Ordinance and develop options to align with the General Plan to 1) Expand Housing Diversity and 2) Facilitate RHNA and Multi-Family Site Development and Group Homes. The County is developing a small lot subdivision program, after an initial analysis of the program was presented to the Board of Supervisors in Fall 2024, as part of the Opportunities for Streamlining Affordable and Attainable Housing project. In addition, the County continues to identify opportunities to ensure that land use regulations allow for a diversity of building types.
3.1.1.E - Low to Moderate Inclusionary Ordinance	Based on the results of the Inclusionary Housing Feasibility Study conducted in 2021, develop an Inclusionary Ordinance by 2022 with pre-determined set asides applicable to all housing projects of all sizes above a minimum threshold including incentives and reforms to help facilitate construction of affordable housing for lower- and moderate-income households.	0-2 Years	The Inclusionary Housing Ordinance would establish a mandatory program where some new market rate housing developments would receive density bonuses and incentives in exchange for including a portion of units as affordable housing units. The Inclusionary Housing Ordinance was presented to the Board of Supervisors in Fall 2024, where staff were directed to return with options including further considerations. The Inclusionary Housing Ordinance will return to the Board of Supervisors for adoption.

3.1.1.F - Objective Design Standards	Pursuant to SB 330, the County will review its development standards and design guidelines by the end of 2023 applicable to urbanized Census Designated Places to ensure they are objective to facilitate the development of housing. To streamline the design review process, the County will: • Encourage applicants to utilize existing objective design review checklists, waivers, and exemptions. • Implement Section 7015 of the Zoning Ordinance, allowing staff to act without Advisory Board recommendation if the recommendation is not provided within 60 days. • Conduct educational outreach with Community Planning Groups (CPGs) and Design Review Board (DRB) regarding Section 7015, • Address quorum issues by combining DRB and CPG meetings to allow CPG to vote when DRB does not have quorum.	Ongoing and 0-2 Years	The County completed the Objective Design Standards (ODS) project to create greater certainty for project applicants and to facilitate the production of new housing while enhancing the existing character of the County. County staff did extensive outreach with eligible communities to develop the ODS checklists, based on existing Design Guidelines and Design Review Checklists for each specific community. The objective checklists will provide measurable, verifiable, and clear objective design standards that involve no personal or subjective judgment and are uniformly verifiable by an established and known benchmark. ODS checklists are available for the following community plan areas: Alpine (outside of Form Based Code areas), Bonsall, Lakeside, Ramona (outside of Form Based Code areas), Spring Valley, Sweetwater, and Valley Center.

3.1.1.G - Residential Sites Inventory Monitoring	Expand the County's Housing Production and Capacity Portal by the end of 2021 to monitor parcels included in the Residential Sites Inventory for this 2021-2029 Housing Element on a GIS mapping application designed for staff and public use, and available on the County's website. To assist the County with tracking its compliance with SB 166 (No Net Loss), the system should track: • Unit count and income/affordability assumed on parcels included in the sites inventory. • Actual units constructed and income/affordability when parcels are developed. • Net change in capacity and summary of remaining capacity in meeting remaining Regional Housing Needs Allocation.	Ongoing	This effort is currently under way. The GIS mapping application, which is available to staff and members of the public has been updated to reflect the Sixth Cycle Housing Element Site Inventory. The County is working to complete additional updates to the GIS application in 2024 to track units and comply with no-net-loss.

3.1.1.H - Housing Yields in Mixed-Use Zones	The County will review the development code for opportunities to increase the likelihood and yield of residential development in mixed-use commercial zones. Specifically, review by the end of 2023 whether and where residential should be allowed as a primary use in commercial zones, and create objective standards for mixed-use developments, granting developers clarity and increasing the likelihood for the conversion of underutilized commercial to residential. The County will include mixed use and commercial sites as a consideration as part of the Feasibility Analysis of Expanded By-right Approval Program (3.1.1.O) for projects that provide 20% affordable housing onsite, and return to Board in December 2021 with funding/resource needs.	2-7 Years	This item is complete. Staff implemented state laws SB 6 and AB 2011, including web maps, checklists and websites, and analyzed where these mixed-use programs overlapped with this housing element item. Staff analysis determined that the existing SB 6 and AB 2011 mixed-use program, completion of the Objective Design Standards project, the ongoing development of the Expanded By-Right Program, and the kick off of the Development Designators project satisfies this item. These findings were presented to the Board of Supervisors in Fall 2024, as part of the Opportunities for Streamlining Affordable and Attainable Housing project.
3.1.1.I - Replacement Requirement	Pursuant to State law, amend the Zoning Ordinance by the end of 2022 to require the replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site consistent with those requirements set forth in the State Density Bonus Law.	0-2 Years	Zoning Ordinance Update to comply with the new state law was completed in summer of 2023.

3.1.1.J - Lot Consolidation	Facilitate the consolidation of small sites for development by providing technical assistance and exploring incentives such as streamlined processing and reduced fees for affordable housing. Incentives may include: •Density bonus •Fee reduction - starting in July 1, 2021, lot consolidation fee would be a fixed flat fee, changing from the deposit-based fee Technical assistance may include: •Maintain a list of parcels with potential for lot consolidation •Create a new informational page with checklist requirements •Dedicate specific staff to assist with lot consolidation •Establish lot consolidation program by 2023.	0-2 Years	This item is complete. Staff interviewed stakeholders and developed technical assistance for lot consolidations. These include a web map of lots identified for consolidation in the Housing Element Site Inventory, an updated checklist, and website that includes an FAQ section.
3.1.1.K - Expand Eligibility of Checklist Exemptions	Develop additional checklists for site plan applications. Site plans that can be waived or exempted are currently indicated with a zoning designation (i.e., requirement in zoning box) for a design review. Work with Community Planning and Sponsor Groups and obtain public input prior to developing new checklist exemptions.	0-2 Years	The Development Designators project combines multiple Housing Element Implementation actions and a Removing Barriers to Housing Item to analyze the Zoning Ordinance and develop options to align with the General Plan to 1) Expand Housing Diversity and 2) Facilitate RHNA and Multi-Family Site Development and Group Homes.

3.1.1.L - Coordination and Outreach with Developers, Builders, and Owners	owners of non-vacant RHNA sites and developers/builders who may wish to pursue projects on these sites. Coordinate with property owners to help understand and mitigate non-governmental constraints to facilitate redevelopment of non-vacant RHNA sites. Reach out to property owners to inform them of developer interest, incentives, and other benefits of redevelopment, such as: • Work with owners of non-vacant RHNA sites to provide options for streamlined project review. • As part of the Zoning Code Clean-up Program (3.1.3.A), evaluate zoning of parcels adjacent to non-vacant RHNA sites to ensure contiguous parcels can be developed at the same density. • Implement program 3.1.1.H to improve mixed-use opportunities in existing commercial areas and incentivize development on non-vacant RHNA sites. • Implement program 3.1.1.B to provide opportunities for streamlined ministerial review on re-listed non-vacant RHNA sites to further incentivize housing development. • Implement program 3.1.1.K to expand	0-2 Years	The Development Feasibility Analysis study was completed in 2024 which studied barriers to development in these areas. As part of the project, staff wokred with property owners and developers to identify constraints to development.

	associated with implementation of SB 743 and VMT mitigation requirements, as Directed by the Board 5/19/2021, the County will: • Assess and explore the process by which infill development can be done in a manner to ensure no VMT mitigation is necessary. • Explore the potential creation of transit accessible areas and look at the intersection between VMT efficient areas or lower thresholds in accordance with the areas that do not require further analysis. Explore the potential transit corridors and look at the SANDAG Regional Transportation Plan, Metropolitan Transit System (MTS), North County Transit District (NCTD), and other possible areas and how that may impact VMT efficient areas or areas covered by the exemption. • Explore mitigation of VMT opportunities, looking at a regional mitigation bank, the opportunity for mitigation to not be tied or connected to the project along with the potential of a sliding scale of mitigation based on severity.		
3.1.1.M - Addressing VMT Constraints	• Explore by-right process for development in VMT efficient areas.	0-2 Years	On September 9, 2022, the Board of Supervisors adopted a new Transportation Study Guidelines, which exempt 134 Housing Element Sites form VMT analysis. Board of supervisors has also directed the study of VMT efficient and Board infill areas in areas with high development potential to determine additional infrastructure or barriers to the development of housing. This study is known as the Development Feasibility Analysis and was completed in Fall 2024.
3.1.1.N - Small Lot Subdivision Program	Explore the feasibility of developing a Small Lot Subdivision Program and return to the Board with program options, funding and resource needs by December 2021 for further direction.	0-2 Years	The County is developing a small lot subdivision program, after an initial analysis of the program was presented to the Board of Supervisors in Fall 2024, as part of the Opportunities for Streamlining Affordable and Attainable Housing project.

3.1.1.O - Feasibility analysis of Expanded By-right Approval Program	Conduct an environmental constraints and feasibility analysis of expanding the By-Right Approval Program (3.1.1.B) to additional RHNA sites not eligible for ministerial process under AB 1397 (192 sites), if the developer agrees to provide at least 20% affordable housing and return to the Board with program options by the end of 2021 for further direction. The Feasibility Analysis of Expanded By-right Approval Program will consider mixed use and commercial sites, under the Housing Yields in Mixed-Use Zones program (3.1.1.H), if the project provides 20% affordable housing onsite. Staff will return to Board in December 2021 with funding/resource needs.	0-2 Years	The County is developing an expanded By-Right Approval Program, including feasible options for an expanded program that would apply to additional sites after an initial analysis of the program was presented to the Board of Supervisors in Fall 2024, as part of the Opportunities for Streamlining Affordable and Attainable Housing project.
3.1.2.A - Transit Nodes	Transit Nodes. Work with transit agencies, San Diego Association of Governments, and developers to facilitate development within identified transit nodes. Specifically, establish comprehensive planning principles for transit nodes such as Buena Creek Sprinter Station in North County Metro anticipated to begin in 2025. Additionally, continue current work on development of a Specific Plan in the Casa de Oro community, which will be completed by end of 2022, and will expand housing opportunities and contribute to a revitalized community center.	2-7 Years	PDS won a grant from SANDAG in 2022 and will be using it for a "Community-Based Transportation Program (CBT)" in 2024. The County has created the CBT Program and begun work in 2 pilot communities in 2024. Outreach in all 4 pilot communities supports a better understanding of mobility gaps and needs in these areas. The needs will then be placed in a document with recommendations for implementation. The included communities are Buena Creek, Spring Valley, Lakeside, and Valle de Oro/Casa de Oro. The mobility plans for these communities are anticipated to be completed by early 2026.

3.1.2.B - Community Planning	Through the community planning process, establish appropriate development standards and incentives to facilitate housing production and coordinate efforts for public facility and infrastructure improvements.	Ongoing	Planning at the community level to facilitate housing production and coordinate public facility improvements continues through code and design standard updates in response to state, regional, and Board of Supervisors direction and implementation of the General Plan goals and policies. Concurrently, the County is working to better understand the unique needs of the unincorporated communities through robust public engagement planning and the development of options for a sustainable land use framework that will evaluate the availability of services (infrastructure, amenities and social services to support quality of life), focus on economic development opportunities, and a development capacity and constraints analysis to facilitate further housing production.
3.1.3.A - Zoning Ordinance Cleanups	Review the development designators in the Zoning Ordinance, and amend Code by the end of 2022 as necessary and appropriate to ensure that a range of housing types and densities can be achieved, and that the designators facilitate development at the maximum density allowed by the General Plan.	Ongoing	The Development Designators project combines multiple Housing Element Implementation actions and a Removing Barriers to Housing Item to analyze the Zoning Ordinance and develop options to align with the General Plan to 1) Expand Housing Diversity and 2) Facilitate RHNA and Multi-Family Site Development and Group Homes.
3.1.4.A - Zoning Ordinance Amendments for Accessory Dwelling Units (ADUs)	Amend the Zoning Ordinance by the end of 2022 to address multiple recent changes to state law regarding ADUs (including AB 587, AB 671, AB 68, and SB 13). Monitor state law on an ongoing basis and revise the Zoning Ordinance as appropriate.	0-2 Years	The Zoning Ordinance was updated in Summer 2023. More updates to the Zoning Ordinance are in progress to address changes to state law regarding ADUs.

	Promote County incentives and tools available to facilitate ADU construction, including: • Continue to make preapproved ADU site/floor plans available to the public free of charge. • County Fee Waiver Program for ADUs (effective January 2019 through January 2024), which offers incentives above and beyond state law, to waive building permit fees, on-site wastewater fees, development impact fees, park fees, traffic impact fees, and drainage fees. • Annually monitor the development and affordability of ADUs. If trends indicate a potential shortfall in meeting the estimated 1,800 ADUs, consider additional efforts to incentivize ADU production and reassess and revise the overall sites strategy for the RHNA within one year through adjusting ADU capacity assumptions with actual permitted units, and/or identifying additional sites to expand site capacity to the extent necessary to accommodate the RHNA. Quantified Objectives:		
3.1.4.B - Accessory Dwelling Unit (ADU) Construction	• 250 ADUs annually over 8 years for 2,000 units	0-2 Years	County continues to provide programs to facilitate the development of ADU, including pre-approved ADU plans free of charge.
3.1.4.C - Affordable Accessory Dwelling Units (ADU)	By 2023, develop a program and pursue funding to spur the development of affordable housing through the construction of ADUs.	0-2 Years	An analysis of various ADU subsidy programs offered through other jurisdictions revealed development and implementation of an ADU subsidy program administered by HCDS to be impractical, particularly given the challenges associated with ensuring sustainable funding.

3.1.4.D - Accessory Dwelling Unit (ADU) Subsidy Program	By 2023, develop program to encourage the construction of ADUs for vulnerable populations such as seniors, veterans, and low-income individuals or households in the unincorporated County.	0-2 Years	An analysis of various ADU subsidy programs offered through other jurisdictions revealed development and implementation of an ADU subsidy program administered by HCDS to be impractical, particularly given the challenges associated with ensuring sustainable funding.
3.1.4.E - Accessory Dwelling Unit (ADU) Efficiency Improvements program	By 2022 investigate opportunities to increase efficiency during the review of ADU applications, such as increasing coordination between departments, preparing informational handouts, and setting up a consultation process for applicants that are on septic.	0-2 Years	The County continues to provide programs to facilitate the development of ADU, including pre-approved ADU plans free of charge. An ADU Handbook was created and shared publicly to provide information for developing ADUs.
3.1.5.A - Build Green Incentive Program	Offer reduced plan check times and plan check and building permit fees for projects that use resource-efficient construction materials, water conservation measures and increased energy efficiency in new and remodeled residential and commercial buildings. Quantified Objectives: • 15 permits annually over 8 years for 120 permits	Ongoing	County continues to provide programs to facilitate green buildings including incentives of reduced plan check turnaround time and a reduction in plan check and building permit fees for projects meeting the Green Building Incentive Program requirements in Natural Resource, Water, and Energy Conservation.
3.1.5.B - Residential Solar Photovoltaic (PV) Building Permits	Continue to waive the cost to plan check/permit a residential solar PV building permit. The County will continue to promote this program on the County website. Quantified Objectives: • 5,000 residential solar PV building permits annually over 8 years for 40,000 permits	Ongoing	In 2023, there were 8,541 residential solar photovoltaic permits approved.

3.2.1.A - Density Bonus Ordinance Update	On an ongoing basis, review and update the Density Bonus Ordinance to be consistent with state law. Specifically update ordinance by 2022 to address the following: •AB 1763 (Density Bonus for 100 Percent Affordable Housing) – Density bonus and increased incentives for 100 percent affordable housing projects for lower-income households. •SB 1227 (Density Bonus for Student Housing) – Density bonus for student housing development for students enrolled at a full-time college, and to establish prioritization for students experiencing homelessness.	0-2 Years	Project completed with Housing Zoning Ordinance Update in Summer 2023.
3.2.1.B - Density Bonus Projects	Publicize density bonus incentives to developers through community events and information posted on PDS and HCDS websites.	Ongoing	The Density Bonus Program allows housing developers to build more units on a property than are otherwise permitted as long as a certain percentage of the additional units are reserved for low- or moderate-income households. In 2024, HCDS executed one Density Bonus Regulatory Agreement for a seven-unit development in the unincorporated County. One unit will be reserved for a low-income household at or below 80% AMI.
3.2.2.A - Affordable Housing Projects	Implement expedited permit processing for affordable housing projects, including projects that qualify for density bonuses (in compliance with Board Policy A-68 as well as SB 35 – Affordable Housing Streamlined Approval). Continue to explore ways to expedite affordable housing development.	Ongoing	There continues to be an expedited permit process for affordable housing projects in compliacne with Board Policy A-68 and state laws.

	and supportive services include: - Allocate funding, through the Notice of Funding Availability (NOFA) or other competitive process, in an equitable manner for affordable housing development, acquisition, rehabilitation, and/or supportive services. - Pursue funding programs (construction/permanent financing, operating subsidies, project-based vouchers, supportive services, etc.) available at the State and federal levels and explore local funding mechanisms for affordable housing and services. Specifically, target housing funds for persons with special needs, such as seniors, farm laborers, and persons with disabilities (including persons with developmental disabilities), and households with extremely low incomes. - Pursue strategies for expanding local affordable housing resources. Quantified objective: Facilitate the development of 150 lower-income units within the unincorporated areas over eight years. (The County also facilitates affordable housing in the cities		$4,283,065 in Community Development Block Grant (CDBG) funds, $2,870,446 in Home Investment Partnerships (HOME) funds, $371,576 in Federal Emergency Solutions Grant (ESG) funds, $425,696 in State ESG funds, and $6,369,845 in Housing Opportunities for People With AIDS (HOPWA) funds. HCDS disbursed final rental assistance for the Emergency Rent and Utilities Assistance (ERAP) program. In 2024, ERAP assisted 245 households, of which 54 were in the unincorporated area. Overall, ERAP assisted over 23,550 households, of which 5,745 were in the unincorporated area. In 2024, HCDS funded nine housing developments in the amount of $66,058,044 to support the development/rehabilitation of 695 units. Funding sources include $11,262,425 of federal HOME/HOME-ARP/CDBG funds, $14,171,431 of local Innovative Housing Trust Fund dollars, $27,371,282 of local County BHIF/ARPA funds, $10,748,132 of state No Place Like Home funds, and $2,504,774 of state Permanent Local Housing Allocation funds. One development is located in the unincorporated area and includes 54 units. One development is located on County-owned land. Since 2021,177 units have been funded in the unincorporated area. In 2024, HCDS awarded three housing developments in the amount of $26,897,892 to support the development/rehabilitation of 284 units. One development was also awarded County-owned land to develop 136 units.
3.2.3.A - Affordable Housing and Services Funds		Ongoing	HCDS released one Notice of Funding Availability (NOFA) in 2024. Eligible activities for this NOFA included the construction, acquisition, rehabilitation, and/or preservation of affordable multifamily rental housing. Additionally, Project-Based Vouchers (PBV) and VASH Project-Based Vouchers were available. The NOFA released included a preference for developments located in the unincorporated area or on County-

3.2.4.A - Housing Choice Vouchers (HCV)	Continue to provide HCVs including other PIH funded vouchers, such as VASH, Mainstream, FUP, etc., to extremely low- and very low-income households. These vouchers are not restricted to specific jurisdictions within the service area of the PHA. The Housing Authority uses Small Area Fair Market Rents to improve access to high-resource areas, improve choice, and deconcentrate poverty. Additionally, each year Payment Standards are set at the maximum amount allowable based on the annual budget. Quantified Objectives: 6,000 extremely low- and very low-income households assisted with HCVs in the unincorporated area over 8 years (Note: HCVs are available to income-eligible households PHA jurisdiction wide)	Ongoing	The Housing Authority of the County of San Diego (HACSD) has continued to administer the Housing Choice Voucher program for the unincorporated area and 13 other jurisdictions in the County. In 2024, out of the 11,510 households served, 2,087 very low and extremely low-income households were served in the unincorporated area, including households assisted at three Project Based Voucher developments. Since 2021, the HACSD has served 8,660 extremely low- and very low-income households in the unincorporated area, with an unduplicated count of 2,934 households.
3.2.4.B - Tenant-Based Rental Assistance (TBRA)	Continue to provide assistance to extremely low- and very low-income households.	Ongoing	In 2024, the Housing Authority of the County of San Diego (HACSD) administered Tenant-Based Rental Assistance (TBRA) programs to 367 participants using HOME, HOPWA, and other local funds. The HACSD served 63 low and extremely low-income TBRA households in the unincorporated area. TBRAs serve emancipated foster youth, families reunifying with children, persons coming from homelessness, and persons with an HIV/AIDs diagnosis.

3.2.4.C - Outreach and Education to Landlords	Annually promote participation of current and new landlords in the Housing Choice Voucher (HCV) and other rental assistance programs through outreach and education. Information provided includes program rules, benefits of participation, processes for tenants and landlords, and other key program guidelines such as recent changes in applicable laws or program rules. Quantified Objectives: Engage 100 new and existing landlords annually through advertising and outreach events.	Ongoing	In 2024, HCDS hosted 6 outreach events to inform landlords and community partners of the benefits of participating in the Landlord Incentive Program (LIP), distributed housing resources, and provided advocacy and support. The HCDS Landlord Liaison hosted quarterly landlord meetings to provide insight on services including guest speakers from the San Diego Legal Aid Society, CSA San Diego County, Nan McKay and Associates INC, SDG&E, and the San Diego Housing Commission. HCDS provided support to 28 outreach events throughout the San Diego community consisting of audiences ranging from families, general community, foster and kinship, justice involved individuals and families, and homeowners/landlords. The HACSD provided outreach and education to a total of 259 landlords.
3.2.5.A - Down Payment and Closing Cost Assistance (DCCA) Program	Assist low- and moderate-income households with low interest deferred-payment loans for down payment and closing costs. Quantified Objectives: Assist 10 households in the unincorporated area with DCCA annually for 80 households over 8 years.	Ongoing	In 2024, the Down Payment and Closing Cost Assistance (DCCA) program assisted 11 households in the unincorporated area. Since 2021, 48 households in the unincorporated area have been assisted under the DCCA and Permanent Local Housing Allocation (PLHA) programs.

			In Fiscal Year 2023-24, 89 residents who lived in the San Diego Urban County, which is comprised of the unincorporated area of San Diego County, as well as the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, and Solana Beach, benefited from the program. In response to the increased evictions caused by the COVID-19 pandemic, the federally funded American Rescue Plan Act (ARPA) Tenant Legal Services Program was launched in November 2021. This initiative provides critical legal services, housing counseling, and eviction prevention outreach to vulnerable households. In 2024, the Tenant Legal Services Program assisted 1,763 households. Since the program's inception, the tenant legal services program has supported 6,177 unduplicated households, helping them secure stable housing and avoid eviction.
3.3.1.A - Homeless Services Funding	Administer state, local, and federal funds aimed at addressing housing and service needs of persons experiencing homelessness or at-risk of homelessness.	Ongoing	
3.3.1.B - Zoning Ordinance Amendments to Facilitate Shelter Development	Pursuant to state law, amend the Zoning Ordinance by the end of 2022 to address the following recent changes to state law regarding housing for the homeless: •Low Barrier Navigation Centers (AB 101) •Emergency and Transitional Housing (AB 139) •Supportive Housing (AB 2162)	0-2 Years	Project completed with Housing Zoning Ordinance Update in Summer 2023.

3.3.2.A - Group Homes for Seven or More	In 2022, the County will review its Zoning provisions for large group homes (7+ persons) and will implement mitigating strategies to remove potential constraints and to facilitate objectivity in review and approval in the development of large group homes.	Ongoing	The Development Designators project combines multiple Housing Element Implementation actions and a Removing Barriers to Housing Item to analyze the Zoning Ordinance and develop options to align with the General Plan to 1) Expand Housing Diversity and 2) Facilitate RHNA and Multi-Family Site Development and Group Homes.
3.3.3.A - Senior Housing Program Options	Explore the feasibility of developing a program that would facilitate/remove barriers to senior and assisted living housing development, and return to the Board with program options, funding and resource needs by Fall 2023 for further direction.	0-2 Years	PDS staff completed this item by developing feasible reccomendations that would facilitate/remove barriers to senior and assisted living housing development. On October 9, 2024, the Board of Supervisors directed staff to move forward with developing a Senior and Assisted Living Overlay Zone, Senior Housing Density Bonus Updates, a Visitability Density Bonus Program, a Universal Design Density Bonus Program, and directing all County Departments to annually identify and report underused land (if any) to the Department of General Services for potential reuse as affordable housing.
3.2.3.B - Inventory of Surplus Sites	Annually coordinate with the DGS Real Estate Services Division and HCDS to update and maintain an inventory of surplus sites suitable for affordable housing. Annually evaluate the feasibility of using the surplus County sites for affordable housing.	Ongoing	One surplus site (Ocean View) was offered for development in 2024. The developer selection process is estimated to conclude in early 2025. A total of six projects with 954 units are in the process of securing funding for developments located on surplus sites. In 2024 one development (Levant Senior Cottages) with 127 units completed construction with two additional development sites with 468 units under construction.
3.4.1.A - Preservation of At-Risk Housing	Work to preserve projects (totaling 22 units) identified as at risk of converting to market-rate housing. Strategies include: - Monitoring project status annually. - Ensuring property owners comply with the extended noticing requirement (three-year, one-year, and six-month notices) under State law. - Include preservation as an eligible use in Notices of Funding Availability.	Ongoing	In 2024, one Notice of Funding Availability (NOFA) was open and included language to encourage applications for preservation of unincorporated area affordable housing developments at-risk of conversion to market rate housing.

3.4.2.A - Home Repair Program	Continue to provide home repair assistance to homeowners. Facilitate health and safety, accessibility, and weatherization improvements and installation of energy-efficient systems through this program. Annually explore additional funding opportunities from State and federal programs and emphasize outreach to communities (such as Backcountry) with concentrated substandard housing issues to expand participation in programs. Quantified Objectives: 30 completed home repair projects in the unincorporated area annually for 240 completed projects over 8 years.	Ongoing	In 2024, the County of San Diego Home Repair Program assisted 33 households in the unincorporated areas. Since 2021, 147 households in the unincorporated area have been assisted.
3.5.1.A - Public Education Programs	Work with nonprofit organizations and other agencies in educating the public and community groups regarding the need for and benefits of affordable housing.	Ongoing	Community meetings have been hosted on a variety of virtual platforms that include interactive features such as chats rooms, polls, and question and answer. For example, the virtual Annual Plan Community Forums facilitated on July 1 and July 19, 2024 was held via Microsoft Teams. Public interaction options included polls, documenting feedback written in the chat feature, and documenting verbal feedback provided by members of the public. The County made efforts to broaden public participation for all community events and outreach campaigns including providing outreach materials in HCDS and County threshold languages, advertising on Facebook, the HCDS website, the County News Center, via mail and email, and providing physical copies of both English language and translated outreach materials.

	Facilitate and participate in community meetings and/or workshops to assist neighborhoods in identifying projects and pursuing funding for improvements, provide education/outreach, solicit input from the community, and address affordable housing needs and other housing concerns from members of the public.		In Calendar Year 2024, HCDS conducted, participated in, or facilitated twenty (20) outreach meetings, events, and webinars. Events may occur in-person, virtually, and hybrid (both in-person and virtually) and included the following: HCDS hosted an Industry Day in November 2024 to support an open NOFA. Stakeholders were provided information on the County's available funding and application details and given an opportunity to ask questions. Twelve (12) Consolidated Plan community forums hosted in June and July 2024, as well as two (2) Community Development Block Grant application workshops. Additionally, HCDS hosted three (3) noticed public hearings: one on March 12, 2024 to solicit input on the 2024-25 Annual Plan, one on September 10, 2024 to solicit input on the Consolidated Annual Performance and Evaluation Report (CAPER), and one on October 22, 2024 to solicit input about the FY 2025-26 Consolidated Plan Strategy. In total, 242 residents provided feedback on Consolidated Plan funding priorities. HCDS hosted two (2) meetings with the Resident Advisory Board (RAB) comprised of nine appointed residents of Public Housing or participants of the Housing Choice Voucher programs. Through the RAB meetings, the board members were able to provide recommendations to the Agency Plan, Administrative Plan, and the Admissions and Continues Occupancy Policies (ACOP).
3.5.1.B - Community Meetings and Workshops	Quantified Objectives: 10 community engagements annually.	Ongoing	
3.5.1.C - Outreach Methods	Implement outreach campaign using multi-media platforms, including social media such as Facebook and YouTube, as well as other meeting/discussion forums such as chat rooms and webinars.	Ongoing	The county has implemented outreach campaigns using several multi-media platforms, including e-blasts, social media such as Facebook and NextDoor, as well as other meeting/discussion forums such as chat rooms and webinars. Publicity for the Consolidated Plan surveys and community forums yielded nearly 85.000 impressions and 242 residents participated.

3.6.1.A - San Diego Regional Alliance for Fair Housing (SDRAFFH)	Participate in the SDRAFFH which coordinates regional responses to housing discrimination issues and monitors progress toward addressing impediments identified in the Regional Analysis of Impediments to Fair Housing.	Ongoing	In 2024, HCDS attended one (1) quarterly meeting hosted by a neighboring Public Housing Authority, 8 monthly subcommittee meetings with SDRAFFH, four (4) quarterly SDRAFFH meetings, the Annual Fair Housing Conference from April 17-18, 2024, and the SDRAFFH Annual Meeting. HCDS also hosted a Fair Housing Webinar for Landlords on April 18, 2024.
3.6.2.A - Fair Housing Services	Allocate resources to retain qualified fair housing service provider(s) to provide fair housing outreach, education, complaint resolution and referrals, testing, and tenant/landlord counseling. Scope of services includes bilingual outreach and education materials, multilingual tenant legal counseling, quarterly testing, and public seminars, among others. Encourage increased efforts to provide services in communities with disproportionate housing needs (such as Spring Valley, Bostonia/Lakeside, Valle de Oro, Rancho Santa Fe, Ramona, Fallbrook, Sweetwater, and Backcountry). Quantified Objectives: 250 persons assisted with fair housing services annually for 2,000 persons over 8 years.	Ongoing	In Fiscal Year 2023-24, 89 residents who lived in the San Diego Urban County, which is comprised of the unincorporated area of San Diego County, as well as the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, and Solana Beach, benefited from the program. In response to the increased evictions caused by the COVID-19 pandemic, the federally funded American Rescue Plan Act (ARPA) Tenant Legal Services Program was launched in November 2021. This initiative provides critical legal services, housing counseling, and eviction prevention outreach to vulnerable households. In 2024, the Tenant Legal Services Program assisted 1,609 households. Since the program's inception, the tenant legal services program has supported 5,923 unduplicated households, helping them secure stable housing and avoid eviction.
3.6.3.A - Fair Housing Random Testing	Conduct random testing on a regular basis to identify issues, trends, and problem properties. Expand testing to investigate emerging trends of suspected discriminatory practices.	Ongoing	In Fiscal Year 2023-24, 40 fair housing tests with Race and Disability as the test categories were completed in the San Diego Urban County, which is comprised of the unincorporated area of San Diego County, as well as the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway and Solana Beach.

3.6.5.B - Enhanced Housing Choices and Affordability in Areas of Opportunity, including Rancho Santa Fe	In areas of opportunity (such as Rancho Santa Fe and Alpine) and outside of areas of concentrated poverty (such as Spring Valley), develop and implement incentives to increase housing choices and affordability (including duplex, triplex, multi-family, ADU, transitional and supportive housing). Incentives and tools may include: permit streamlining, reduced fees, and other zoning tools.	0-2 Years	The housing options, housing zoning ordinance update, objective design standards projects are all zoning change projects that started in 2022 and ongoing. The Housing Zoning Ordinance update and Objective Design Standards projects were completed. The Housing Opportunities project is ongoing and will include streamlining and developing incenvitves to increase housing choices and affordability.
3.6.6.A - Office of Environmental and Climate Justice	Establish an Office of Environmental and Climate Justice within the Land Use and Environment Group (LUEG) to ensure that County efforts are advanced to meaningfully address equity, environmental and climate justice and communities disproportionately impacted by environmental burdens and related health problems, and to ensure that the County's collective efforts in reducing greenhouse gas emissions, addressing food justice, transportation equity, and the protection of civil rights in emergency planning and response are also present.	0-2 Years	This item is complete. The Office of Environmental and Climate Justice was approved unanimously by the dais in May, 2021 and has been established as part of the Land Use and Environmental Group.
3.6.6.B - Conserved and Improved Assets in Areas of Lower Opportunity and Concentrated Poverty	Target investment in areas of most need focused on improving community assets such as schools, recreational facilities and programs, social service programs, parks, streets, active transportation and infrastructure. Coordinate with the Environmental Justice Element to identify target neighborhoods and strategies for implementation by 2025.	2-7 Years	This project hasn't started yet. The County anticipates starting the implementation of this program by 2025

3.6.6.C - Negative Environmental, Neighborhood, Housing, and Health Impacts	Address the negative impacts associated with the siting and operation of land use such as industrial, agricultural, waste storage, and energy productions, etc. in disadvantaged communities. Develop list of focus areas and coordinate with the Environmental Justice Element to create a specific action plan by 2025.	0-2 Years	This project hasn't started yet. The County anticipates starting the implementation of this program by 2025
3.6.6.D - Community Benefit Zoning, Enhanced Density Bonus, or Land Value Recapture Strategy	Explore tools to create amenities in neighborhoods of lower resources or generate funding for targeted neighborhood improvements. Develop list of implementation options to present to the Board of Supervisors for direction by the end of 2025.	2-7 Years	This project hasn't started yet. The County anticipates starting the implementation of this program by 2025
3.6.6.E - Fallbrook Subarea Plan	The County will complete a Fallbrook Subarea Plan by the end of 2023. The plan will include place-based strategies such as revised zoning, design guidelines, and landscape/streetscape plans that will contribute to the revitalization of the Fallbrook Village. The plan will also identify policies and strategies to address fair housing issues identified in the Housing Element's fair housing analysis. Implementation of these strategies will begin in 2023.	0-2 Years	The Fallbrook Subarea Plan was adopted. With the support of community and industry stakeholders, staff identified amendments to the Fallbrook Village zoning regulations that will help achieve the long-term vision of the village while removing potential constraints to development and barriers to housing. Some of the zoning amendments include changes to building setbacks, building height, commercial parking standards, residential density, and a rezone of four privately owned parcels.

3.6.6.F - Twin Oaks Community Plan Update	The Twin Oaks Community Plan update will address fair housing issues within North County Metro, Buena Creek station area. The plan will also identify policies and strategies to address fair housing issues identified in the Housing Element's fair housing analysis. Implementation of the Plan is anticipated to begin in 2025.	2-7 Years	The Twin Oaks Community Plan Update is paused. An updated approach to Community Planning is being developed through the Sustainable Land Use Framework project.
3.6.6.G - Place-Based Strategies in Low-Resource Communities and Environmental Justice Communities	Implement place-based strategies in low-resource communities (Bostonia, Fallbrook, Spring Valley, and North County Metro), as well as environmental justice communities through Environmental Justice programs and policies. The place-based strategies will include anti-displacement strategies such as value recapture strategies, community-led programs to prevent displacement, foreclosure assistance resources, rent control policies, and protections for low-income renters. Development of these strategies will begin in 2022 and they will focus on revitalization and preservation of these communities and reducing displacement risks.	0-2 Years	The Development Feasibility Analysis study was completed in 2024 which studied barriers to development in these areas.
3.6.7.C - Proactive Housing Rehabilitation Resources	By the end of 2022, develop a proactive housing rehabilitation resources program that targets areas of concentrated rehabilitation needs to facilitate repairs and to mitigate potential costs, displacement, and relocation impacts on residents.	0-2 Years	Staff began identifying potential data sources to identify areas of concentrated rehabilitation needs. This program is underway and expected to be completed by the end of 2025.

3.6.7.D - Participation in Decision Making Process	Promote participation in community meetings by: •Addressing language barriers and meeting times. •Recruiting residents from areas of concentrated poverty to serve on boards, committees, task forces, and other local decision-making bodies.	Ongoing	PDS has established the following processes: • Translate Gov Delivery Communications into 8 threshold languages (9 Dialects); • Provide flyers for webinars and public meetings in English and Spanish, and into any of the other threshold languages as determined by census data or by public request; • Websites available in all languages via the Google Translate function at the top of the webpage, • Public notices that are mailed out for projects are provided in all eight threshold languages.
3.6.7.E - Mobile Home Park Preservation	Implement County policy and procedure for mobile home park preservation. Provide technical assistance to park tenants to apply for grants to preserve the park.	Ongoing	The County continues to implement policy to preserve mobile home parks. Staff continue to provide technical assistance and information to park tenants.

			emergency housing solutions. As part of these efforts OHS continues to operate Magnolia Safe Parking in Unincorporate El Cajon and launched Bancroft Safe Parking Site in Spring Valley. OHS also received HUD funding and Board approval for Grantville Safe Parking temporary 1 year project anticipated to launch in Spring 2025. Additionally Board approved Troy Sleeping Cabins project currently in design phase with construction anticipated to begin in Summer 2025. OHS continues to have capacity in the Building Partnerships Program for private/public partnerships to help establish sleeping cabin shelters on private property with one-time grants issued by OHS. OHS continues to leverage RHAP program (Regional Homeless Assistance Program) to shelter those experiencing homelessness in unincorporated and the Board approved new procurement for RHAP anticipated to be in place by Summer 2025. OHS is also leveraging Local Rental subsidy program for exits from RHAP into more permanent housing options. 2. OHS continues to manage $10M in capital emergency housing grants and through this program multiple Cities were awarded grants to expand emergency housing options in their jurisdictions. 4. OHS continues to administer the following specialized programs serving most vulnerable populations: HomeSafe program for older adults experiencing homelessness, Pilot Shallow Rental Subsidy Program for Seniors, Specialized Funding for Imminent Needs flexible funding program, Eviction Prevention Program and three LGBTQ+ programs (housing, services and training capacity, Housing our Youth, Community Care coordination and Alternatives to Incarceration programs for justice involved individuals and Housing and Disability Advocacy program serving those with disabilities. 5. OHS received two separate funding awards totaling $22M from State's encampment resolution grant funding and works collaboratively with other jurisdictions to address large encampments in SD riverbed and Plaza Bonita area. Both programs launched and are offering outreach, emergency and permanent housing supports. 6. OHS direct services staff completed 54K engagements with homeless individuals, 7.3K self-sufficiency applications and housed over 2.1K
3.6.7.B - Department of Homeless Solutions and Equitable Communities	The creation of this new department will achieve better coordination of existing and future County homeless activities and programs and serve as a central point of contact and collaboration for outside partners in order to help vulnerable San Diegans and	Ongoing	

Jurisdiction	County -
Reporting Period	2024 (Jan. 1 - Dec. 31)
Period	6th Cycle 04/30/2021 - 04/30/2029

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

Table E

Commercial Development Bonus Approved pursuant to GC Section 65915.7

Project Identifier				Units Constructed as Part of Agreement				Description of Commercial Development Bonus	Commercial Development Bonus Date Approved
1				2				3	4
APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Description of Commercial Development Bonus	Commercial Development Bonus Date Approved
Summary Row: Start Data Entry Below									

Jurisdiction	County -	
Reporting Period	2024	31)
Planning Period	6th Cycle	04/30/2021 - 04/30/2029

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Table F

Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)

Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.

Activity Type	Units that Do Not Count Towards RHNA+ Listed for Informational Purposes Only				Units that Count Towards RHNA + Note - Because the statutory requirements severely limit what can be counted, please contact HCD at apr@hcd.ca.gov and we will unlock the form which enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1+. For detailed reporting requirements, see the chcklist here:
	Extremely Low-Income+	Very Low-Income+	Low-Income+	TOTAL UNITS+	Extremely Low-Income+	Very Low-Income+	Low-Income+	TOTAL UNITS+	https://www.hcd.ca.gov/community-development/docs/adequate-sites-checklist.pdf
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Units									
Mobilehome Park Preservation									
Total Units by Income									

Jurisdiction	County - Unincorporated	
Reporting Period	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	04/30/2021 - 04/30/2029

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Table F2

Above Moderate Income Units Converted to Moderate Income Pursuant to Government Code section 65400.2

For up to 25 percent of a jurisdiction's moderate-income regional housing need allocation, the planning agency may include the number of units in an existing multifamily building that were converted to deed-restricted rental housing for moderate-income households by the imposition of affordability covenants and restrictions for the unit. Before adding information to this table, please ensure housing developments meet the requirements described in Government Code 65400.2(b).

Project Identifier					Unit Types		Affordability by Household Incomes After Conversion							Units credited toward Moderate Income RHNA		Notes
1					2	3	4							5		6
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID	Unit Category (2 to 4,5+)	Tenure R=Renter	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low- Income Deed Restricted	Low- Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total Moderate Income Units Converted from Above Moderate	Date Converted	Notes
Summary Row: Start Data Entry Below							0	0	0	0	0	0	0	0		

Jurisdiction	San Diego County -
Reporting Period	2024 (Jan. 1 - Dec. 31)
Period	6th Cycle 04/30/2021 - 04/30/2029

element sites inventory contains a site which is or was owned by the reporting jurisdiction, and has been sold, leased, or otherwise disposed of during the reporting year.

Note: "*" indicates an optional field

Cells in grey contain auto-calculation formulas

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Table G

Locally Owned Lands Included in the Housing Element Sites Inventory that have been sold, leased, or otherwise disposed of

Project Identifier						
1				2	3	4
APN	**Street Address**	**Project Name***	**Local Jurisdiction Tracking ID***	**Realistic Capacity Identified in the Housing Element**	**Entity to whom the site transferred**	**Intended Use for Site**
Summary Row: Start Data Entry Below						
381-051-18	Located between Cottonwood Avenue and Park Center Drive north of the San Diego River in Santee, CA (Jurisdiction: City of Santee)				Santee 3 Inv, LLC	Declared surplus by Board on December 3, 2013 (18). BOS approved property sale October 10, 2017 (8) and escrow closed December 30, 2022. Anticipated use is housing development. Included for transparency about recent surplus land disposition not subject to AB 1486.
361-661-12	5255 Mt. Etna Drive, San Diego, CA (Jurisdiction: City of San Diego)	Modica/Messina/Taormina/Terrasini		400	Chelsea Investment Corporation	The County of San Diego executed a 99-year ground lease for a 100% affordable housing development with Chelsea Investment Corporation in accordance with Government Code sections 25515 - 25515.2.
533-322-12	Kettner Boulevard, San Diego (Jurisdiction: City of San Diego)	Kettner Crossing		63	BRIDGE Housing Corporation	Date declared surplus by Board of Supervisors 1/27/15 [06]. Ground lease executed March 13, 2023 for a term of 99 years for development of affordable housing in accordance with Government Code sections 25515 - 25515.2.
656-040-78	999-1/2 Sheridan Road, Campo (Jurisdiction: San Diego County - Unincorporated)				Lieutenant John W. Finn Post No. 2080 Veterans of Foreign Wars of the United States, a California nonprofit corporation	Declared surplus by Board of Supervisors 9/26/17 [6]. Lease Agreement for 20 year term executed 12/8/ 21 pursuant to Gov't Code Section 25536 and CA Military and Veterans Code Section 1261. Use allowed by lease includes operation of community center.

Jurisdiction	San Diego County - Unincorporated	**NOTE: This table must contain an invenory of ALL surplus/excess lands the reporting jurisdiction owns**	Note: "+" indicates an optional field
Reporting Period	2024 (Jan. 1 - Dec. 31)		Cells in grey contain auto-calculation formulas

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

For San Diego County jurisdictions, please format the APN's as follows:999-999-99-99

Table H
Locally Owned Surplus Sites

Parcel Identifier				Designation	Size	Notes
1	2	3	4	5	6	7
APN	**Street Address/Intersection**	**Existing Use**	**Number of Units**	**Surplus Designation**	**Parcel Size (in acres)**	**Notes**
Summary Row: Start Data Entry Below						
545-532-18 por.	3177 Ocean View Boulevard, San Diego (Jurisdiction: City of San Diego)	Public Facilities		Exempt Surplus Land	0.32	Date declared exempt surplus pursuant to Government Code section 54221 by Board of Supervisors 4/4/23 [30]; to be sold or leased for affordable housing development
545-611-36 por.	3177 Ocean View Boulevard, San Diego (Jurisdiction: City of San Diego)	Public Facilities		Exempt Surplus Land	1.13	Date declared exempt surplus pursuant to Government Code section 54221 by Board of Supervisors 4/4/23 [30]; to be sold or leased for affordable housing development
545-621-22 por.	3177 Ocean View Boulevard, San Diego (Jurisdiction: City of San Diego)	Public Facilities		Exempt Surplus Land	0.36	Date declared exempt surplus pursuant to Government Code section 54221 by Board of Supervisors 4/4/23 [30]; to be sold or leased for affordable housing development
283-051-39	Highland Valley Road, Ramona (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.82	Date declared surplus by Board of Supervisors 9/15/15 [8]
381-050-72	Magnolia Avenue, Santee (Jurisdiction: City of Santee)	Vacant		Surplus Land	0.4	Date declared surplus by Board of Supervisors 9/13/16 [17]
381-050-77	Riverview Parkway, Santee (Jurisdiction: City of Santee)	Vacant		Surplus Land	65.66	Date declared surplus by Board of Supervisors 9/13/16 [17]
381-160-80	Chubb Lane, Santee (Jurisdiction: City of Santee)	Vacant		Surplus Land	7.27	Date declared surplus by Board of Supervisors 9/13/16 [17]
381-160-82	Chubb Lane, Santee (Jurisdiction: City of Santee)	Vacant		Surplus Land	3.41	Date declared surplus by Board of Supervisors 9/13/16 [17]
399-170-16	113 Frances Drive, El Cajon (Jurisdiction: City of El Cajon)	Vacant		Surplus Land	0.2	Date declared surplus by Board of Supervisors 9/26/17 [6]
406-241-19 por.	7878 Campbell Ranch Road, Alpine (Jurisdiction: San Diego County - Unincorporated)	Commercial		Surplus Land	59.2	Date declared surplus by Board of Supervisors 9/26/17 [6]
612-091-17	Old Highway 80, Boulevard (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	4.4	Date declared surplus by Board of Supervisors 9/26/17 [6]
656-040-64 por.	999-1/2 Sheridan Road, Campo (Jurisdiction: San Diego County - Unincorporated)	Commercial		Surplus Land	0.31	Date declared surplus by Board of Supervisors 9/26/17 [6]
510-021-02 (portion)	Harbison Canyon Road, El Cajon (Jurisdiction: City of El Cajon)	Vacant		Surplus Land	0.21	Date declared surplus by Board of Supervisors 9/25/18 [07]
399-030-16 (portion) and 399-360-05 (portion)	Harbison Canyon Road, El Cajon (Jurisdiction: City of El Cajon)	Vacant		Surplus Land	0.41	Date declared surplus by Board of Supervisors 9/25/18 [07]
399-030-16 (portion)	Harbison Canyon Road, El Cajon (Jurisdiction: City of El Cajon)	Vacant		Surplus Land	0.01	Date declared surplus by Board of Supervisors 9/25/18 [07]
399-030-16 (portion)	Harbison Canyon Road, El Cajon (Jurisdiction: City of El Cajon)	Vacant		Surplus Land	0.04	Date declared surplus by Board of Supervisors 9/25/18 [07]
399-030-16 (portion)	Harbison Canyon Road, El Cajon (Jurisdiction: City of El Cajon)	Vacant		Surplus Land	0.01	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-061-12	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.038	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-071-49	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.189	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-072-40	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.151	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-093-07	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.038	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-102-38	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.038	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-102-39	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.038	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-103-14	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.075	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-112-11	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.114	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-123-01	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.076	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-123-05	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.076	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-142-15	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.076	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-154-08	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.038	Date declared surplus by Board of Supervisors 9/25/18 [07]
293-154-12	Harrison Park Road, Julian (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.038	Date declared surplus by Board of Supervisors 9/25/18 [07]
403-380-83	Tavern Road, Alpine (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	3.15	Date declared surplus by Board of Supervisors 9/25/18 [07]
506-110-19	Calle Los Arboles, Spring Valley (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.115	Date declared surplus by Board of Supervisors 9/25/18 [07]

523-050-74	Japatul Valley Road, Alpine (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	100.43	Date declared surplus by Board of Supervisors 9/25/18 [07]
523-051-54	Japatul Valley Road, Alpine (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	99.34	Date declared surplus by Board of Supervisors 9/25/18 [07]
614-120-33	In-Koh-Pah-Park Road, Jacumba (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	7.1	Date declared surplus by Board of Supervisors 9/25/18 [07]
Assessor's Parcel Number not assigned	Remnant near the Greenfield bridge at Magnolia Avenue, El Cajon (Jurisdiction: City of El Cajon)	Vacant		Surplus Land	0.29	Date declared surplus by Board of Supervisors 9/25/18 [07]
599-120-34	Lyons Valley Road, Jamul (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.58	Date declared surplus by Board of Supervisors 9/25/18 [07]
599-130-02	Lyons Valley Road, Jamul (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	1.26	Date declared surplus by Board of Supervisors 9/25/18 [07]
533-322-12	Kettner Boulevard, San Diego (Jurisdiction: City of San Diego)	Vacant		Surplus Land	0.39	Date declared surplus by Board of Supervisors 1/27/15 [06]. Ground lease executed March 13, 2023 for a term of 99 years for development of affordable housing in accordance with Government Code sections 25515 - 25515.2.
533-322-13	Kettner Boulevard, San Diego (Jurisdiction: City of San Diego)	Vacant		Surplus Land	0.2	Date declared surplus by Board of Supervisors 1/27/15 [06]. Ground lease executed December 20, 2019.
188-240-87	29212 Cole Grade Road, Valley Center (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.96	Date declared surplus by Board of Supervisors 9/15/15 [8]
135-061-02	Crestline Road, Palomar Mountain (Jurisdiction: San Diego County - Unincorporated)	Vacant		Surplus Land	0.31	Date declared surplus by Board of Supervisors 9/25/18 [07]
209-083-12	Loker Avenue East, Carlsbad (Jurisdiction: City of Carlsbad)	Vacant		Surplus Land	2	Date declared surplus by Board of Supervisors 9/25/18 [07]
469-110-11	5001 73rd Street, San Diego, CA (Jurisdiction: City of San Diego)	Vacant		Exempt Surplus Land	1.26	Date declared exempt surplus land pursuant to Government Code section 54221 by Board of Supervisors 3/1/22 [17]; to be sold or leased for affordable housing development
458-532-22 and 458-531-26	6255 Mission Gorge Road, San Diego, CA (Jurisdiction: City of San Diego)	Vacant		Exempt Surplus Land	0.9	Date declared exempt surplus land pursuant to Government Code section 54221 by Board of Supervisors 3/1/22 [17]; to be sold or leased for affordable housing development
230-091-09	620 E Valley Pkwy, Escondido, CA (Jurisdiction: City of Escondido)	Vacant		Exempt Surplus Land	1.88	Date declared exempt surplus land pursuant to Government Code section 54221 by Board of Supervisors 3/1/22 [17]; to be sold or leased for affordable housing development
281-182-17 and 281-182-18	12th and Main Street, Ramona, CA (Jurisdiction: San Diego County - Unincorporated)	Vacant	99	Exempt Surplus Land	7.69	Date declared exempt surplus land pursuant to Government Code section 54221 by Board of Supervisors 12/5/23 [28]; to be sold or leased for affordable housing development
361-661-12	5255 Mt. Etna Drive, San Diego, CA (Jurisdiction: City of San Diego)	Vacant	400	Excess	4.09	The County of San Diego executed a 99-year ground lease for a 100% affordable housing development with Chelsea Investment Corporation in accordance with Government Code sections 25515 - 25515.2.
534-014-04 and 534-014-12	1501/1555 Sixth Avenue, San Diego, CA (Jurisdiction: City of San Diego)	Vacant	122	Excess	0.69	HCD confirmed on 7.10.23 that site qualifies as exempt surplus land. Resolution declaring the property exempt surplus land will be taken to the Board in spring 2024.
541-523-10, 547-041-43, and 547-041-44	4588 Market Street, San Diego, CA (Jurisdiction: City of San Diego)	Vacant	137	Exempt Surplus Land	2.62	Date declared exempt surplus land pursuant to Government Code section 54221 by Board of Supervisors 4/4/23 [30]; to be sold or leased for affordable housing development
472-390-03	5202 University Avenue, San Diego, CA (Jurisdiction: City of San Diego)	Vacant		Exempt Surplus Land	0.53	Date declared exempt surplus land pursuant to Government Code section 54221 by Board of Supervisors 4/4/23 [30]; to be sold or leased for affordable housing development
381-051-17	Located immediately south of the Edgemoor Skilled Nursing Facility between Cottonwood Avenue and Park Center Drive in Santee, CA (Jurisdiction: City of Santee)	Vacant		Surplus Land	11.71	Date declared surplus by Board of Supervisors on December 3, 2013 (18)
N/A	Avocado Blvd. and California State Route 94 in San Diego, CA.	Vacant		Surplus Land	0.67	Date declared surplus by Board of Supervisors on February 28, 2024. County Parcel No. 2021-0200. An APN has not been established for this parcel yet.

Jurisdiction	San Diego County -	
Reporting Period	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	04/30/2021 - 04/30/2029

NOTE: STUDENT HOUSING WITH DENSITY BONUS ONLY. This table only needs to be completed if there were student housing projects WITH a density bonus approved pursuant to Government Code65915(b)(1)(F)

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note:
Cells in gre

Table J

Student housing development for lower income students for which was granted a density bonus pursuant to subparagraph (F) of paragraph (1) of subdivision (b) of Se

Project Identifier				Project Type	Date	Units (Beds/Student Capacity) Approved						
1				2	3	4						
APN	**Street Address**	**Project Name+**	**Local Jurisdiction Tracking ID+**	**Unit Category** (SH - Student Housing)	**Date**	**Very Low-Income Deed Restricted**	**Very Low-Income Non Deed Restricted**	**Low- Income Deed Restricted**	**Low- Income Non Deed Restricted**	**Moderate-Income Deed Restricted**	**Moderate-Income Non Deed Restricted**	**Above Moderate-Income**
Summary Row: Start Data Entry Below												

Jurisdiction	San Diego County -	
Reporting Period	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	04/30/2021 - 04/30/2029

ANNUAL ELEMENT PROGRESS REPORT

Table K

Tenant Preference Policy

Local governments are required to inform HCD about any local tenant preference ordinance the local government maintains when the jurisdiction submits their annual progress report on housing approvals and production, per Government Code 7061 (SB 649, 2022, Cortese). Effective January 1, 2023, local governments adopting a tenant preference are required to create a webpage on their internet website containing authorizing local ordinance and supporting materials, no more than 90 days after the ordinance becomes operational.

Does the Jurisdiction have a local tenant preference policy?	No
If the jurisdiction has a local tenant preference policy, provide a link to the jurisdiction's webpage containing authorizing local ordinance and supporting materials.	
Notes	

Jurisdiction	)iego County - Unincorporated	
Reporting Year	2024	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Local Early Action Planning (LEAP) Reporting
(CCR Title 25 §6202)

Please update the status of the proposed uses listed in the entity's application for funding and the corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the eligible uses specified in Section 50515.02 or 50515.03, as applicable.

Total Award Amount $ - *Total award amount is auto-populated based on amounts entered in rows 15-26.*

Task	$ Amount Awarded	$ Cumulative Reimbursement Requested	Task Status	Other Funding	Notes

Summary of entitlements, building permits, and certificates of occupancy (auto-populated from Table A2)

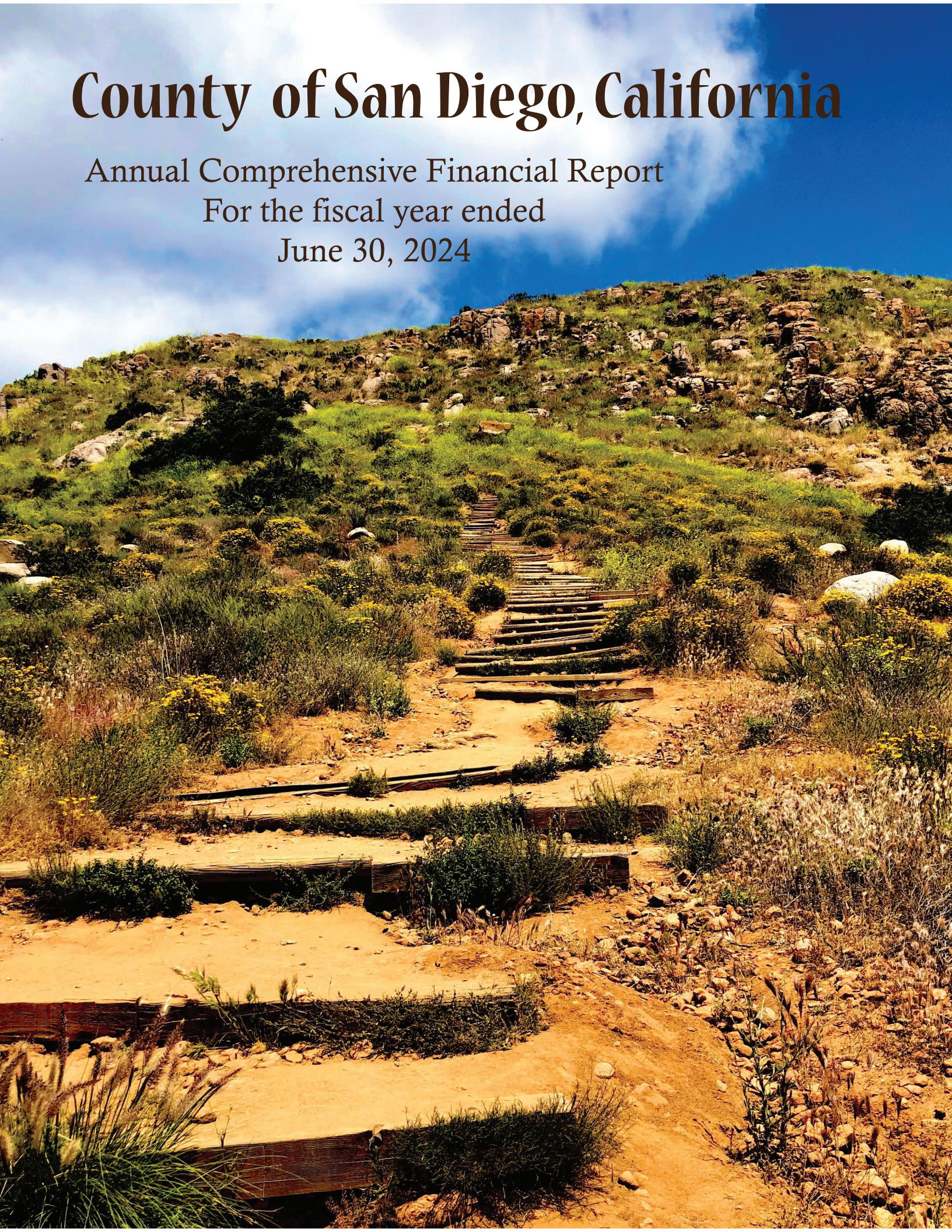
Completed Entitlement Issued by Affordability Summary		
Income Level		**Current Year**
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	0
Above Moderate		0
Total Units		**0**

Building Permits Issued by Affordability Summary		
Income Level		**Current Year**
Very Low	Deed Restricted	47
	Non-Deed Restricted	102
Low	Deed Restricted	43
	Non-Deed Restricted	242
Moderate	Deed Restricted	0
	Non-Deed Restricted	224
Above Moderate		430
Total Units		**1088**

Certificate of Occupancy Issued by Affordability Summary		
Income Level		**Current Year**
Very Low	Deed Restricted	0
	Non-Deed Restricted	78
Low	Deed Restricted	0
	Non-Deed Restricted	144
Moderate	Deed Restricted	0
	Non-Deed Restricted	168
Above Moderate		564
Total Units		**954**

County of San Diego, California

Annual Comprehensive Financial Report
For the fiscal year ended
June 30, 2024



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County of San Diego, California

Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2024

Board of Supervisors

Nora Vargas	- District 1
Joel Anderson	- District 2
Terra Lawson-Remer	- District 3
Monica Montgomery Steppe	- District 4
Jim Desmond	- District 5

Ebony N. Shelton
Chief Administrative Officer (CAO)

Joan Bracci
Chief Financial Officer

Compiled under the direction of:
Tracy Drager
Auditor & Controller

Introductory Section

Letter of Transmittal 1
GFOA Certificate of Achievement 21
Board of Supervisors 22
Organizational Chart 23
Other Elected and Appointed Officials 24

Financial Section

Independent Auditor's Report 25
Management's Discussion and Analysis 29
Basic Financial Statements 47
Government-wide Financial Statements:
Statement of Net Position 48
Statement of Activities 51
Fund Financial Statements:
Balance Sheet - Governmental Funds 53
Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position 56
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds 57
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities 58
Statement of Net Position - Proprietary Funds 59
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds 61
Statement of Cash Flows - Proprietary Funds 62
Statement of Fiduciary Net Position - Fiduciary Funds 64
Statement of Changes in Fiduciary Net Position - Fiduciary Funds 65
Contents - Notes to the Basic Financial Statements 67
Notes to the Basic Financial Statements 71
Required Supplementary Information 147
Pension Plan 148
OPEB Plan 149
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:
General Fund 151
Public Safety Fund 154
Tobacco Endowment Fund 155
Note to the Required Supplementary Information – Budgetary Information 156
Combining and Individual Fund Information and Other Supplementary Information 158
Combining Balance Sheet:
Nonmajor Governmental Funds 162
Special Revenue Funds 163
Debt Service Funds 167
Capital Projects Funds 168
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Nonmajor Governmental Funds 169
Special Revenue Funds 170
Debt Service Funds 174
Capital Projects Funds 175
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:
Asset Forfeiture Program Fund 176
Community Facilities District Funds - Other 177
County Library Fund 178
County Low and Moderate Income Housing Asset Fund 179
County Service District Funds 180
Edgemoor Development Fund 184
Flood Control District Fund 185

Harmony Grove Community Facilities District Fund 186
Housing Authority - Low and Moderate Income Housing Asset Fund 187
Housing Authority - Other Fund 188
In Home Supportive Services Public Authority Fund 189
Inactive Wastesites Fund 190
Incarcerated Peoples and Ward Welfare Program Fund 191
Lighting Maintenance District Fund 192
Other Special Revenue Funds 193
Park Land Dedication Fund 194
Road Fund 195
Combining Financial Statements – Nonmajor Enterprise Funds 197
Combining Statement of Net Position 198
Combining Statement of Revenues, Expenses, and Changes in Net Position 200
Combining Statement of Cash Flows 201
Combining Financial Statements – Internal Service Funds 203
Combining Statement of Net Position 204
Combining Statement of Revenues, Expenses, and Changes in Net Position 208
Combining Statement of Cash Flows 210
Combining Financial Statements – Fiduciary Funds 215
Combining Statement of Fiduciary Net Position - Pension and Other Postemployment Benefits Trust Funds 216
Combining Statement of Changes in Fiduciary Net Position - Pension and Other Postemployment Benefits Trust Funds 217
Combining Statement of Fiduciary Net Position - Custodial Funds 218
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds 219

Statistical Section

Introduction 221
Net Position by Component 222
Changes in Net Position 223
Fund Balances - Governmental Funds 227
Changes in Fund Balances - Governmental Funds 228
Assessed Value of Taxable Property 230
Property Tax Rates - Direct and Overlapping Governments 231
Principal Property Taxpayers 232
Property Tax Levies and Collections 233
Ratios of Outstanding Debt by Type 234
Ratios of General Bonded Debt Outstanding 235
Legal Debt Margin Information 236
Pledged-Revenue Coverage 237
Demographic and Economic Statistics 238
Principal Employers 239
Full-time Equivalent County Government Employees by Function 240
Operating Indicators by Function 241
Capital Asset Statistics by Function 243

Introductory Section

TRACY DRAGER
AUDITOR AND CONTROLLER

AUDITOR AND CONTROLLER
5530 OVERLAND AVE, SUITE 410, SAN DIEGO, CA 92123-1261
(858) 694-2176 FAX: (858) 694-2296

November 22, 2024

To the honorable members of the Board of Supervisors and the Citizens of San Diego County:

The Annual Comprehensive Financial Report of the County of San Diego (County) for the fiscal year ended June 30, 2024, is hereby submitted in compliance with Sections 25250 and 25253 of the Government Code of the State of California.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive internal control framework it established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Eide Bailly LLP, has issued an unmodified ("clean") opinion on the County of San Diego's basic financial statements for the year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

County Profile

San Diego County covers 4,526 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.

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 totals roughly 10 inches on the coast and more than 33 inches in the inland mountains.

According to the State of California Department of Finance (DOF) as of May 2023, the County's population estimate for January 1, 2023 was 3.27 million, which declined 0.53 percent or roughly 17,500 from the January 1, 2022 estimate as of May 2022. San Diego is the second largest county by population in California according to the DOF, and the fifth largest county by population in the nation, as measured by the U.S. Census Bureau based on 2022 population estimates.

There are 18 incorporated cities in the County; the City of San Diego being the largest, with a population of approximately 1.37 million; and the City of Del Mar the smallest, at approximately 3,903 people, according to DOF population estimates as of May 2023.

The racial and ethnic composition of the County is as diverse as its geography. The San Diego Association of Governments (SANDAG) projects that in 2040, the San Diego region's population will continue to grow in its diversity with: 38.7 percent White; 34.3 percent Hispanic; 16.3 percent Asian and Pacific Islander; 4.1 percent Black and 6.6 percent all other groups including American Indian. A significant growth in the region's Asian and Pacific Islander population and a decline in the region's White population is seen in this projection.

County Government, Economy and Outlook

County Government

San Diego 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, as subsequently amended. A five-member Board of Supervisors elected to four-year terms in district, nonpartisan elections governs the County. Each board member is limited to no more than two terms and must reside in the district from which he or she is elected.

The Board of Supervisors (Board) 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 the 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 nonelected officers are appointed by the CAO. 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. Elected officials head the offices of the Assessor/Recorder/County Clerk, District Attorney, Sheriff and Treasurer-Tax Collector.

The State Legislature has granted each county the power necessary to provide for the health and well-being of its residents. The County provides a full range of public services to 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, including foster care, public health care and elections.

These services are provided by four business Groups (Public Safety, the Health and Human Services Agency, Land Use and Environment, and Finance and General Government), each headed by a General Manager who reports to the CAO.

Economy and Outlook

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. GDP growth is driven by a variety of economic factors, 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), the advance estimate of real GDP in 2023 increased 2.5 percent (from the 2022 annual level to the 2023 annual level), compared to the increase of 1.9 percent in 2022 (Bureau of Economic Analysis [BEA], Gross Domestic Product, Fourth Quarter and Year 2023 (Third Estimate), GDP by Industry, and Corporate Profits, March 2024). According to the BEA, the increase in real GDP in 2023 primarily reflected increases in consumer spending, nonresidential fixed investment, state and local government spending, exports, and federal government spending that were partly offset by decreases in residential fixed investment and inventory investment (ibid). Quarter over quarter, the percent changes in 2023 also shows increases in GDP and was strong in the third quarter with an increase of 4.9 percent before decelerating in the fourth quarter but still at an increase of 3.4 percent (ibid).

In the last couple of years, many economists predicted the possibility of a recession due to elevated inflation and high interest rates, but that possibility has now faded. According to the Beacon Outlook, the running economic narrative is becoming more optimistic about the year ahead, while the economic reality is looking less so (The Beacon Outlook United States, Winter 2024). Beacon Economics doesn't see 2023 as being a positive turning point for the economy, as the narrative suggests. Rather it was a year where the economy experienced another surge of growth largely fueled by excessive high values, excessive amounts of on hand household cash, and the stimulus effect of the widening Federal budget deficit. All of these forces are weakening, and as such, so is consumer spending (ibid). Quarter over quarter, UCLA Anderson forecast a weaker-than-trend growth rate for 2024 with 1.6 percent in the first quarter, 2.1 percent in the second and third quarters, and 2.0 percent in the fourth quarter, which then accelerates back close to the 2.5 percent trend growth starting the first quarter of 2025 (UCLA Anderson Forecast, June 2024 Economic Outlook). UCLA Anderson Forecast expects GDP growth at 2.5 percent in 2024 and 2.4 percent in 2025 (ibid).

According to the minutes of the July 30–31, 2024 meeting of the Federal Open Market Committee (FOMC) of the Federal Reserve ("the Fed"), recent indicators suggest that economic activity has continued to expand at a solid pace. Job gains have moderated, and the unemployment rate has moved up but remains low. Inflation has eased over the past year but remains somewhat elevated. In recent months, there has been some further progress toward the Committee's 2 percent inflation objective (Minutes of the Federal Open Market Committee, July 30–31, 2024). The Fed has incrementally hiked the federal funds rate since April 2022 as it seeks to achieve maximum employment and return inflation to 2 percent over the longer run. In support of these goals, the Committee decided to maintain the federal funds rate to 5-1/4 to 5-1/2 percent. Per the Fed, in considering any adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainable toward 2 percent (ibid). The Federal Reserve Board has projected the Federal funds rate to decrease to 5.1 percent in 2024, 4.1 percent in 2025 and 3.1 percent in 2026 (Federal Reserve System. Summary of Economic Projections, June 12, 2024). It is worth noting that on September 18 after the County's fiscal year ended on June 30, 2024, the Federal Open Market Committee took action to reduce the federal funds rate by 0.5% to a target range of 4.75 to 5.00%. It is anticipated that there will be additional decreases of 0.5% by the end of the 2024 calendar year.

The Federal Government produces two major inflation measures for consumption goods and services, the Consumer Price Index (CPI) and the Personal Consumption of Expenditures (PCE). Positive changes in these indexes are recorded as inflation. The Consumer Price Index (CPI), produced by the Bureau of Labor Statistics (BLS), is the most widely used aggregate price index, as well as the major source of information. According to the BLS, the Consumer Price Index for All Urban Consumers (CPI-U) for all items increased 3.1 percent for the 12 months ending January before seasonal adjustment, a smaller increase than December at 3.4 percent (Bureau of Labor Statistics News Release, Consumer Price Index, January 2024). The shelter index which increased 6.0 percent over the last year, accounting for over two thirds of the total 12-month increase in all items less food and energy. In contrast, the energy index fell 4.6 percent over the past 12 months. The gasoline index decreased 6.4 percent, the natural gas index declined 17.8 percent, and the fuel oil index fell 14.2 percent over this 12-month span (ibid). UCLA Anderson forecast a CPI of 3.3 in 2024 and 2.7 in 2025 (UCLA Anderson Forecast, June 2024 Economic Outlook). The second major measurement of inflation, the Personal Consumption Expenditures index, is produced by the Bureau of Economic Analysis and is the Fed's preferred measure of inflation. According to the BEA, PCE price index for December increased 2.6 percent from the same month one year ago, reflecting increases in both goods and services (Bureau of Economic Analysis [BEA], Personal Income and Outlays December 2023, January 26, 2024). The Fed forecast PCE at 2.6 percent in 2024, 2.3 percent in 2025, and 2.0 percent in 2026 (Federal Reserve System, Summary of Economic

Projections, June 12, 2024).

With regards to energy prices, the GasBuddy Fuel Price Outlook states that the U.S. oil production reached record-setting levels in 2023, as U.S oil producers continued slowly raising output as oil prices remained conducive to bringing online additional production (GasBuddy Fuel Price Outlook 2024). GasBuddy further states, "however, while global refinery capacity has improved, robust growth in the global economy could pose a rising risk, gobbling up the newly added capacity" (ibid). Patrick De Haan, the Head of Petroleum Analysis for GasBuddy, says "as 2023 fades away, I'm hopeful those $5 and $6 prices for gasoline and diesel will also fade into memory. The global refining picture continues to improve, providing more capacity and peace of mind that record-setting prices will stay away from the pump this year. 2024 will feature some volatility, unexpected outages and disruptions, and potentially weather-related issues, but I do not expect it to feature record prices anywhere" (ibid). The U.S Energy Information Administration (EIA) projects that gas prices will decline in the following years. Retail gasoline price is forecasted to decline nearly 20 cents to $3.31 in 2024 and will remain the same in 2025 (U.S. Energy Information Administration, Short-Term Energy Outlook, February 2024).

In the housing market, the U.S. Department of Housing and Urban Development (HUD) January monthly update shows the activity in housing was mixed overall. The Federal Housing Finance Agency (FHFA) seasonally adjusted purchase-only house price index for November estimated that home values rose 0.3 percent month-over-month and 6.6 percent year-over-year, up from an annual gain of 6.3 percent in October (U.S. Department of Housing and Urban Development, Housing Market Indicators Monthly Update, January 2024). With respect to home sales, purchases of new single-family homes, which are based on purchase agreements, increased 8.0 percent month-over-month in December and were 4.4 percent higher year-over-year. As for existing homes, the National Association of REALTORS® reported that December sales of existing homes decreased 1.0 percent month-over-month in November and were down 6.2 percent year-over-year. Because existing home sales are based on closings, December sales reflect contract signings in October and November. For all of 2023, existing home sales in 2023 dropped 18.7 percent and were the slowest pace since 1995 (ibid). According to HUD, mortgage financing became more expensive as the Federal Reserve raised interest rates. House prices peaked in June 2022 and began to decline modestly, as the higher rates put downward pressure on prices. But that trend reversed itself in February 2023 as current owners became increasingly reluctant to sell (ibid).

The 30-year fixed rate mortgage rate (FRM) rose steadily in 2022 reaching a high of 7.08 percent in November 2022 and then trended down to a low of 6.09 percent in February 2023 as inflation appeared to be retreating. Mortgage rates climbed again, peaking at 7.79 percent in October 2023, as indications of economic strength put upward pressure on rates, but have descended since with the slowing of inflation (ibid). In the latest Freddie Mac mortgage rate report, the 30-year FRM reached an average weekly high in February of 6.90 percent for the week ending February 23, 2024 (Freddie Mac, Primary Mortgage Market Survey, February 22, 2024). The Mortgage Bankers Association (MBA) forecast is that the average 30-year FRM will decrease to 6.6 percent in 2024 compared to the average in 2023 of 7.3 percent and will continue to decrease to 6.0 percent in 2025, and 5.8 percent in 2026 (MBA Mortgage Finance Forecast, July 19, 2024). Focusing on 2024, MBA predicts that the 30-year FRM will increase at 7.0 percent in the second quarter which is an increase compared to the first quarter of 2024 (6.7 percent) and will then decrease to 6.8 percent in the third quarter, 6.6 percent in the fourth quarter of 2024 (ibid).

As for unemployment, the national unadjusted unemployment rate in 2023 remained steady at 3.6 percent reflecting no change from the year prior. Starting the year of 2024, the unemployment rate rose to 4.1 percent in January. (Bureau of Labor Statistics, [Unadj] Unemployment Rate Series extracted on February 23, 2024). According to the UCLA Anderson Forecast, the recent rise in unemployment can be traced in the main to new entrants to the labor market rather than layoffs. The layoff rate as measured by the ratio of new unemployment claims to payroll employment is at historically low levels. However, slower growth in the economy in 2024 will result in fewer new jobs and therefore, an increase in the unemployment rate (UCLA Anderson Forecast,

December 2023 Economic Outlook). The Federal Reserve Board has projected unemployment rate to increase to 4.0 percent in 2024, 4.2 percent in 2025, and 4.1 percent in 2026 (Federal Reserve System, Summary of Economic Projections, June 12, 2023).

Taken together, the signs point to a slowing national economy in 2024 and 2025 (Los Angeles Economic Development Corporation, LAEDC 2024 Economic Forecast, February 2024). While a recession is not expected in the next two years, it cannot be ruled out. This likelihood can also be influenced positively and negatively by external factors, such as ongoing geopolitical conflicts, which reinforces that nothing is certain (ibid).

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, 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, 1st Quarter 2024, June 28, 2024). Even though recession worries have faded, increased military activity abroad and a sense of greater geopolitical risk have kept uncertainty about the future high (UCLA Anderson Forecast, December 2023 Economic Outlook). These uncertainties combined with a slower growing U.S. economy in 2024 leads to a slower-growing California economy (ibid). In 2023, economic growth in California was at 2.1 percent, notably lower than the national rate of 2.5 percent (BEA, Gross Domestic Product by State, 1st Quarter 2024, June 28, 2024), and is anticipated to slow to about 1.7 percent in 2024 and 1.6 percent in 2025 (Los Angeles Economic Development Corporation (LAEDC), LAEDC 2024 Economic Forecast, February 2024).

The State of California has been experiencing budget turbulence over the past year, shifting from a historic surplus of nearly $100 billion to a substantial deficit within one year. According to the State budget enacted on June 26, 2024, California addressed the $46.8 billion deficit, an increase from the Governor's Proposed Budget deficit of $37.9 billion released in January, through a mix of broad-based solutions including reductions in funding for various items, revenue or internal borrowing, fund shifts, delay to avoid both increased future obligation and potential shortfalls, and deferrals of certain payments to later years (Department of Finance California 2024-25 State Budget, accessed on August 3, 2024). Looking beyond Fiscal Year 2024–25, Legislative Analyst's Office (LAO) projected back in December 2023 that the State faced operating deficits in the range of $30 billion per year. By pulling back substantially on one-time and temporary spending, as well as making some ongoing reductions, the Governor's May Revision shrinks these projected deficits from around $30 billion to an average of less than $10 billion (LAO The 2024–25 Budget: Multiyear Budget Outlook, May 2024).

In the job market, there are normally two measures of employment considered when analyzing labor markets in California; the household survey metric which counts the number of people employed and the enterprise survey metric which counts the number of payroll jobs. The household survey reports that the number of people employed in April 2024 was just 2.3 percent below the number in the pre-pandemic peak (UCLA Anderson Forecast, June 2024 Economic Outlook). The labor force decline is attributable to retirements, migration out-of-state, and individuals choosing to spend their time in non-market activities such as child raising. Over the same period, California's non-farm payroll jobs increased, and it now exceeds the pre-pandemic level by 482,300 jobs (ibid). In 2023, the non-farm employment added 372,000 wage and salary jobs reaching 18 million jobs, a 2.1 percent increase over 2022 (LAEDC, LAEDC 2024 Economic Forecast, February 2024). Nearly all major industry sectors in California experienced job growth, with the most significant gains in the private sector in private education and health, leisure and hospitality, and professional and business services. The public sector also contributed to the increase. The information sector, however, witnessed substantial job declines with a 3.3 percent drop from 2022, likely attributed to the dual Hollywood strikes and the recent layoffs and hiring slowdown in the tech industry. In the coming years, California's job creation rate is expected to slow. LAEDC forecasts a projected annual growth rate of 1.2 percent in 2024 and a further decrease of growth to 0.7

percent in 2025. This translates to an addition of 211,600 new jobs in 2024 and 123,100 jobs in 2025 (ibid).

The decline in employment over and above the decline in the labor force has led to an increase in the California unemployment rate. In 2022, California's unemployment rate returned to pre-pandemic levels. However, entering 2023, the State's unemployment rate, starting at 4.7 percent, rose to 5.1 percent in December, marking an increase from a year ago (California Employment Development Department, Local Area Unemployment Statistics, accessed on August 3, 2024). In June 2024, the preliminary unemployment rate in California rose slightly to 5.3 percent (ibid). Over the next two years, LAEDC forecast that the annual unemployment rate is anticipated to continue to rise from 4.6 percent in 2023 to 5.0 percent in 2024 and 5.1 percent in 2025. Despite this increase, the unemployment rate remains comparable to pre-pandemic levels and has significantly improved from its peak of 16.1 percent in April 2020 following the onset of the COVID-19 pandemic (ibid).

Today, the challenges facing California's economy are very much the same as they were prior to the pandemic. Housing costs in California have long been higher than the national average. In recent years, these costs have grown substantially—in some cases, growing at historically rapid rates (LAO, California Housing Affordability Tracker, April 2024). Prices for mid-tier homes are more than twice as expensive as the typical mid-tier U.S. home. Perhaps even more importantly for a first-time home buyer, a bottom-tier home in California is now about 33 percent more expensive than a mid-tier home in the rest of the U.S., a gap that has widened over the last decade (ibid). With existing home sales at depression levels, builders are responding with new developments (UCLA Anderson Forecast, December 2023 Economic Outlook). Relative to the rest of the nation, California's new home construction is holding up. Over the first three quarters of 2023 new building permits declines by over 20 percent in the Northeast and in the West excluding California compared to the first three quarters of 2022. The decline was 16.2 percent and 11.3 percent in the Midwest and the South respectively. For California, the decline was only 8.8 percent. UCLA Anderson expects that the new home products in the state and eased permitting will continue to ease the nationwide residential building downturn's impact on the state (ibid). The California Association of Realtors (C.A.R.) sees an increase in existing single-family home sales of 22.9 percent in 2024 to reach 327,100 units, up from the projected 2023 sales figure of 266,200. The 2023 figure is 22.2 percent lower compared with the pace of 342,000 homes sold in 2022 (C.A.R., C.A.R. releases its 2024 California Housing Market, September 30, 2023). Housing supply in 2024 will remain below the norm despite a projected increase in active listings of between 10 percent to 20 percent, as market conditions and the lending environment continue to improve (ibid).

According to the UCLA Anderson Forecast, the higher mortgage rates should have sent prices lower. Though home prices are lower than their previous peak with the median price of existing single-family homes sold declining on a seasonally adjusted basis by 5.5 percent from May of 2022, they have been climbing since December (UCLA Anderson Forecast, December 2023 Economic Outlook). The California median home price is forecast to rise 6.2 percent to $860,300 in 2024, following a projected 1.5 percent dip to $810,000 in 2023 from $822,300 in 2022. A persistent housing shortage and a competitive housing market will continue to put upward pressure on home prices (C.A.R., C.A.R. releases its 2024 California Housing Market, September 30, 2023). In terms of affordability, the annual household income needed to qualify for a mortgage on a mid-tier California home in March 2024 was about $235,000 which is over 2 times the median California household income in 2022 at $85,300. For a bottom-tier home, nearly $140,000 in annual income is needed to qualify for a mortgage, more than 50 percent higher than median household income in 2022 (LAO, California Housing Affordability Tracker, April 2024). For 2024, C.A.R. states that the lower economic growth and cooling inflation will bring down mortgage interest rates in 2024 and create a more favorable market environment to spur California home sales next year. C.A.R. Senior Vice President and Chief Economist Jordan Levine said, “buyers will have more financial flexibility to purchase homes at higher prices, which could generate increased housing demand and result in more upward pressure on home prices” (C.A.R.,

C.A.R. releases its 2024 California Housing Market, September 30, 2023).

The affordability of rental units is also an important issue when it comes to housing. According to LAO, monthly rents have also grown significantly in recent years, but not as quickly as monthly payments needed to purchase a home (LAO, California Housing Affordability Tracker, April 2024). The monthly rent on a typical property is $2,000 less than a monthly payment on a 2-bedroom home, with costs between buying and renting much higher in high-cost areas of the state (ibid).

With regards to sales tax, California's local one cent Sales & Use Tax receipts for sales during the months of July through September were 1.6% lower than the same quarter one year ago after adjusting for accounting anomalies (HdL Companies, San Diego County Sales Tax Update 3Q 2023, January 2024). The third quarter of the calendar year continued with a challenging comparison to prior year growth and stagnating consumer demand in the face of higher prices of goods. Fuel and service stations contributed the greatest overall decline as lower fuel prices at the pump reduced receipts from gas stations and petroleum providers. While global crude oil prices have stabilized, they remained 15 percent lower year-over-year. The general consumer categories were also down from the 2022 quarter, confirming consumers pulling back on purchases. Spending at building and construction suppliers moderately slowed. As for the autos-transportation sector, despite continued increases of new car registrations, revenue from this sector slipped 2.6 percent. The improved activity remains mostly attributed to rental car agencies restocking their fleets. Like other segments, elevated financing costs are expected to impede future retail volume. Use taxes remitted via the countywide pools dipped 3.0 percent, marking the fourth consecutive quarter of decline. While overall online sales volume is steady, pool collections dropped with the offsetting effect of more taxes allocated directly to local agencies via in-state fulfillment generated at large warehouses and through existing retail outlets. Restaurants remained an economic bright spot through summer exhibiting a 2.6 percent gain (ibid).

Overall, the California economy is forecasted to, once again, grow faster than the U.S. but not by much. The risks to the forecast are political, geopolitical and the potential for interest rates to still disrupt the current expansion on the downside (UCLA Anderson Forecast, December 2023 Economic Outlook).

San Diego Economy

As of 2023, the San Diego region is home to more than 3.3 million residents, the second largest county in California accounting for 8.4 percent of the State's population, and fifth largest in the nation in terms of population according to the U.S. Census Bureau (U.S. Census Bureau, County Population Totals: 2020– 2023, accessed on August 3, 2024). In 2022, San Diego County accounted for more than $257.3 billion, or 8.1 percent of California's GDP, based on data from the BEA (Bureau of Economic Analysis, Real Gross Domestic Product by County, December 7, 2023). With breakthrough technology companies and research institutes, the largest military concentration in the world and a strong tourism industry, the San Diego region has one of the most dynamic economies in the United States. The region's quality of life attracts a well-educated, talented workforce and well-off retirees which have contributed to local consumer spending.

In the San Diego Business Journal 2024 Economic Trends Preview, Mark Cafferty, President and Chief Executive Officer of the San Diego Regional Economic Development Corporation (EDC), stated that "It's likely 2024 will not be called an easy year. The good news is the San Diego community has a better sense than in past Januarys about where challenges are and the direction the economy is headed" (SDBJ 2024 Economic Trends Preview, January 15, 2024). Cafferty further states that San Diego's economy has "four critical anchors" that position it to do well—Tourism, Innovation, Military and Defense, and the U.S.-Mexico border (ibid). In Tourism, San Diego solidified its position as a top destination in 2023 for both leisure and business travelers with a 10.1% year-over-year growth of 31.7 million visitors, bringing in record-breaking numbers in visitor spending of $14.3 billion and hotel tax revenue collections of $418 million (San Diego Tourism Authority, Annual Report Fiscal Year 2023, and San Diego County Visitor Industry Performance 2023). As the second-largest local industry, tourism remains vital to the San Diego

economy, creating 214,000 jobs, delivering a regional economic impact of $23.4 billion (ibid). In Innovation, Juli Moran, San Diego Office Managing Partner of Deloitte, says "our unique community and innovation ecosystem across diagnostics, biotech/ biopharmaceuticals and medical technology drove continued growth in the life science San Diego employment base" (SDBJ 2024 Economic Trends Preview, January 15, 2024). San Diego life science employment surpassed 77,770 jobs as medical technology companies based in San Diego continue to experience double-digit growth in revenue and headcount. Mike Krenn, CEO of Connect, says "equally important is the breadth and depth of our innovation cluster." Krenn further states that "on a macroeconomic perspective, San Diego benefits from having equally strong life sciences and technology sectors." In the past four years, San Diego companies raised $24 billion dollars in venture capital and is now the fifth biggest venture capital hub in the country. This is a big contrast in comparison to the 10 years prior to 2015 where San Diego companies never raised more than $1.1 billion collectively (ibid). As for defense spending and military jobs, San Diego represents more than 20 percent of the economy and the sector is continuing to experience consistent growth trends in recent years (ibid).

Tracking the consumer activity, Google Mobility analyzes the movement of a community compared to the baseline, which is the median value during the 5-week period from January 3 to February 6, 2020, prior to the COVID-19 pandemic shutdown. In San Diego, retail & recreation, grocery & pharmacy, parks, transit stations and workplaces visits continue to be below the baseline, while residential locations continue to be above the baseline (Google COVID-19 Mobility Report. California Mobility Data, accessed on February 24, 2024). Consumer spending in San Diego increased primarily due to online sales. As of the third quarter of 2023, HDL reports an increase in San Diego County sales tax of 0.9 percent with the unincorporated area increasing at 32.1 percent (HDL Companies, San Diego County Sales Tax Update 3Q 2023, January 2023). The County's substantial sales tax growth is attributed to increased taxpayer allocations in the business and industry group spiking that group 111 percent compared to a year ago. The countywide use-tax pool allocation increased by 22 percent compared to a year ago reflects the county's resultant growth in pool share. As online retailers shift the fulfillment of internet orders from out-of-state to instate fulfillment centers, some revenues shift out of the pools and into direct allocations (ibid). Economist Lynn Reaser says that in 2024, "expect a slower pace of spending for many reasons. These include a lower saving rate, leveling off in wage gains, high interest rates, and less demand for some durable goods. Other downward trends are a resumption of student loan payments and higher delinquencies on sub-prime credit. These trends will be counterbalanced by healthy balance sheets and good worker income leading to continued consumer spending, albeit at a lower pace" (The San Diego Union-Tribune, San Diego in '24: Experts predict higher home prices, January 5, 2024).

When there is an increase in consumer purchases, more sales tax is collected by the County of San Diego. As of the Second Quarter Economic Update to the Board of Supervisors in mid-March, the County was projected to anticipate additional Sales & Use Tax revenue of $15.8 million in Fiscal Year 2023–24. 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 Proposition 172 and Health and Public Safety Realignment. As of the Second Quarter, the County Proposition 172, and Health and Public Safety Realignment, and Sales & Use Taxes revenues are expected to be lesser than the Fiscal Year 2023–24 budgeted levels by $34.2 million due to lower than expected receipts and public works project schedule changes. 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. As of the Second Quarter, the County Mental Health Services Act and State Gas Tax program revenues are expected to be higher than the Fiscal Year 2023–24 budgeted levels by $5.4 million.

According to the San Diego Tourism Authority, San Diego hotels continued to receive strong demand, placing fourth nationwide in both hotel occupancy and

revenue per available room ranked sixth in average daily rate. The region's hotels witnessed a notable 5.5 percent year-over-year increase in average occupancy, reaching 73.7 percent, while average daily rate showed a significant rise of 10.9 percent (San Diego Tourism Authority, Annual Report Fiscal Year 2023). As hotel demand recovers from the effects of the pandemic, so does the County's Transient Occupancy Tax (TOT), the County's hotel room tax collected in the unincorporated area. In Fiscal Year 2022–23, TOT revenue was budgeted at a higher amount assuming a recovery to overall tourism to the region. However, actual TOT revenue came in more than anticipated at 39.1 percent more than was budgeted. In Fiscal Year 2023–24, the TOT revenue was budgeted at an increase of 15.5 percent, and as of Second Quarter of Fiscal Year 2023–24, TOT revenue was expected to be $1.1 million higher than the budget based on prior year receipts and continued growth in the hotel industry and tourism as a whole.

In terms of employment, Kelly Cunningham of the San Diego Institute for Economic Research commented, "While total jobs fully recovered from pandemic shutdowns, employment dynamics continue happening as some sectors thrive and others diminish. As the past year progressed, regional employment appeared to flounder" (The San Diego Union-Tribune, San Diego in '24: Experts predict higher home prices, January 5, 2024). According to the U.S. Bureau of Labor Statistics, San Diego's metro area employment is at 1.59 million jobs as of December 2023, showing an increase of 1.5 percent from December 2022 (U.S. Bureau of Labor Statistics, San Diego Area Economic Summary, February 8, 2024).

Unemployment rose sharply during the start of the pandemic from 3.2 percent in February 2020 to 16.1 percent in April 2020 and started to slowly decline showing a lowest unemployment rate in May 2022 at 2.9 percent (California Employment Development Department, San Diego-Carlsbad MSA Industry Employment & Labor Force - By Month, accessed on February 24, 2024). In December 2023, the local San Diego unemployment rate was 4.3 percent, up from a revised 4.2 percent in November 2023, and above the year-ago estimate of 3.0 percent. This compares with an unadjusted unemployment rate of 5.1 percent for California and 3.5 percent for the nation during the same period (California Employment Development Department, San Diego- Carlsbad Metropolitan Division Labor Force Data, January 19, 2024). By June 2023, the preliminary unemployment rate rose slightly to 4.5 percent, up from a revised 3.7 percent in May 2024, and above the year-ago estimate of 3.9 percent (California Employment Development Department, San Diego-Carlsbad Metropolitan Division Labor Force Data, July 19, 2024). At the beginning of the year, a panel of San Diego business leaders and economists mostly predicted that the unemployment rate would be higher by the end of the year than it was at the time, ranging and averaging at 4.5 percent (The San Diego Union-Tribune, San Diego in '24: Experts predict higher home prices, January 5, 2024). Increase in unemployment constraints consumer spending and associated County revenues, while inversely 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.

When it came to wages, middle wage San Diego County workers made slightly more than the State average, however low wage on average and high earners made less than the State average in 2022 (California Employment Development Department. Occupational Employment Statistics. accessed March 5, 2023). The median household income for San Diego County in 2022 was $96,974 but diminishing factors including inflation and the real estate market can reduce that overall buying power.

Recent data shows that inflation is slowing down, but it remains elevated, and consumers are still feeling the pressure from high prices. Prices in the San Diego area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.4 percent for the two months ending in January 2024 influenced by higher prices for shelter (Bureau of Labor Statistics, Consumer Price Index, San Diego Area. January 2024). Over the last 12 months, CPI-U increased 3.8 percent. Food prices increased 3.7 percent. Energy prices fell 11.6 percent, largely the result of a decrease in the price of natural gas service. The index for all items less food and energy increased 5.0 percent over the year (ibid).

San Diego is one of the least affordable areas in the country with only a small percentage of workers able to afford a median priced home. While many factors

have contributed to the housing crisis, the root cause is the fact that housing development has not kept pace with population growth, resulting in housing costs that have increased at a much faster rate than income levels. In 2023, the median price peaked in August with single family homes pushing past $1.0 million and existing attached homes at $670,000 (San Diego Regional Chamber of Commerce, June 2024 Monthly Indicators). San Diego home prices started to slowly decrease and by January 2023, the median price for single family homes decreased to about $976,000 while the median price for existing attached homes decreased to $650,000. Year-over-year, home prices show an increase of 15.0 percent for single family homes and 10.0 percent of existing attached homes (ibid). A panel of San Diego business leaders and economists predicted that the county's median home price ranging from $800,000 to $1.0 million and a median of $880,000, which is lower than January (The San Diego Union-Tribune, San Diego in '24: Experts predict higher home prices, January 5, 2024).

Since the pandemic-stricken 2020, housing prices in San Diego have been up and down, leaving buyers and investors uncertain. But the trend has been mostly upwards (Little Big Homes, San Diego Housing Market Forecast for 2024, December 1, 2023). San Diego's sales numbers justify the fear of a retrogressing housing market. According to the California Association of Realtors, sales volume has dropped incredibly since August 2021. The demand-supply dynamics are heavily skewed in the San Diego real estate market. Demand has been outpacing the available inventory, causing a red-hot seller's market. According to Rocket Homes, San Diego County's homes for sale were 5,616 in October 2023. The number of homes sold was 1,559 homes in the same month. By computation, we are looking at a 3.6-month supply, which is way below the six-month supply that is considered balanced (ibid). In an article from The San Diego Union-Tribune, it says that "San Diegans are staying in their homes twice as long as they used to, which experts say is part of the reason for an unsteady housing market" (The San Diego Union-Tribune, San Diegans are staying in their homes twice as long as they used to, February 23, 2024). San Diego County homeowners stayed a median of 15 years before selling, said a Redfin study of 2023 data. That was up from a median of 7.4 years in 2005, and higher than the national median of 11.9 years. Most experts point to rising interest rates and home prices as top reasons why current owners don't want to sell and find a new place. There are other factors, too, such as tax advantages in not moving, as well as households becoming multigenerational as for-sale housing shortages continue. The number of home listings in San Diego County fell to a low last year of 2,904 homes in April. It has since increased slightly to 3,056 homes listed for sale in mid-February. In the year before the pandemic, it was typical to have 7,000 to 8,000 homes for sale in a given month (ibid).

The housing crisis demands a departure from the belief that neighborhoods can't change. President and CEO of the San Diego Regional Chamber of Commerce Jerry Sanders emphasize the need for integrated housing; a diverse mix of housing-type is essential—apartments, condos, single-family homes—reflecting the multifaceted nature of San Diego (San Diego Workforce Partnership, Economic leaders tout cautious optimism for San Diego's economic future. February 8, 2024). To create more affordable housing in San Diego, Jerry Sanders says it comes down to creating more apartments in neighborhoods. But even with more housing, many of which come with a hefty price tag (ibid). According to the market rental rate data from Zillow, the average rent in San Diego is at $2,964 as of January 2024, higher by 51.4 percent compared to the national average, making San Diego one of the most expensive regions for renters in the nation. Year-over-year, the rental rate in January increased 3.0 percent, which is comparable to the pre-pandemic trend and a far cry from the year-over-year rent increase of 17.9 percent and 8.3 percent in January 2022 and January 2023 respectively (Zillow Research. Zillow Observed Rent Index, accessed on February 26, 2024). Pushed on by historic rent increases throughout the pandemic and a nationwide push for housing, apartment construction in the U.S. hit a 36-year-high in 2023 (The San Diego Union-Tribune, San Diego apartment wave: More than 4,000 units opening this year, February 21, 2024). There are more than 4,000 new apartments opening across San Diego County in 2024, with the vast majority downtown. Yet it isn't just where you expect new complexes to be; zoning changes and a push for housing mean projects spread all over the

county (ibid).

As part of the Regional Housing Needs Assessment (RHNA) process, the California Department of Housing and Community Development (HCD) in consultation with San Diego Association of Governments (SANDAG), identified a need for over 171,000 new housing units in San Diego between 2021–2029. According to the latest SANDAG RHNA progress report, the total number of approved housing units is currently over 18,000 or at 10.6 percent of its goal (SANDAG RHNA Progress Report by Jurisdiction, accessed on February 27, 2004). The City of San Diego makes up 63 percent of the goal at about 108,000, and in the City's 2023 Annual Report on Homes, the City approved 10,346 new homes for construction, approximately 10 percent of the target (City of San Diego 2023 Annual Report on Homes, November 2023). Although still in the early stages of the 8-year RHNA planning cycle for housing, this progress lays the foundation for the additional work required to ensure that everyone can live where they choose. The City will continue to build upon this progress and prioritize the creation of more homes that meet the needs of all San Diegans regardless of age, income, family size, or neighborhood (ibid).

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 0.3 percent in 2023. Total deeds recorded in 2023 was 83,523, a decrease of 20.1 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 during the Great Recession. In comparison, San Diego County saw 2,152 notices of default in 2023, up 7.1 percent from the 2022. 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 about 10.0 percent in 2023, a decrease of 2.0 percent and overall decrease in terms of the number of foreclosures from 2022. Overall, despite a noticeable uptick in default notices, the actual number of defaults resulting in foreclosures has remained low in recent years. The County/Assessor/Recorder/County Clerk will continue to monitor and report on the foreclosure activities in San Diego County.

County's Economic Base

The County's economic stability is based on significant manufacturing presence and innovation clusters (e.g., energy storage, cyber-security, and clean tech), a large tourist industry attracted by the favorable climate of the region, a considerable defense-related presence from federal spending, and a thriving hub of biotech and telecommunications industries. Highlights of seasonally unadjusted County employment as of July 2024 revised data from the California Employment Development Department Labor Market Information Division are listed below:

- Non-farm industry employment totals 1.56 million jobs. This represents a gain of nearly 13,000 jobs from July 2023. Agriculture includes 10,000 jobs, or 0.6 percent of all industries in the region.
- Goods-producing industries make up 13.2 percent of non-farm employment or 204,800 jobs. The most significant sectors include manufacturing, which accounted for 7.2 percent of non-farm employment or 111,700 jobs; and construction, which accounted for 6.0 percent of total non-farm employment or 92,700 jobs.
- Private (non-government) services industries constitute the largest share of employment in the region and accounted for 71.1 percent of total non-farm employment, with 1,107,700 employed.
- Of these, professional and business services make up the largest non-government sector, comprising 17.3 percent of total non-farm employment, totaling 270,000 jobs. Other large non-government sectors in the private services industry category include trade, transportation, and utilities (222,000 jobs); educational and health services (255,100 jobs); and leisure and hospitality (209,300 jobs).
- Government accounted for 15.7 percent of total non-farm employment, or 244,400 jobs. San Diego's local governments, including education, contribute significantly to this sector.

County revenues that are affected by the state of the local economy include property taxes, sales taxes, and charges for services. Key factors impacting these

revenues include real estate activity and consumer spending which are in turn greatly influenced by interest rates and employment levels. Short- and long-term interest rates are currently higher compared to previous years due to the series of hikes that the Fed has enacted to address inflation.

General Management System

The General Management System (GMS) is the County of San Diego's ("County") foundation that guides operations and service delivery to residents, businesses and visitors. The GMS outlines the County's strategic intent, prioritizes its goals and use of resources, describes how it monitors progress on 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 maintain an organizational culture that values transparency, accountability, innovation, and fiscal discipline and that provides focused, meaningful public services.

The County's operational approach to planning and decision making is through the integration of the General Management System (GMS) with the strategic framework adopted by the Board of Supervisors. The GMS is reflective of today's communities while preserving the core management principles of strategic planning, operational accountability, enterprise-wide collaboration, and employee connection.

At the core of the GMS is Community Engagement, based on the principle that all that we do should be for, and created in partnership with, the people we serve. The outer ring is included to reflect the core values of everything we do: integrity, equity, access, belonging and excellence. A just, sustainable, and resilient future for all.

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:

https://www.sandiegocounty.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 the community, stakeholders and employees.

Vision:

A just, sustainable, and resilient future for all

Mission:

Strengthen our communities with innovative, inclusive, and data-driven services through a skilled and supported workforce

Values:

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

- **Integrity** - Earn the public's trust through honest and fair behavior, exhibiting the courage to do the right thing for the right reason, and dedicating ourselves to the highest ethical conduct
- **Equity** - Apply an equity lens to appropriately design programs and services so that underserved communities have equitable opportunities. Using data driven metrics, lived experiences and the voices of our community we weave equity through all policies and programs
- **Access** - Build trust with the residents we serve through transparent communication and neighborhood engagement that is accessible in the languages, facilities and methods that meet their needs
- **Belonging** - Foster a sense of belonging, not just inclusion, for the people we serve and for the employees of the County who provide those services on a daily basis
- **Excellence** - Ensure exceptional service delivery to our customers by practicing fiscal prudence, encouraging innovation and leveraging best practices that promote continuous improvement to build strong, vibrant communities
- **Sustainability** - Secure the future of our region, by placing sustainability at the forefront of our operations deeply embedded into our culture. Dedicate ourselves to meeting our residents' current resource needs without compromising our

ability to meet the needs of generations to come

Strategic and Operational Planning (Budgetary) Process

The County ensures operations are strategically aligned across the organization by developing a five-year Strategic Plan that sets forth priorities the County will accomplish with public resources. The Strategic Plan is developed by the Chief Administrative Officer (CAO) and the County Executive Team, based on the policies and initiatives set by the Board of Supervisors, 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 Goals, Enterprisewide Goals and Departmental Objectives that make achievement of the initiatives possible. The Strategic Initiatives include:

- Equity
- Sustainability
- Community
- Empower
- Justice

To ensure that the Strategic Plan incorporates a fiscal perspective, the CAO, Assistant CAO (ACAO) 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 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 Goals and/or Enterprisewide Goals.

State law permits modifications to the adopted budget during the year with approval by the Board of Supervisors, or in certain instances, by the Auditor and Controller.

The CAO provides a quarterly budget status report to the Board of Supervisors that may also recommend changes to address unanticipated needs or make technical adjustments to the budget.

Financial (Budgetary) Policies

The following is an overview of various laws and policies that guide the County's budgetary decision-making process.

California Government Code (GC) Sections 29000 through 29144 provide the statutory requirements pertaining to the form and content of the County's budget. Government Code Section 29009 requires a balanced budget in the recommended, adopted and final budgets, defined as "funding sources shall equal the financing uses."

County Charter Section 703 establishes the Chief Administrative Officer as responsible for all Groups/Agencies and their departments (except departments with elected officials as department heads), for supervising the expenditures of all departments and for reporting to the Board of Supervisors whether specific expenditures are necessary.

County Code of Administrative Ordinances Article VII establishes the components and timeline for the budget process and establishes the Chief Administrative Officer as responsible for budget estimates and submitting recommendations to the Board of Supervisors. This article also establishes guidelines for the use of General Fund fund balance and the maintenance of General Fund reserves in order to protect the fiscal health and stability of the County. Expenditures for services are subject to fluctuations in demand and revenues are influenced by changes in the economy and State and federal regulations. This section ensures the County is prepared for unforeseen events by establishing, maintaining and replenishing prudent levels of General Fund fund balance and reserves, and by ensuring that all one-time resources generated by the County are appropriated for one-time expenditures only.

The County has the following policies that serve as guidelines for financial and budgetary processes:

Board of Supervisors Policies

A-81 Procurement of Contract Services: 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.

A-87 Competitive Procurement: 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.

A-136 Use of County of San Diego General Management System for Administration of County Operations: Establishes the General Management System (GMS) as the formal guide for the administration of County departments, programs and services, and ensures that all County departments and offices operate in compliance with the GMS. The GMS includes two-year Operational Planning, in which the County's revenues are budgeted.

B-29 Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery: Provides a methodology and procedure to encourage County departments to recover full cost for services whenever possible.

B-37 Use of the Capital Program Funds: Establishes funding methods, administration and control, and allowable uses of the Capital Program Funds.

B-58 Funding of the Community Enhancement Program: Establishes guidelines and criteria for allocating the appropriations for the Community Enhancement Program.

B-63 Competitive Determination of Optimum Service Delivery Method: Provides that selected departments 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 determine how the revenues can be maximized so the highest level or volume of services can be provided.

B-65 Long-Term Obligations and Financial Management Policy: Governs the management and planning for the long-term financial outlook and obligations that bear the County of San Diego's name or name of any related Agency for the County.

B-72 Neighborhood Reinvestment Program: Establishes guidelines and criteria for allocating the appropriations for the Neighborhood Reinvestment Program.

E-14 Expenditure of Tobacco Settlement Revenue in San Diego County: Establishes that revenue received from the Tobacco Master Settlement Agreement (1998) shall be allocated to support a comprehensive tobacco control strategy, to increase funding for health care-based programs, and to supplement, but not replace, existing health care revenue.

G-16 Capital Facilities and Space Planning: Establishes a centralized, comprehensive, sustainable and equitable capital facilities planning program for the County of San Diego that establishes general objectives and standards for the location, size, design, and occupancy of County-owned or leased facilities.

Administrative Manual

0030-01 Procedure for Fees, Grants and Revenue Contracts for Services Provided to Agencies or Individuals Outside the County of San Diego Organization: Establishes a procedure within the framework of Board of Supervisors Policy B-29, to serve as guidance in the process of recovering full costs for services provided to agencies or individuals outside the County of San Diego organization under grants or contracts or for which fees may be charged.

0030-06 State Mandated Cost Recovery: Establishes guidelines to attempt full recovery of all State mandated costs resulting from chaptered legislation and executive orders.

0030-10 Transfers of Appropriations Between Objects within a Budget Unit: Establishes a procedure authorizing the Auditor and Controller, under the direction of the CAO, to transfer appropriations between objects within a budget unit (department).

0030-14 Use of One-Time Revenues: Establishes that one-time revenue will be appropriated only for one-time expenditures such as capital projects or equipment, not for ongoing programs.

0030-18 Establishing Funds and Transfer of Excess Cash Balances to the General Fund: Establishes the

procedure for approval and establishment of funds and a policy to transfer cash balances into the General Fund, as authorized by California Government Code Section 25252.

0030-23 Use of the Capital Program Funds (CPFs), Capital Project Development and Budget Procedures: 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 CPFs.

0400-03 Budget Guidelines for Staffing: Provides general guidance to County departments on how the County budgets and forecasts for staffing during the annual budget build.

Strategic Initiatives and Achievements

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 (ACAO), the General Managers and the Strategic Advisory, Guidance, and Evaluation 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.

In Fiscal Year 2021-22, the County of San Diego underwent a large organizational shift, with the majority of the members of the Board of Supervisors being newly elected. This marked the first time in two decades that all five sitting Supervisors had been in office for their first term. As the County looks toward the future, it was clear now is the time to build upon past successes, identify opportunities for improvement in our current processes, and ensure our operations are aligned with the policy initiatives of the Board of Supervisors.

The County began a new strategic planning process in the Summer of 2021, which included convening a Strategic Planning Team. The 2021 Strategic Planning Team consisted of staff experts from across the enterprise who possess unique subject matter expertise as well as an extensive operational knowledge and have served as integral members of teams that have been implementing the new programs brought forward by the Board of Supervisors this year.

The overall themes that came out of the robust discussions were the desire to be a government that listens to, partners with, and supports the community we serve, while sustainably planning for the future. This process also included a reimagining of the County's governance documents which includes the Vision Statement, Mission Statement, and Values. There are new Strategic Initiatives, and Audacious Goals that go along with each to guide the departments in outcome-based goal setting that aligns with the County's Vision. In the County's Strategic Framework, Groups and Departments support five Strategic Initiatives: Equity, Sustainability, Community, Empower, and Justice. Audacious Goals assist departments in aligning with and supporting the County's Vision and Mission. In addition, department objectives demonstrate how departments contribute to the larger Audacious Goals.

Strategic Initiatives provide the framework for the County to set measurable goals. These initiatives are designed to span the entire organization, break down silos, and extend across groups for all departments to see their work contributing to the overall success of the region.

Equity

- Health
  - Reduce disparities and disproportionality and ensure access for all through a fully optimized health and social service delivery system and upstream strategies.
  - Focus on policy, systems and environmental approaches that ensure equal opportunity for health and well-being through partnerships and innovation.
- Housing
  - Utilize policies, facilities, infrastructure, and finance to provide housing opportunities that meet the needs of the community.
- Economic Opportunity
  - Dismantle barriers to expanding opportunities in traditionally underserved communities and businesses, especially communities of color and low income.

- Advance opportunities for economic growth and development to all individuals and the community

Sustainability

- Economy
  - Align the County's available resources with services to maintain fiscal stability and ensure long-term solvency.
  - Create policies to reduce and eliminate poverty, promoting economic sustainability for all.
- Climate
  - Actively combat climate change through innovative or proven policies, green jobs, sustainable facility construction or maintenance and hazard mitigation.
- Environment
  - Protect and promote our natural and agricultural resources, diverse habitats and sensitive species.
  - Cultivate a natural environment for residents, visitors and future generations to enjoy.
- Resiliency
  - Ensure the capability to respond and recover to immediate needs for individuals, families, and the region.

Community

- Engagement
  - Inspire civic engagement by providing information, programs, public forums or other avenues that increase access for individuals or communities to use their voice, their vote, and their experience to impact change.
- Safety
  - Support safety for all communities, including protection from crime, availability of emergency medical services and fire response, community preparedness and regional readiness to respond to a disaster.
- Quality of Life
  - Provide programs and services that enhance the community through increasing the wellbeing of our residents and our environments.
- Communications
  - Create proactive communication that is accessible and transparent.
  - Offer interpreters for community meetings or translations of information to ensure residents have every opportunity to make informed decisions while listening to, participating in or using County services or programs.
- Partnership
  - Facilitate meaningful conversations, shared programming, grant opportunities, or other opportunities to maximize resources through community partnerships to benefit the region.

Empower

- Workforce
  - Invest in our workforce and operations by providing support services and excellent customer service to ensure continuity of operations remains at its best.
- Transparency and Accountability
  - Maintain program and fiscal integrity through reports, disclosures, and audits.
- Innovation
  - Foster new ideas and the implementation of proven best practices to achieve organizational excellence.

Justice

- Safety
  - Ensure a fair and equitable justice system in the defense and prosecution of crimes, investigations of abuse and neglect, and support and services for victims.
  - Focus efforts to reduce disparities and disproportionality across the justice system.
- Restorative
  - Contribute to a system of restorative justice that strives to repair harm to victims and to the community at large, as well provide inclusive opportunities for justice involved individuals to contribute to the region.
- Environmental
  - Advance equal protection and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies with an urgent focus on communities of color and low-income

communities recognizing they historically lacked the same degree of protection from environmental and health hazards.

- Ensuring equal access to decision-making processes that create healthy environments in which to live, learn and work.

All County programs support at least one of these five Strategic Initiatives through Audacious Goals, Enterprise-wide Goals and Department Objectives that make achievement of the initiatives possible.

Within the structure of the two-year operational planning process, the County plans for and attains interim progress toward achievement of the Strategic Initiatives. Some of the highlights over the last year include:

Equity

- The Health and Human Services Agency (HHSA) Housing and Community Development Services provided funding to help open or break ground on 1,390 new units of affordable housing across the County. This was accomplished by developing excess County property in partnership with the Department of General Services, leveraging state, federal and private funds, and investing local dollars like the Innovative Housing Trust Fund. One affordable housing development that opened, the Levant Senior Cottages is the first to complete construction on County excess land. The site was formerly used for an old child welfare center and now is home to 127 low-income senior households.

Sustainability

- The Climate Action Plan (CAP) Update was adopted by the Board of Supervisors in September 2024. This is the result of several years of careful planning, community engagement, agency collaboration and scientific modeling. The CAP was developed through a multi-year, comprehensive public engagement process to ensure the plan is shaped by community input and centered on environmental justice. Feedback was received through 21 workshops, 232 meetings and events, 563 survey responses, and other engagements. This includes an Equity Framework which can be used as a guide to ensure community preferences and equitable outcomes are prioritized in CAP implementation. Ultimately, the measures in the CAP Update will reduce greenhouse gas emissions (GHGs) 44.5% by 2030 placing the County on a path to net-zero emissions by 2045.
- The Department of General Services prepared greenhouse gas (GHG) inventories of County operations for calendar year 2023 and achieved a 2.1% reduction in total greenhouse gas emissions compared to calendar year 2022.

Community

- The Assessor/Recorder/County Clerk increased the number of qualified disabled veterans and their surviving spouses for the Disabled Veterans' Exemption to more than 17,500 resulting in a total annual savings exceeding $28.0 million in property taxes, making San Diego the #1 County Assessor's Office in the State of California.
- The Sheriff's Department implemented the Blue Envelope Program at all San Diego Sheriff stations, all 14 law enforcement agencies in San Diego County, and with 34 community partners. This program is designed to promote inclusivity and serve as an enhanced communication awareness tool between law enforcement and community members diagnosed with a condition or disability such as autism spectrum disorder, dementia, anxiety, or other conditions that might require additional accommodations or awareness during a law enforcement response.
- The County Health and Human Services Agency, Department of Homeless Solutions and Equitable Communities received funding from the Federal Communications Commission to help residents access quality and affordable internet through an Affordable Connectivity Outreach, Education and Navigation Program. This provided access to all six county health service regions through multilingual outreach. The program provides a monthly discount for internet services for eligible households, while a Community Health Worker team focuses on providing the program through culturally and linguistically responsive community engagement to communities across the county that have sociodemographic characteristics associated with long-standing health disparities.
- In support of the County's Regional Decarbonization Framework, the Office of Sustainability & Environmental Justice held five community conversations to shape events planned for their neighborhoods about local decarbonization and environmental justice

priorities. Approximately 250 people rolled up their sleeves to co-design future gatherings that will be held in each supervisorial district. The core organizations hosting these future climate gatherings are Climate Action Campaign, Urban Collaborative Project, Bayside Community Center, El Cajon Collaborative, San Diego 350, and Global Action Resource Center. A wide range of other organizations and public agencies also participated to help inform the process and share resources including Metropolitan Transit System (MTS), Air Pollution Control District (APCD), San Diego Community Power, and local city staff. Each event highlighted unique community values, culture, and heritage through music, art, poetry and Tribal acknowledgments.

Justice

- The Probation Department completed construction of the Youth Transition Campus Phase two that includes facilities for justice-involved youth, including housing units with direct access to exterior patios and recreational areas. The Educational Complex resembles a community school with classrooms that are trauma-informed and include multi-purpose rooms for school assemblies and graduations. In addition, the department expanded programming for the Youth Development Academy, Secure Youth Treatment Facility, to provide enhanced trauma-informed, culturally responsive care using a developmental and therapeutic approach to rehabilitation.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its annual comprehensive financial report for the fiscal year ended June 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Other Awards and Recognitions

The County of San Diego workforce continually plans to cut costs, streamline processes, incorporate the newest technology and expand services to improve the lives of residents and save taxpayer dollars. While the goal is to improve communities, it is gratifying to be recognized for those efforts. The following is a sample of the recognition the County received during the past fiscal year for its leadership and excellence in operations:

The County earned 47 Achievement Awards from the National Association of Counties (NACo) for its innovative programs. Some of the award-winning programs include:

- The Department of Child Support Services (DCSS) received a Best in Category NACo award for Tomorrow's Leaders Today. DCSS' enhanced implementation of the County's Student Worker Program has achieved remarkable success in fostering a positive and productive work environment. By providing students with meaningful opportunities to contribute to the department's mission, DCSS not only benefits from fresh perspectives and innovative ideas but also allows students to gain valuable real-world experiences instrumental in their professional development. This relationship fosters a vibrant work culture that embraces diversity and continuous learning.
- The Land Use and Environment Group (LUEG) received 16 national awards from NACo for programs that address climate action, protecting agriculture, outdoor recreation, smart growth/land use planning, waste reduction/diversion, process improvements, preventing stormwater runoff, public education/engagement and literacy.
- The Department of Human Resources was received a national award from NACo for its *Expanding Inclusion Through Neurodivergent Excellence Initiative*. This program was recognized for revolutionizing recruitment and creating a more equitable work environment for neurodivergent individuals.
- The District Attorney's Juvenile Diversion Initiative (JDI) received a NACo award in the criminal justice and public safety category. JDI is

a countywide early intervention program that prioritizes diversion options for youth instead of filing criminal charges. The goal of JDI is to reduce the number of youths who enter the juvenile justice system, engage the community and stakeholders in the youth's rehabilitation, and address the causes of the youth's unsafe behaviors while at the same time fostering accountability to crime victims and community. This voluntary program for youth between ages 12 and 18 provides comprehensive therapeutic services, pro-social skill-building opportunities, educational support, and restorative justice community conferencing to ensure participants are supported and the needs of victims are addressed.

- The County of San Diego was the recipient of a California State Association of Counties 2023 Challenge Award. The County received an award for the Promoting Menstrual Equity in San Diego County program expanding into all County facilities, serving as a model to other jurisdictions to replicate. The Challenge awards are presented to the most innovative programs across the categories.
- LUEG's public-facing infographics supporting the 2024-25 Operational Plan won for best graphic and website design at the DNA Paris Design Awards 2024 at the European Design Circuit in Paris, France. The project also won a 2024 Graphic Design USA Digital Design Award. The competition received a record turnout of nearly 3,000 entries, and only the top 10% were selected as winners.
- The County Treasurer-Tax Collector's Office won first Place in the 2023 *Pensions & Investments Eddy Awards* for public plans with more than 5,000 participants in the category of Ongoing Investment Education as it relates to the Deferred Compensation Program (401(a) and 457(b) plans).
- For the fifth year in a row, the Edgemoor Distinct Part Skilled Nursing Facility in Santee made Newsweek's America's Best Nursing Homes 2024 list for California. Edgemoor is part of the Behavioral Health Services department, serving some of our most vulnerable residents, 24 hours a day with excellent care. The prestigious list highlights top nursing homes compared to others in the same state based on performance data, peer recommendations, the facility's handling of COVID-19 response and protocols.

Acknowledgments

We would like to express our appreciation to the accounting staff of County departments and the staff of the Auditor and Controller's department whose coordination, dedication and professionalism are responsible for the preparation of this report. We would also like to thank Eide Bailly LLP for their professional support in the preparation of the Annual Comprehensive Financial Report. Lastly, we thank the members of the Board of Supervisors, the Chief Administrative Officer, Group/Agency General Managers and their staff for using sound business practices while conducting the financial operations of the County.

Respectfully,

JOAN BRACCI
Chief Financial Officer

TRACY DRAGER
Auditor and Controller

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of San Diego
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

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Chair

Joel Anderson
District 2

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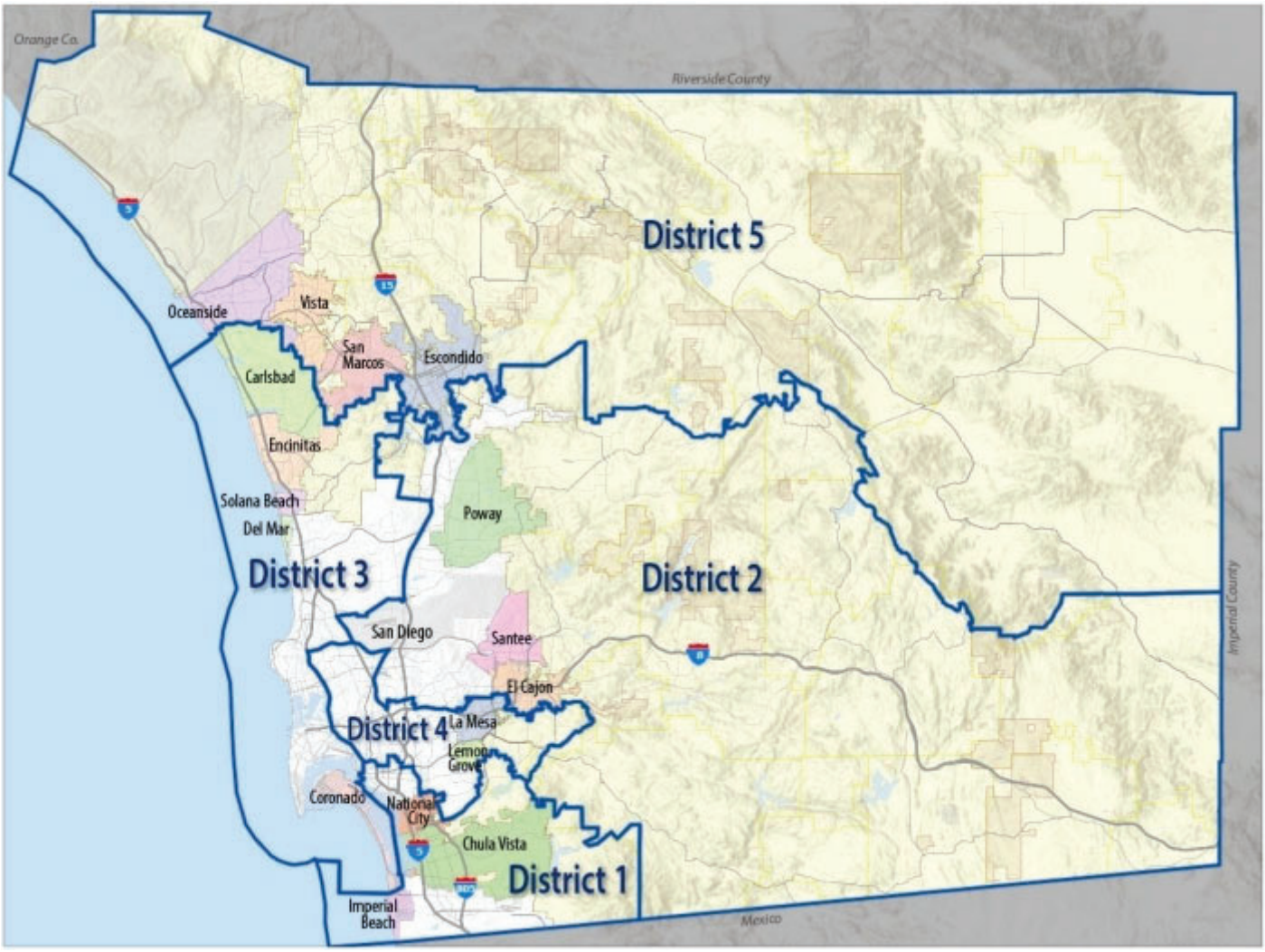
District 4

Jim Desmond
District 5



County of San Diego
Organizational Chart

*Elected Officials

**Reports to the Board of Supervisors

Rev. 04/24

Chief Administrative Office

Chief Administrative Officer	Ebony N. Shelton
Assistant Chief Administrative Officer	Caroline Smith

Elected Officials

Assessor/Recorder/County Clerk	Jordan Marks
District Attorney	Summer Stephan
Treasurer/Tax Collector	Dan McAllister
Sheriff	Kelly Martinez

General Managers/Deputy Chief Administrative Officers

Finance & General Government Group	Brian Albright
Health & Human Services Agency	Kimberly Giardina
Land Use & Environment Group	Dahvia Lynch
Public Safety Group	Andrew Strong

Department Heads

Agriculture, Weights & Measures	Ha Dang
Animal Services	Vaughn Maurice
Auditor & Controller	Tracy Drager
CAO/Chief of Staff	Natalia Bravo
Chief Financial Officer	Joan Bracci
Child Support Services	Jeff Grissom
Civil Service Commission	Todd Adams
Clerk of the Board of Supervisors	Andrew Potter
County Communications Office	Michael Workman
County Counsel	Claudia Silva
County Technology Office	David Smith
Economic Development & Government Affairs	Matthew Parr*
Emergency Services	Jeff Toney
Environmental Health & Quality	Amy Harbert
Equity & Racial Justice	Taryell Simmons*
Ethics, Compliance & Labor Standards	Branden Butler
Evaluation, Performance & Analytics	Ricardo Basurto-Davila
FG3/Chief Operations Officer	Judy Ying*
General Services	Marko Medved
HHSA/Chief Operations Officer	Patty Kay Danon
HHSA - Aging & Independence Services/Public Administrator/Public Guardian	Jennifer Bransford-Koons
HHSA - Behavioral Health Services/Public Conservator	Luke Bergmann
HHSA - Chief Medical Officer	Jennifer Tuteur, M.D.*
HHSA - Child and Family Well-Being	Alfredo Guardado**
HHSA - Homeless Solutions & Equitable Communities	Barbara Jimenez
HHSA - Housing & Community Development Services	David Estrella
HHSA - IHSS/Public Authority	Thomas Johnson
HHSA - Medical Care Services	Jaime Beam
HHSA - Public Health Services	Ankita Kadakia, M.D.*
HHSA - Public Health Services	Elizabeth Hernandez, Ph.D.
HHSA - Self Sufficiency Services	Rick Wanne
Human Resources	Susan Brazeau
Library	Migell Acosta
LUEG/Chief Operations Officer	Jennifer Lawson
Medical Examiner	Steven Campman
Parks & Recreation	Jason Hemmens*
Planning & Development Services	Vince Nicoletti
Probation	Tamika Nelson
PSG/Chief Operations Officer	Kathleen Flannery
Public Defender	Paul Rodriguez
Public Works	William Morgan*
Purchasing & Contracting	Allen Hunsberger**
Registrar of Voters	Cynthia Paes
San Diego County Fire Protection District	Jeff Collins
Sustainability & Environmental Justice	Eden Brukman

*Interim/**Acting
As of 10/1/2024

Financial Section

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Board of Supervisors
County of San Diego, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of San Diego, California (County), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the First 5 Commission of San Diego (Commission), a discretely presented component unit, which represent 100% of the assets, net position, and revenues of the discretely presented component unit, and the San Diego County Employees Retirement Association (SDCERA), a fiduciary component unit, which represents 58% of assets, 59% of net position, and 8% of revenues/additions of the aggregate remaining fund information, as of June 30, 2024. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the Commission and SDCERA, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the County's proportionate share of the net pension liability, the schedule of the County's contributions – net pension liability, the schedule of the County's proportionate share of the net OPEB liability, the schedule of the County's contributions – OPEB, and the schedules of revenues, expenditures, and changes in fund balance – budget and actual for the General Fund, Public Safety Fund, and Tobacco Endowment Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund information and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund information and other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Ede Bailly LLP

Rancho Cucamonga, California
November 22, 2024

This section of the County of San Diego's (County) Annual Comprehensive Financial Report provides a narrative overview and analysis of the basic financial activities of the County as of and for the year ended June 30, 2024.

The intent of the information presented here, in conjunction with the Letter of Transmittal is to provide the reader with a clearer picture of the County's overall financial status. Unless otherwise indicated, all amounts in this section are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded liabilities and deferred inflows of resources at the close of fiscal year 2024 by $4.88 billion (net position). Of this amount, $4.16 billion represents net investment in capital assets; $2.16 billion is restricted for specific purposes (restricted net position); and the remaining portion represents negative unrestricted net position of $(1.44) billion.
- Total net position increased by $472.3 million as follows:
  - Governmental activities net position increased by $464.6 million. The current and other assets, and capital assets increases of $445.7 million, and $228.3 million, respectively; coupled with $23.5 million decrease in the Net OPEB liability; the $91.3 million decrease in other liabilities; the Net Pension liability decrease of $84.7 million; and the $27.5 million decrease in deferred inflows of resources all had the effect of increasing net position; while the decrease to net position included the $384.6 million decrease in deferred outflows of resources and the $51.8 million increase in other long-term liabilities.
  - Business-type activities net position increased by approximately $7.7 million. The $1.5 million increase in capital assets; coupled with the $400 thousand decrease in the Net Pension Liability: the $100 thousand decrease in long-term liabilities; and the decrease of deferred inflows of resources of $8.7 million, all had the effect of increasing net position; while, the current and other assets decrease of $100 thousand, coupled with the $1.4 million decrease in deferred outflows of resources, and increases in other liabilities of $1.5 million had the effect of decreasing net position.
- Program revenues for governmental activities were approximately $5.07 billion. Of this amount, $4.35 billion or 85.8% was attributable to operating grants and contributions coupled with capital grants and contributions, while charges for services accounted for approximately $720 million or 14.2%.
- General revenues for governmental activities were $2.08 billion. Of this amount, property taxes and property taxes in lieu of vehicle license fees accounted for approximately $1.64 billion or 78.8%; while transient occupancy tax, real property transfer tax, miscellaneous taxes, sales and use taxes, investment earnings and other general revenues accounted for $440 million or 21.2%.
- Total expenses for governmental activities were $6.69 billion. Public protection accounted for $2.36 billion or 35.3%, while health and sanitation accounted for $1.46 billion or 21.8%. Additionally, public assistance accounted for $1.99 billion or 29.8% of this amount.

The illustration below depicts the required components of the basic financial statements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) *Government-wide* financial statements, 2) *Fund* financial statements, and 3) *Notes* to the basic financial statements. Required supplementary information is included in addition to the basic financial statements.

The *Government-wide financial statements* are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all County assets and deferred outflows of resources, offset by liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the aforementioned government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges for services (business-type activities). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural. The business-type activities of the County include airport operations, jail stores commissary operations, and sanitation services.

Fund financial statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable

resources available at the end of the fiscal year. Such information may be useful in evaluating a county's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Public Safety Special Revenue Fund, and the Tobacco Endowment Special Revenue Fund; all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining and individual fund information and other supplementary information section in this report.

Proprietary funds are generally used to account for services for which the County charges customers - either outside customers, or internal departments of the County. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County maintains the following types of proprietary funds:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for airport operations, jail stores commissary operations, and sanitation services. The Airport Fund is considered to be a major fund. Data from the other enterprise funds are combined into a single, aggregated presentation. Individual fund data for each nonmajor enterprise fund is provided in the combining and individual fund information and other supplementary information section in this report.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Internal service funds are used to account for: the financing of public works and communications equipment; the financing of materials and supplies (purchasing); start up services for new and existing county service districts; the County's public liability and employee benefits activities; the financing of fleet services; facilities management activities; and, the financing of information technology services. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The County's *internal service funds* are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the combining and individual fund information and other supplementary information section in this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information (RSI) is also presented. It provides budgetary comparisons for the General Fund, Public Safety Special Revenue Fund, and the Tobacco Endowment Special Revenue Fund (all major funds) in separate Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual. It also provides information about the County's proportionate share of the San Diego County Employees Retirement Association (SDCERA) pension plan (SDCERA-PP) collective net pension liability, and

the SDCERA retiree health plan (SDCERA-RHP) collective net other postemployment benefits liability; and information regarding the County's contributions to the SDCERA-PP and SDCERA-RHP.

Combining financial statements/schedules and supplementary information section of this report presents combining and individual fund statements and schedules referred to earlier that provide information for nonmajor governmental funds, enterprise funds, internal service funds, and fiduciary funds and are presented immediately following the required supplementary information section of this report.

Government-wide Financial Analysis

Table 1

Net Position
June 30, 2024 and 2023
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
ASSETS						
Current and other assets	$ 6,444,757	5,999,025	338,014	338,138	6,782,771	6,337,163
Capital assets	4,581,484	4,353,158	187,864	186,322	4,769,348	4,539,480
Total assets	11,026,241	10,352,183	525,878	524,460	11,552,119	10,876,643
DEFERRED OUTFLOWS OF RESOURCES						
Total deferred outflow of resources	2,170,644	2,555,251	8,452	9,879	2,179,096	2,565,130
LIABILITIES						
Long-term liabilities	7,136,469	7,192,931	22,493	23,008	7,158,962	7,215,939
Other liabilities	1,334,849	1,426,067	4,084	2,545	1,338,933	1,428,612
Total liabilities	8,471,318	8,618,998	26,577	25,553	8,497,895	8,644,551
DEFERRED INFLOWS OF RESOURCES						
Total deferred inflows of resources	141,582	169,093	211,235	219,943	352,817	389,036
NET POSITION						
Net investment in capital assets	3,971,462	3,797,631	186,621	185,874	4,158,083	3,983,505
Restricted	2,160,973	1,804,905			2,160,973	1,804,905
Unrestricted	(1,548,450)	(1,483,193)	109,897	102,969	(1,438,553)	(1,380,224)
Total net position	$ 4,583,985	4,119,343	296,518	288,843	4,880,503	4,408,186

Analysis of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources of the County exceeded liabilities and deferred inflows of resources by $4.88 billion at the close of fiscal year 2024, an increase of $472.3 million or 10.6% over fiscal year 2023. This included a $174.6 million increase in net investment in capital assets, (a 4.4% increase over fiscal year 2023), and an increase of approximately $356.1 million in the County's restricted net position (a 19.7% increase over fiscal year 2023). Additionally, unrestricted net position decreased by $63.3 million (a 4.6% decrease over fiscal year 2023).

The aforementioned increase of $472.3 million in net position was composed of the following changes in total assets, deferred outflows of resources, liabilities, and deferred inflows of resources:

- Total assets increased by $675.5 million. This included increases in current and other assets and capital assets of $445.6 million and $229.9 million, respectively. The net increase of $445.6 million in current and other assets was primarily attributable to an increase in cash and investments (including restricted and unrestricted cash and investments with fiscal agents) of $142.6 million – due in part to the County's issuance of the Certificates of Participation, Series 2023 (County Public Health Laboratory and Capital Improvements) (Green Bonds) bonds for approximately $160.9 million; a $302.9 million increase in receivables, net, chiefly due to Health and Human Services Agency Public Health related accruals; coupled with a $16.4 million increase in

property taxes receivables, net, and, a $200 thousand increase in prepaid assets; offset by a $9.3 million decrease in inventories; a $7.2 million decrease in lease receivables; while the $229.9 million net increase in capital assets consisted primarily of a $226.4 million increase in land, easements and construction in progress and a $3.5 million increase in other capital assets, net of accumulated depreciation and amortization.

- Deferred outflows of resources decreased by $386.0 million, principally attributable to a net decrease in pension related deferrals due to a significant decrease in the actuarially determined net pension liability including decreases in net difference between projected and actual earnings on pension plan investments, and pension related changes of assumptions or other inputs, of $575.6 million, and $270.3 million, respectively; coupled with a $2.0 million decrease in unamortized loss on refunding of long-term debt, and a $1.6 million decrease in net difference between projected and actual earnings on OPEB plan investments; offset by a $2.1 million increase in contributions to the OPEB plan subsequent to the measurement date; a $265.7 million increase in the difference between expected and actual experience in the total pension liability; a $7.5 million increase in pension related changes in proportionate share and differences between employer's contributions and proportionate share of contributions; and a $188.2 million increase in contributions to the pension plan subsequent to the measurement date.
- Total liabilities decreased by approximately $146.7 million, mainly due to a $85.1 million decrease in the actuarially determined net pension liability; coupled with a $23.6 million decrease in the actuarially determined net OPEB liability; and a $232.6 million decrease in unearned revenue, offset by a $9.3 million increase in accrued payroll; a $133.3 million increase in accounts payable, a $51.7 million net increase in non-net pension, non-net OPEB long-term liabilities; and, a $300 thousand increase to accrued interest.
- Deferred inflows of resources decreased by $36.2 million chiefly attributable to a significant decrease in the actuarially determined pension and OPEB related deferred inflow of resources of $25.9 million in the difference between expected and actual experience in the total pension liability, coupled with a $3.6 million decrease in the pension related changes in proportionate share and differences between employer's contributions and proportionate share of contributions. A $4.2 million decrease in other various non-pension/non OPEB related deferred inflows; offset by a $5 million increase in the gain on refunding of long-term debt, coupled with a $2.5 million increase in property taxes received in advance.

The largest portion of the County's net position reflects its net investment in capital assets of $4.2 billion (land, easements, buildings and improvements, equipment, software, infrastructure, and right-to-use assets; less any related outstanding debt used to acquire those assets). The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the County's net position (restricted net position) equaled $2.2 billion and represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, laws and/or regulations of other governments.

The remaining portion of the County's net position includes $(1.4) billion in net negative unrestricted net position. The majority of this balance represents the negative unrestricted net position attributable to the County's outstanding Net Pension Liability and Net OPEB Liability.

Table 2

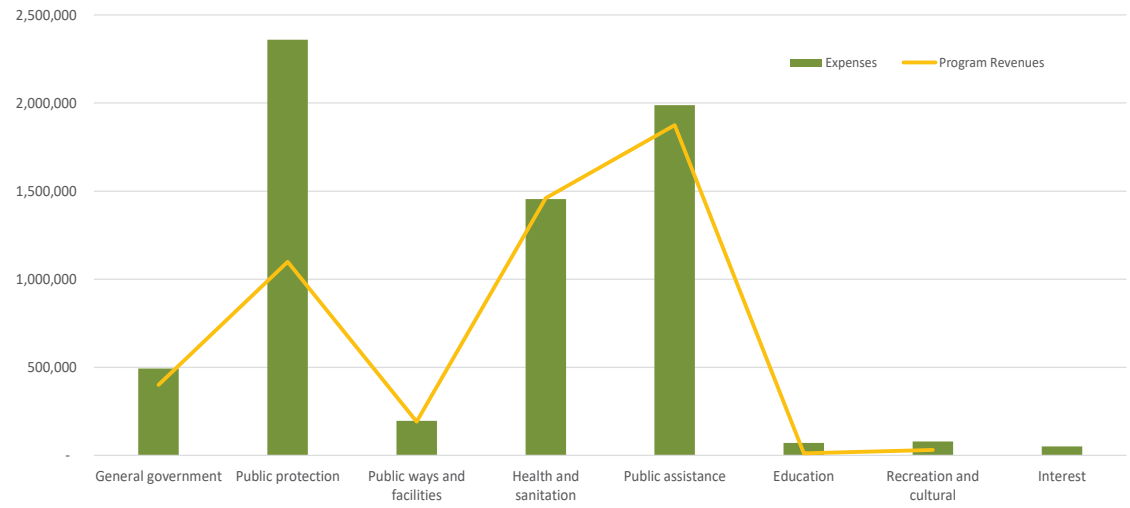
Changes in Net Position
For the years ended June 30, 2024 and 2023
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues						
Charges for services	$ 720,989	611,269	63,015	60,706	784,004	671,975
Operating grants and contributions	4,301,033	3,812,579	2,380	1,439	4,303,413	3,814,018
Capital grants and contributions	46,821	33,948		151	46,821	34,099
General Revenues						
Property taxes	1,077,968	1,014,193			1,077,968	1,014,193
Transient occupancy tax	7,285	7,472			7,285	7,472
Real property transfer tax	26,170	28,653			26,170	28,653
Miscellaneous taxes	120	5			120	5
Property taxes in lieu of vehicle license fees	558,665	521,678			558,665	521,678
Sales and use taxes	67,133	56,626			67,133	56,626
Investment earnings	185,999	82,390	9,546	6,144	195,545	88,534
Other	160,192	302,605	132	171	160,324	302,776
Total revenues	7,152,375	6,471,418	75,073	68,611	7,227,448	6,540,029
Expenses:						
Governmental Activities:						
General government	493,388	549,078			493,388	549,078
Public protection	2,358,743	2,075,386			2,358,743	2,075,386
Public ways and facilities	196,395	175,511			196,395	175,511
Health and sanitation	1,455,094	1,314,756			1,455,094	1,314,756
Public assistance	1,987,689	1,838,766			1,987,689	1,838,766
Education	70,743	64,249			70,743	64,249
Recreation and cultural	79,134	74,036			79,134	74,036
Interest	51,257	50,694			51,257	50,694
Business-type Activities:						
Airport			17,576	17,183	17,576	17,183
Jail Stores Commissary			3,959	3,409	3,959	3,409
San Diego County Sanitation District			30,225	23,591	30,225	23,591
Sanitation District - Other			10,928	10,452	10,928	10,452
Total expenses	6,692,443	6,142,476	62,688	54,635	6,755,131	6,197,111
Changes in net position before transfers	459,932	328,942	12,385	13,976	472,317	342,918
Transfers	4,710	187	(4,710)	(187)		
Change in net position	464,642	329,129	7,675	13,789	472,317	342,918
Net position at beginning of year	4,119,343	3,790,214	288,843	275,054	4,408,186	4,065,268
Net position at end of year	$ 4,583,985	4,119,343	296,518	288,843	4,880,503	4,408,186

Analysis of Changes in Net Position

At June 30, 2024, changes in net position equaled $472.3 million. Principal revenue sources contributing to the change in net position were operating grants and contributions of $4.30 billion and property taxes and property taxes in lieu of vehicle license fees totaling of $1.64 billion. These revenue categories accounted for approximately 82.3% of total revenues. Principal expenses were in the following areas: public protection, $2.36 billion, public assistance, $1.99 billion; and health and sanitation, $1.46 billion. These expense categories accounted for 85.9% of total expenses.

Chart 1
Expenses and Program Revenues – Governmental Activities
(In Thousands)



Governmental activities

At the end of fiscal year 2024, total revenues for the governmental activities were $7.15 billion, while total expenses were $6.69 billion. Governmental activities increased the County's net position by $460 million.

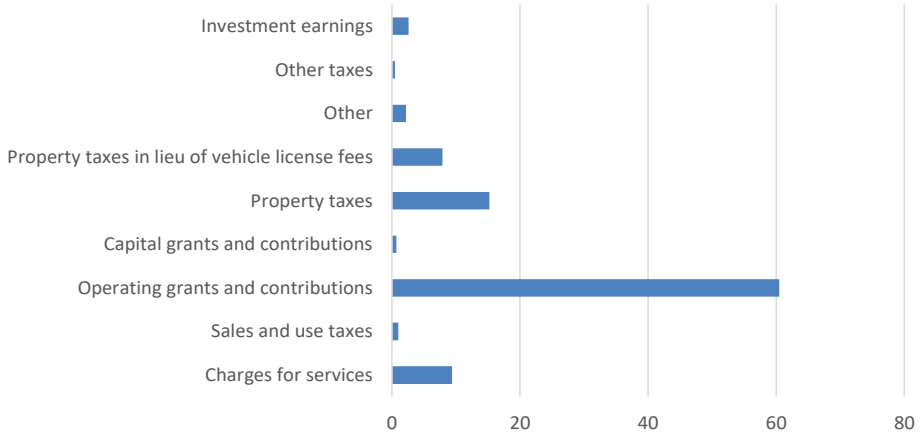
Expenses:

Total expenses for governmental activities were $6.69 billion, an increase of $550 million or 8.95% ($549 million increase in functional expenses offset and a $1 million increase in interest expense). Public protection (35%) and public assistance (30%) were the largest functional expenses, followed by health and sanitation (22%).

The $550 million net increase in functional expenses mainly consisted of the following:

- $359.5 million net increase in salaries and benefits costs is primarily due to negotiated labor agreements and increase in retirement contributions;
- $95 million increase in alcohol and drug treatment and mental health programs;
- $23.4 million increase in CalWORKS participant benefits;
- $22.7 million decrease in Housing and Community Development primarily tied to Emergency Rental Assistance Program (ERAP) payments;
- $17.9 million increase tied to January 22, 2024 Winter Storm Emergency Temporary Lodging and Food services to flood victims;
- $14.3 increase in one-time expenses for the Next Generation Regional Communication System;
- $10.5 million increase in Child and Family Well-Being programs;
- $8.5 million increase due to additional ambulance transportation services;
- $4.9 million decrease due to the completion of the PeopleSoft upgrade project; and,
- $4.8 million increase primarily due to an increase in milestone payments for the Integrated Property Tax System implementation.

Chart 2
Revenues By Source - Governmental Activities
(As a Percent)



Revenues:

Total revenues for governmental activities were $7.15 billion, an increase of 10.5% or $680 million from the previous year. This increase consisted of an increase in program revenues of $610 million and an increase in general revenues of $70 million as follows:

The $610 million net increase in program revenue was primarily due to of the following:

- $179.5 million increase tied to the American Rescue Plan Act;
- $134.9 million increase tied to the County's T3 Strategy of Test, Trace and Treat to support Covid-19 response efforts;
- $56.3 million increase tied to mental health and behavioral health programs;
- $50.4 million increase in alcohol and drug treatment and mental health programs;
- $45.3 increase in one-time funding dedicated for costs in health and human services programs;
- $26.1 million increase in state aid tied to public assistance programs;
- $16.2 million increase in one-time revenues for the Next Generation Regional Communication System;
- $8.7 million increase tied to the Innovative Housing Trust Fund loan reimbursements;
- $3.9 million decrease due to the end of the Microbusiness Grant; and,
- $2.3 million decrease due to the Cannabis Tax Fund Toxicology Grant ending.

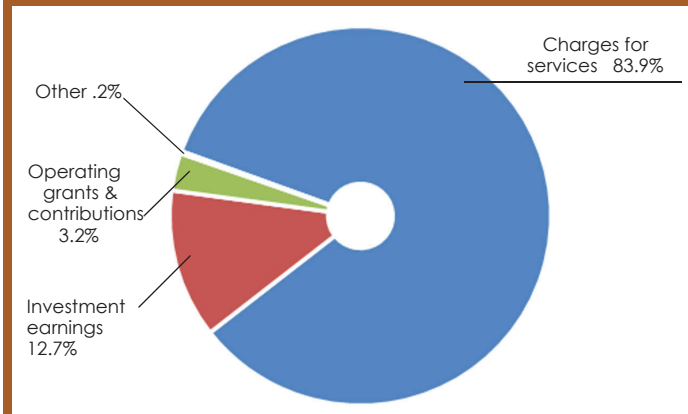
General revenues increased overall by approximately $70 million, principally due to an increase of $103 million in investment earnings, attributable to an overall net increase in the fair value of investments, coupled with an increase in interest rates led by the Federal Reserve; $64 million increase in property taxes and $37 million increase in property taxes in lieu of vehicle license fees, both attributable to the county-wide growth in assessed valuation; and increases in sales and use taxes of $10 million; offset by a decrease in real property transfer taxes of $2 million and a decrease in other revenue of $142 million.

The County's governmental activities rely on several sources of revenue to finance ongoing operations. As shown in Chart 2, operating grants and contributions of $4.3 billion accounted for 60.6%, the largest share of this revenue. These monies are received from parties outside the County and are generally restricted to one or more specific programs. Examples of operating grants and contributions include State and federal revenue for public assistance programs and health and sanitation programs.

Property taxes and property taxes in lieu of vehicle license fees are not shown by program, but are effectively used to support program activities county-wide. Combined, these general revenues equaled $1.64 billion and accounted for 78.8% of governmental activities - general revenues. Additionally, charges for services were $665 million and accounted for 13.3% of revenues applicable to governmental activities - program revenues.

Other factors concerning the finances of the County's major governmental funds are discussed in the governmental funds section of the "Financial Analysis of Major Funds."

Chart 3
Revenues By Source - Business-type Activities
(As a Percent)



Business-type Activities

Business-type activities, which are exclusively comprised of enterprise funds, are intended to recover all or a significant portion of their costs through user fees and charges. As shown in Chart 3, charges for services represent $63 million or 83.9% of total revenues.

Net position of business-type activities increased by approximately $7.7 million, or 2.7%. Key increases included the following:

- $3.4 million increase tied to investment earnings attributable in part to an overall net increase from the prior year's fair value of investments and an increase in interest earned on deposits and investments;
- $1.5 million increase in charges for services - service charges in the Sanitation District - Other Fund;
- $900 thousand increase in Airport Fund grants received;
- $800 thousand increase in charges for services - service charges in the San Diego County Sanitation District Fund;
- $600 thousand decrease in contracted service expenses for the Airport Fund;
- $500 thousand increase in charges for services revenue attributable mainly to an increase in commissary sales in the Jail Stores Commissary Fund; and,
- $900 thousand increase in repairs and maintenance expense mainly attributable to a $600 thousand increase in the Airport Fund coupled with a $200 thousand increase in the San Diego County Sanitation District Fund and a $100 thousand increase in the Sanitation District - Other Fund.

Financial Analysis of Major Funds

The County uses fund accounting to demonstrate and ensure compliance with finance-related legal requirements.

General Fund:

The General Fund is the chief operating fund of the County. At the end of fiscal year 2024, its unassigned fund balance was $691.8 million, while total fund balance was $3.0 billion, an increase of approximately $181.8 million from fiscal year 2023.

This $181.8 million net increase in fund balance was significantly attributable to the following:

- $101 million increase in property taxes and property taxes in lieu of vehicle license fees, both attributable to the county-wide growth in assessed valuation; there was an 7.06% increase in assessed valuation;
- $45.3 million increase in HHSA realignment revenues, including available one-time funding based on statewide sales tax receipts and vehicle license fees that are dedicated for costs in health and human service programs;
- $29.6 million decrease tied to the Emergency Rental Assistance Program revenue;
- $17.9 million increase in expenditures due to January 22, 2024 Winter Storm Emergency Temporary

Lodging and Food services to flood victims;

- $17.8 million increase in interest revenue attributable to the combination of higher daily balances and higher apportionment rates. During the year, the average daily balance of the San Diego County Investment Pool increased by 8.4% compared to fiscal year 2023. In addition, the apportionment rate increased by 1.18% during the year, from 2.63% to 3.81%;
- $14.3 million increase in one-time expenditures for the Next Generation Regional Communication System; and,
- $10.5 million increase due to continued growth activities in the Unincorporated Area.

Public Safety Special Revenue Fund:

This fund was established to account for Proposition 172 half-cent sales taxes collected and apportioned to the County by the California Department of Tax and Fee Administration to fund public safety activities. Per Government Code Section 30052, a "maintenance of effort" (pre-Proposition (Prop) 172 public safety funding level) must be maintained by the County to comply with the statute's spending requirements. In accordance with the Code, funds are allocated to the Sheriff, District Attorney, and Probation departments. Transfers out of this fund subsidize the following types of public safety activities: juvenile detention services; facilities maintenance and support; capital projects, equipment and other one-time expenditures; ongoing technology initiatives; and various region-wide services.

As of June 30, 2024, the total (restricted) fund balance in the Public Safety Special Revenue Fund was $108 million, a $50 million decrease from the previous fiscal year; mainly due to regional law enforcement; detention facility improvements; upgrades of information technology programs and applications; twin- engine helicopter; and medical and mental health services.

Tobacco Endowment Special Revenue Fund:

This special revenue fund is used to account for the $411 million the County received from the Tobacco Asset Securitization Corporation (Corporation) related to the sale of 25 years of tobacco settlement revenue in fiscal year 2002; and an additional $123 million the County received from the Corporation resulting from the issuance of the San Diego County Tobacco Asset Securitization Corporation refunding bonds in fiscal year 2006. At the end of fiscal year 2024, fund balance was $237.3 million, a decrease of approximately $10.8 million from fiscal year 2023, principally due to approximately $8.7 million in investment income, offset by a $4.2 million unrealized investment loss, coupled with a $15.1 million in transfers out to the General Fund for the support of health related program expenditures, along with $133 thousand of administrative costs.

Airport Fund:

The Airport Fund is used to account for the maintenance, operations, and development of County airports. A major objective of the airport program is to develop airport property utilizing federal and state grants to enhance the value of public assets, generate new revenues, and catalyze aviation and business development. As of June 30, 2024, the total net position of the Airport Enterprise Fund was $138.8 million, a $4.2 million increase from the previous fiscal year. This net increase was principally due to a $1 million increase in Airport Fund investment earnings; coupled with a $1 million increase in grant revenue; a $600 thousand decrease in contracted services expenses; a $200 thousand decrease in equipment rental expenses; and, a $200 thousand decrease in fuel expenses.

General Fund Budgetary Highlights

The County's final budget differs from the original budget (see Notes to Required Supplementary Information) in that it contains supplemental appropriations approved during the fiscal year for various programs and projects, as well as transfers of appropriations, budget corrections, rebudgets, and account reclassifications. For the fiscal year ended June 30, 2024, net expenditure appropriations increased by a net $84.2 million and appropriations for transfers out increased by $20.1 million.

Significant appropriation increases of note to the original budget were the following:

- $31.1 million for a one-time contribution to the San Diego County Employees Retirement Association pension fund

- $23.7 million for emergency assistance to residents following the 2024 severe winter storms
- $14.0 million for various efforts to address substance use disorder
- $11.3 million for law enforcement and criminal justice needs
- $7.7 million for fire, emergency and medical needs
- $5.3 million for mental health services for people in the justice system
- $2.4 million for cannabis program activities
- $2.0 million for environmental sustainability and climate related efforts

Actual revenues underperformed final budgeted amounts by $370.2 million, while actual expenditures were less than the final budgeted amount by $1.2 billion. The combination of revenue and expenditure shortfalls resulted in a revenue/expenditure operating variance of $785.9 million. Other financing sources and uses of funds resulted in a net sources versus uses variance from budget of $431.1 million. These combined amounts resulted in a variance in the net change in fund balance of $1.2 billion.

Highlights of actual expenditures compared to final budgeted amounts are as follows:

Salaries and Benefits:

The final budget over expenditure variance across all functions in this category was $62.1 million. Positive variances were realized in the Public Safety Group, Finance and General Government Group, Health and Human Services Agency and the Land Use and Environment Group primarily from lower than budgeted salaries and employee benefits costs due to staff turnover and vacancies.

Services and Supplies:

The final budget over expenditure variance across all County groups in this category was $1.1 billion which was a combination of $838.6 million from year end encumbrances and $277.5 million from operating results. Overall, this expenditure variance primarily resulted from savings in various contracted services, procurement delays, lower costs than anticipated for various programs, and multi-year projects. This variance also includes appropriations for stabilization of anticipated pension costs in future years. Due to the voter-approved passage of Measure C in 2018, an amendment to the County Charter entitled *Protecting Good Government Through Sound Fiscal Practices*, unused amounts that were appropriated for pension stabilization are legally restricted for pension-related costs and are included in the Restricted fund balance in the General Fund.

Delayed Expenditures:

Many County projects, such as maintenance, information technology, and various enterprise activities, take place over more than one fiscal year. At inception they are budgeted at full expected cost, resulting in budgeted over expenditure variances that are rebudgeted in the subsequent fiscal year. Examples include multi-year obligations for projects and programs associated with the public safety Regional Communication System, housing, American Rescue Plan Act-funded programs, information technology, addressing infectious diseases, energy efficiency, vehicle purchases, and various capital and major maintenance projects.

Capital Assets and Commitments

Capital Assets

As of June 30, 2024, the County's capital assets for both governmental and business-type activities were $4.58 billion and $187.9 million, respectively, net of accumulated depreciation/amortization. Investment in capital assets includes land, construction in progress, buildings and improvements, infrastructure (including roads, bridges, flood channels, and traffic signals), equipment, software, easements and right-to-use assets. Significant increases to capital assets in fiscal year 2024 included:

Governmental Activities:

- $69.9 million towards acquisition of equipment.
- $58.4 million towards construction and improvements of County-maintained roads, bridges, and other road-related infrastructure.
- $46.1 million towards construction of County Public Health Laboratory. Total project costs are estimated at $127.1 million.
- $43.1 million towards major systems renovation of Hall of Justice (HOJ). Total project costs are estimated at $56.1 million.
- $41.7 million towards development of various

software applications.

- $21.8 million towards construction of Youth Transition Campus. Total project costs are estimated at $210.6 million.
- $21.6 million towards improvement of various capital projects.
- $16.1 million towards construction of Tri-City Healthcare District Psychiatric Facility. Total project costs are estimated at $27.6 million.
- $15.1 million towards renovation of George Bailey Detention Facility (GBDF). Total project costs are estimated at $54.0 million.
- $13.5 million towards renovation of County Administration Center (CAC). Total project costs are estimated at $139.8 million.
- $8.9 million towards renovation of Sheriff Ridgehaven Headquarters. Total project costs are estimated at $31.6 million.
- $7.4 million towards construction of Ramona Intergenerational Community Campus (RICC). Total project costs are estimated at $15.0 million.
- $7.4 million in infrastructure donated by developers.
- $7.1 million towards various land acquisitions for the Multiple Species Conservation Program (MSCP).
- $6.9 million towards construction of Southeast San Diego Live Well Center. Total project costs are estimated at $76.0 million.
- $5.8 million towards reconfiguration of South Region Live Well Center (SRLWC). Total project costs are estimated at $9.1 million.
- $5.0 million towards construction of East Otay Mesa Fire Station #38. Total project costs are estimated at $20.3 million.
- $4.5 million towards construction of Julian Library Community Room. Total estimated project costs are estimated at $6.9 million.
- $4.5 million towards expansion of Sweetwater Summit Regional Park Campground. Total estimated project costs are estimated at $6.7 million.
- $3.4 million towards replacement of East Mesa Juvenile Detention Facility (EMJDF) Generator. Total estimated project costs are estimated at $6.2 million.
- $3.0 million towards acquisition of Butterfield Ranch. Total estimated project costs are estimated at $3.0 million.
- $3.0 million towards improvements at Valley Center Park. Total estimated project costs are estimated at $4.5 million.
- $3.0 million towards construction of East Region Crisis Stabilization Unit (CSU). Total estimated project costs are estimated at $28.8 million.
- $3.0 million towards construction of Village View Park. Total estimated project costs are estimated at $14.0 million.
- $2.8 million towards construction of San Diego County Animal Shelter. Total project costs are estimated at $37.6 million.
- $2.7 million towards construction of Waterfront Park Active Recreation. Total project costs are estimated at $3.7 million.
- $2.6 million towards construction of Bancroft Safe Parking Spaces. Total project costs are estimated at $3.7 million.
- $2.4 million towards critical systems upgrade at Town Centre Manor Public Housing. Total project costs are estimated at $6.3 million.
- $1.7 million towards construction of Lakeside Equestrian Facility. Total project costs are estimated at $19.4 million.
- $1.6 million towards replacement and upgrade of East Mesa Juvenile Detention Facility (EMJDF) Intercom System. Total project costs are estimated at $4.7 million.
- $1.6 million towards construction of Four Gee Park. Total project costs are estimated at $2.0 million.
- $1.5 million towards modernization of San Diego Central Jail (SDCJ) Security and Emergency Power Equipment. Total project costs are estimated at $6.5 million.
- $1.4 million towards Lakeside Baseball Park Synthetic Turf Replacement and Energy Upgrades. Total project costs are estimated at $4.5 million.
- $1.3 million towards construction of Casa De Oro Library. Total project costs are estimated at $21.8 million.
- $1.1 million towards construction of New Space for

the Office of Sustainability at County Administration Center (CAC). Total project costs are estimated at $2.0 million.

- $1.1 million towards replacement of South Bay Regional Center (SBRC) Escalators and Elevators. Total estimated project costs are estimated at $3.5 million.
- $1.0 million towards expansion of Rancho San Diego Library. Total project costs are estimated at $2.0 million.
- $1.0 million towards renovation of Volunteers of America (VOA) Substance Use Residential Treatment Services (SURTS) Facility. Total project costs are estimated at $10.0 million.

Business-type Activities

- $1.6 million towards improvements to Live Oak Springs Water System.
- $1.4 million towards rehabilitation of Ramona Airport Tower Transient Apron.
- $1.1 million towards improvements to La Presa Sewer Line.

For the government-wide governmental activities financial statement presentation, depreciable capital assets are depreciated from the acquisition date to the end of the current fiscal year. Governmental funds financial statements record capital asset purchases as expenditures.

Capital Commitments

As of June 30, 2024, capital commitments included the following:

Governmental Activities:

$267.7 million for the construction of County Public Health Laboratory; renovation of George Bailey Detention Facility; renovation of County Administration Center; construction of Casa de Oro Library; renovation and modernization of Sheriff Ridgehaven Headquarters; purchase and renovation of Healthcare Facility for Residential Substance Use Disorder Services; renovation of Fallbrook Local Park; major systems renovation of Hall of Justice; development of Integrated Property Tax System; expansion and reconfiguration of La Maestra Family Clinic; reconfiguration of South Region Family Resource Center; construction of Tri-City Healthcare District Psychiatric Facility; construction of Ramona Intergenerational Community Campus; construction of Heritage Park Building; construction of Youth Transition Campus; critical systems upgrade at Town Centre Manor Public Housing; improvements to Smuggler's Gulch at Tijuana River Valley Regional Park; construction of San Diego County Animal Shelter; procurement of Two Live Well Mobile Office Vehicles; replacement of East Mesa Juvenile Detention Facility Generator; construction of Southeast San Diego Live Well Center; procurement of Two Mobile Probation Service Centers; major maintenance improvements to San Diego Central Jail Security and Emergency Power Equipment; construction of Jacumba Fire Station #43; improvements of County Roads and Bridges; and vehicle acquisitions.

Business-type Activities:

$2.2 million for the Rehabilitation of Ramona Airport Tower Transient Apron.

(Please refer to Note 7 in the notes to the basic financial statements for more details concerning capital assets and capital commitments.)

Long-Term Liabilities

Governmental Activities:

At June 30, 2024, the County's governmental activities had outstanding long-term liabilities (without regard to the net pension liability or net OPEB liability) of $1.883 billion.

Of this amount, approximately $1.126 billion pertained to long-term debt outstanding. Principal debt issuances included: $437 million in Tobacco Settlement Asset-Backed Bonds; $211 million in taxable pension obligation bonds; $375 million in certificates of participation (COPs) and lease revenue bonds (LRBs); $101 million in unamortized issuance premiums; and $2 million in loans.

Other long-term liabilities included: $9 million in financed purchases; $310 million in claims and judgments; $168 million in compensated absences; $11 million for landfill postclosure costs; $244 million for leases; $13 million for subscriptions; and $2 million for pollution remediation.

During fiscal year 2024, the County's total COPs, LRBs, unamortized issuance premiums, and other bonds and loans for governmental activities increased by $82.943 million.

The $82.943 million net increase was due to the following increases and decreases:

The increase to debt was $189.750 million and included:

- The issuance of $160.910 million in certificates of participation for the County Public Health Lab Project;
- $1.717 million in governmental loans assumed by the San Diego County Fire Protection District;
- $18.781 million in unamortized premiums related to the new certificates of participation;
- $8.342 million of principal accreted (added) to the outstanding Tobacco Settlement Asset-Backed Bonds' Capital Appreciation Bonds principal.

Decreases to debt were $106.807 million and included:

- $99.862 million in principal debt service payments;
- $6.945 million due to the effects of unamortized issuance premiums.

Business-type Activities:

Long-term liabilities (without regard to the net pension liability or net OPEB liability) for business-type activities consisted of $586 thousand for compensated absences, and $184 thousand in subscriptions.

During fiscal year 2024, long-term liabilities for business-type activities decreased by $37 thousand due to a net increase of $45 thousand in compensated absences coupled with a $82 thousand decrease in subscriptions.

(Please refer to Notes 12 through 18 in the notes to the financial statements for more details concerning long-term debt; changes in long-term liabilities; and funds used to liquidate liabilities.)

Credit Ratings

The County's issuer and credit ratings on its bonded program are as follows:

Table 3

Credit Ratings	Moody's	Standard & Poor's	Fitch
Issuer Rating	Aaa	AAA	AAA
Certificates of Participation San Diego County Capital Asset Leasing Corporation (SANCAL)	Aa1	AA+	AA+
Lease Revenue Refunding Bonds SDRBA (County Operations Center) Series 2016A	Aa1	AA+	AA+
Pension Obligation Bonds	Aaa	AAA	AAA
Tobacco Settlement Asset-Backed Bonds - Series 2006B CAB (First Subordinate)	not rated	CCC-	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2006C CAB (Second Subordinate)	not rated	CCC-	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2006D CAB (Third Subordinate)	not rated	CCC-	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2019A (Class 1) Serial Bonds	not rated	A, A-	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2019A (Class 1) Term Bonds	not rated	BBB+	not rated
Tobacco Settlement Asset-Backed Bonds Series 2019B-1 (Class 2) Senior CIB	not rated	BBB-	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2019B-2 (Class 2) Senior CAB	not rated	not rated	not rated
San Diego County Redevelopment Agency Bonds	not rated	not rated	not rated

The County's issuer and credit ratings are assigned by three of the major rating agencies: Moody's Investors Service (Moody's), S&P Global Ratings (Standard & Poor's), and Fitch Ratings (Fitch). The County's existing triple A Issuer Ratings were affirmed in June 2024 by Moody's and Fitch and in October 2023 by Standard & Poor's.

In June 2024 Moody's reaffirmed the existing Aaa rating on the County's outstanding Pension Obligation Bonds. Fitch upgraded the County Pension Obligation Bonds to AAA in June 2024 and Standard & Poor's reaffirmed their AAA rating in October 2023.

The County's outstanding lease-backed obligations Aa1 rating from Moody's was reaffirmed June 2024. In FY 2024 Standard & Poor's and Fitch had no change to their AA+ ratings reaffirmed in October 2023 and June 2024. The one notch difference between the County's issuer and lease-backed rating reflects the standard legal structure for these abatement lease financings and leased assets.

In FY 2024 the Tobacco Settlement Asset-Backed Bonds Series 2006B, 2006C, and 2006D (Capital Appreciation Bonds) maintained ratings reaffirmed by Standard and Poor's in October 2023. The ratings for the Series 2019 Tobacco Settlement Asset-Backed Bonds, Classes A and B-1 (Serial and Term Bonds, and Current Interest Bonds, respectively) also remained unchanged except for one rating change from A- to A for the 2019 Class A bonds maturing on June 1, 2033.

All three rating agencies noted the County's strong financial management, which effects a very strong fiscal position, and a large and diverse tax base, which bolsters the County's strong economy.

Economic Factors and Next Year's Budget and Rates

The state of the economy plays a significant role in the County's ability to provide core services and the mix of other services sought by the public. Risk factors are continuously monitored, including employment, the housing market, and the national economy as a whole.

The following economic factors were considered in developing the fiscal year 2025 Operational Plan:

- The fiscal year 2025 General Fund adopted budget contains total appropriations of $6.63 billion. This is an increase of $416.2 million, or 6.7%, from the fiscal year 2024 General Fund adopted budget. Program Revenue comprises 67.3% of General Fund financing sources in fiscal year 2025, and is derived primarily from State and federal subventions, grants, and fees charged by specific programs. This revenue source is dedicated to, and can be used only for, the specific programs with which it is associated.
- General purpose revenue (GPR) funds local discretionary services, as well as the County's share of costs for services that are provided in partnership with the state and federal governments. GPR comprises approximately 29.8% of the General Fund. In the fiscal year 2025 adopted budget, the County's GPR increased 8.7%; with budgeted GPR of $1,973.1 million in fiscal year 2025 compared to $1,814.8 million budgeted in fiscal year 2024.
- The largest source of GPR is property tax revenue, which represents 49.5% of total GPR in fiscal year 2025, and includes current secured, current supplemental, current unsecured and current unsecured supplemental property taxes. The term "current" refers to those taxes that are due and expected to be paid in the referenced budget year. For fiscal year 2025, property tax revenue is budgeted at $976.1 million, which is $66.2 million or 7.3% higher than the budget for fiscal year 2024 and the increase is mainly due to the anticipated 4.63% Assessed Value (AV) growth. For fiscal years 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023 the final growth rates were 5.80%, 5.59%, 6.35%, 6.08%, 5.72%, 5.33%, 4.02%, 7.96% and 6.86% respectively. For fiscal year 2025, an assumed rate of 4.63% is projected in overall assessed value of real property.
  - Current secured property tax revenue ($938.4 million in fiscal year 2025) is expected to increase by $57.4 million in fiscal year 2025 from the adopted budget level for fiscal year 2024. 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 2025 revenue amount assumes an increase of 4.63% in the local secured assessed value. 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 ($8.7 million in fiscal year 2025) is expected to slightly decrease by $0.1 million in fiscal year 2025 from the adopted level for fiscal year 2024. 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 ($28.9 million in fiscal year 2025) is not based on a lien on real property and is expected to increase by $8.9 million in fiscal year 2025 from the adopted level for fiscal year 2024. 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 ($0.1 million in fiscal year 2025) remains largely unchanged. It is derived from supplemental bills that are transferred to the unsecured roll when a change of ownership occurs, and a tax payment is due from the prior owner. Or there may be a subsequent change in ownership following the initial change in ownership which occurs prior to the mailing of the initial supplemental tax bill.

- Property taxes in lieu of vehicle license fees (VLF) comprises 29.6%, or $583.7 million, of budgeted GPR in fiscal year 2025. This revenue source was established by the State in fiscal year 2005 to replace the previous distribution of VLF to local governments. The annual change in this revenue source is statutorily based on the growth/ reduction in the net taxable unsecured and local secured assessed value. With projected 4.63% increase in the combined taxable unsecured and local secured assessed value in fiscal year 2025, budgeted revenues are $36.5 million higher than fiscal year 2024. The increase is partially associated with the change in actual assessed value in fiscal year 2024 which increased by 6.86% compared to a budgeted increase of 5.00%.
- Teeter revenue represents approximately 0.9%, or $16.8 million, of budgeted GPR in fiscal year 2025. In fiscal year 1994, the County adopted the alternative method of secured property tax apportionment available under Chapter 3, Part 8, Division 1, of the California Revenue and Taxation Code (also known as the "Teeter Plan.") Under this plan, the County advances funds to participating taxing entities to cover 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. 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 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 pursuant to Revenue and Taxation Code Section 4703.2(c). For fiscal year 2025, Teeter revenue is budgeted to decrease by $0.5 million from fiscal year 2024 primarily due to projected lower collections from prior year receivables.
- Sales and use tax revenue is budgeted at $62.3 million in fiscal year 2025, representing approximately 3.2% of GPR. 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 and use tax revenue in fiscal year 2025 is estimated to be $17.2 million, or 38.2%, higher than the fiscal year 2024 adopted budget primarily due to the continued growth activities in the unincorporated area which increases the County's share of the Pool going forward.
- Intergovernmental revenue is budgeted at $196.8 million in fiscal year 2025, an increase of $20.7 million or 11.7% and is approximately 10.0% of total GPR. This increase is due to continuing growth in pass-through distributions and recognition of higher residual revenue from the distribution of former redevelopment funds. The intergovernmental revenue source represents funding the County receives from various intergovernmental sources, including Redevelopment Successor Agencies, the City of San Diego (pursuant to a memorandum of understanding 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). The largest portion of this funding is from redevelopment property tax

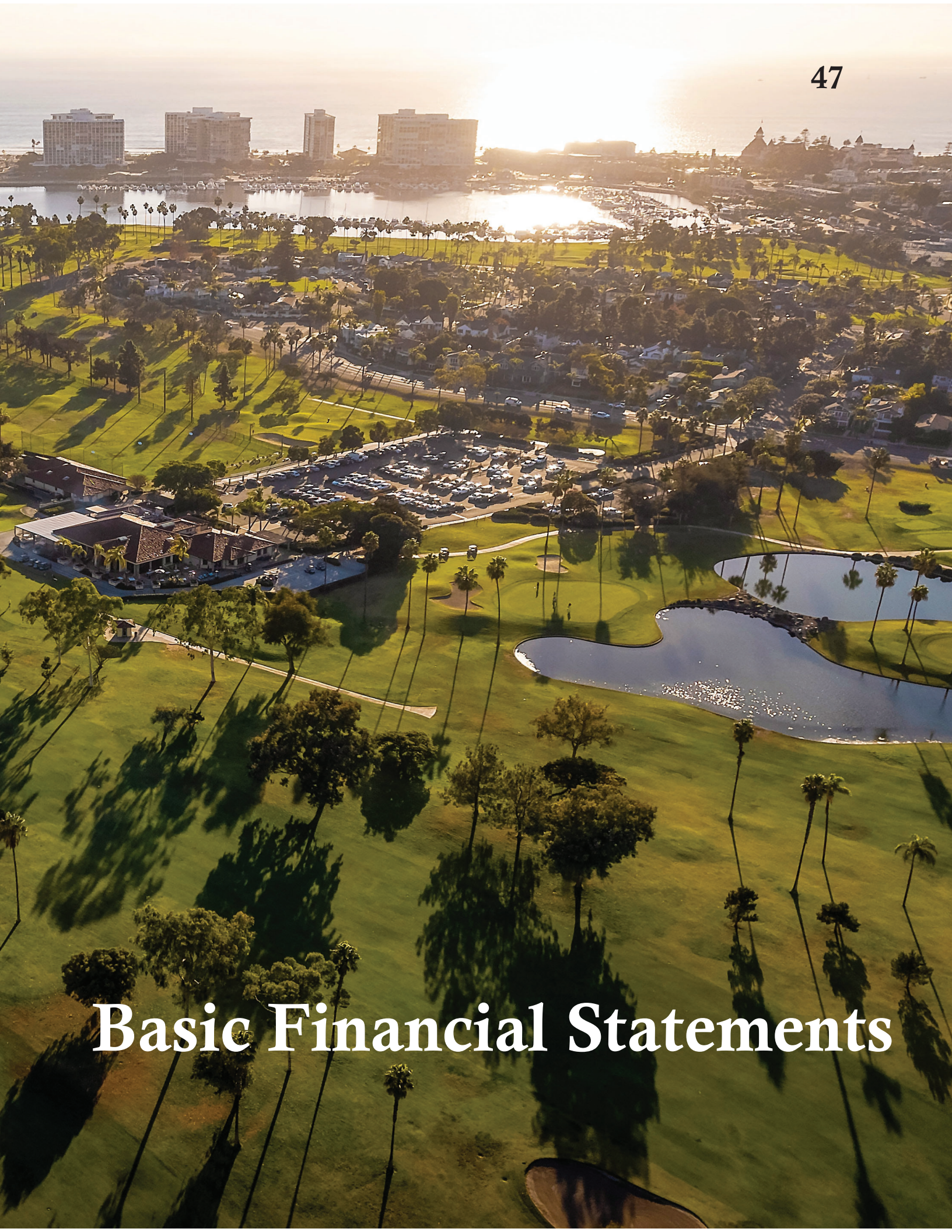
revenues. In 2011 pursuant to ABX1 26, redevelopment agencies were dissolved by the California legislature. The California Supreme Court upheld the constitutionality of the dissolution on December 29, 2011 and extended the date of dissolution to February 1, 2012. Based on Health and Safety Code Section 34183 (a)(1), the County auditor-controller shall remit from the Redevelopment Property Tax Trust Fund to each affected local taxing agency property tax revenues in an amount equal to that which would have been received under Health and Safety Code Sections 33401, 33492.140, 33607, 33607.5, 33607.7 or 33676. The residual balance (Health and Safety Code Section 34183(a)(4)), not allocated for specific purposes, will be distributed to local taxing agencies in accordance with Section 34188.

- Other revenues are budgeted at $137.4 million in fiscal year 2025 and are approximately 7.0% of the total GPR. Various revenue sources make up this category including: Documentary Transfer Tax (DTT), interest on deposits and investments, fees, fines, forfeitures, prior year property taxes, penalties and cost on delinquency taxes, franchise fees, and other miscellaneous revenues. The fiscal year 2025 amount is a 15.2% or $18.2 million increase from fiscal year 2024.

County management continuously evaluates and responds to the changing economic environment and its impact on the cost and the demand for County services. Specific actions are detailed in the fiscal year 2025 Adopted Operational Plan which can be accessed at https://www.sandiegocounty.gov/content/dam/sdc/auditor/pdf/adoptedplan_24-26.pdf.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's *accountability* for the money it receives. If you have questions about this report or need additional financial information, please contact the Auditor and Controller's Office, County of San Diego, located at 5530 Overland Avenue, Suite 410, San Diego, California 92123.



Basic Financial Statements

STATEMENT OF NET POSITION
June 30, 2024
(In Thousands)

		Primary Government			Component Unit
		Governmental Activities	Business-type Activities	Total	First 5 Commission of San Diego
ASSETS					
Pooled cash and investments	$	4,128,957	113,990	4,242,947	32,052
Cash with fiscal agents		17		17	
Investments with fiscal agents		238,165		238,165	
Receivables, net		1,657,261	8,136	1,665,397	5,320
Lease receivables		15,938	216,508	232,446	
Property taxes receivables, net		177,740		177,740	
Internal balances		934	(934)		
Due from component unit		229		229	
Inventories		44,101	313	44,414	
Deposits with others		8		8	
Prepaid items		5,713	1	5,714	3
Restricted assets:					
Cash with fiscal agents		1,908		1,908	
Investments with fiscal agents		173,786		173,786	
Capital assets:					
Land, easements and construction in progress		1,166,025	26,655	1,192,680	
Other capital assets, net of accumulated depreciation/amortization		3,415,459	161,209	3,576,668	1,852
Total assets		11,026,241	525,878	11,552,119	39,227
DEFERRED OUTFLOWS OF RESOURCES					
Non-Pension:					
Unamortized loss on refunding of long-term debt		24,033		24,033	
Pension:					
Contributions to the pension plan subsequent to the measurement date		810,655	3,003	813,658	
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions		23,751	97	23,848	
Changes of assumptions or other inputs		585,168	2,486	587,654	
Net difference between projected and actual earnings on pension plan investments		371,316	1,553	372,869	
Difference between expected and actual experience in the total pension liability		335,150	1,221	336,371	
OPEB:					
Contributions to the OPEB plan subsequent to the measurement date		19,120	92	19,212	
Net difference between projected and actual earnings on OPEB plan investments		1,451		1,451	
Total deferred outflows of resources	$	2,170,644	8,452	2,179,096	

Continued on next page

STATEMENT OF NET POSITION
June 30, 2024
(In Thousands)

(Continued)		Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: First 5 Commission of San Diego
LIABILITIES					
Accounts payable	$	540,300	3,223	543,523	11,724
Accrued payroll		94,994	404	95,398	
Accrued interest		10,193		10,193	
Due to primary government					229
Unearned revenue		689,362	457	689,819	
Noncurrent liabilities:					
Due within one year		282,843	316	283,159	378
Due in more than one year - other		1,599,785	454	1,600,239	1,715
Due in more than one year - net pension liability		5,208,305	21,467	5,229,772	
Due in more than one year - net OPEB liability		45,536	256	45,792	
Total Liabilities		8,471,318	26,577	8,497,895	14,046
DEFERRED INFLOWS OF RESOURCES					
Non-pension:					
Leases		15,585	210,742	226,327	
Property taxes received in advance		17,850		17,850	
Gain on refunding of long-term debt		29		29	
Pension:					
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions		6,213	22	6,235	
Differences between expected and actual experience in the total pension liability		101,905	464	102,369	
Net difference between projected and actual earnings on plan investments			7	7	
Total deferred inflows of resources	$	141,582	211,235	352,817	

Continued on next page

STATEMENT OF NET POSITION
June 30, 2024
(In Thousands)

(Continued)		Primary Government			Component Unit
		Governmental Activities	Business-type Activities	Total	First 5 Commission of San Diego
NET POSITION					
Net investment in capital assets	$	3,971,462	186,621	4,158,083	
Restricted for:					
Creditors - Capital projects		95,984		95,984	
Grantors - Housing assistance		157,454		157,454	
Donations		4,261		4,261	
Pension Stabilization		128,592		128,592	
Laws or regulations of other governments:					
Custody of non-violent, non-serious, non-sex offenders and supervision of post release offenders		117,989		117,989	
Future road improvements		392,791		392,791	
Enforcement of consumer protection laws		212,289		212,289	
Health and Human Services Agency programs		222,937		222,937	
Construction, maintenance and other costs for justice, health, and social facilities and programs		11,045		11,045	
Road, park lighting maintenance, fire protection and ambulance service		31,726		31,726	
Development of multifamily housing for persons with serious mental illness who are homeless, chronically homeless, or at-risk of becoming chronically homeless		105,608		105,608	
State Permanent Local Housing Allocation program to address unmet housing needs		6,715		6,715	
Down payment and closing costs assistance for first-time homebuyers		5,146		5,146	
Defray administrative costs, other general restrictions		29,467		29,467	
Implementation of the opioid settlement framework		109,901		109,901	
Custody and care for youthful offenders		2,975		2,975	
Juvenile probation activities		3,385		3,385	
Teeter tax loss		19,187		19,187	
Vector control		8,142		8,142	
Improvement and maintenance of recorded document systems		25,930		25,930	
Flood Control future drainage improvements		30,754		30,754	
Public safety activities		114,248		114,248	
Expansion of behavioral health community provider capacity and to strengthen the regional continuum of care		24,297		24,297	
Other purposes		300,150		300,150	
First 5 Commission of San Diego					25,181
Unrestricted		(1,548,450)	109,897	(1,438,553)	
Total net position	$	4,583,985	296,518	4,880,503	25,181

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024
(In Thousands)

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: First 5 Commission of San Diego
Governmental Activities:								
General government	$ 493,388	153,652	245,240	2,131	(92,365)		(92,365)	
Public protection	2,358,743	263,608	798,249	37,255	(1,259,631)		(1,259,631)	
Public ways and facilities	196,395	24,090	159,811	7,377	(5,117)		(5,117)	
Health and sanitation	1,455,094	244,342	1,215,644	58	4,950		4,950	
Public assistance	1,987,689	18,703	1,856,459		(112,527)		(112,527)	
Education	70,743	230	11,442		(59,071)		(59,071)	
Recreation and cultural	79,134	16,364	14,188		(48,582)		(48,582)	
Interest	51,257				(51,257)		(51,257)	
Total governmental activities	6,692,443	720,989	4,301,033	46,821	(1,623,600)		(1,623,600)	
Business-type activities:								
Airport	17,576	14,318	2,327			(931)	(931)	
Jail Stores Commissary	3,959	7,869				3,910	3,910	
San Diego County Sanitation District	30,225	30,804				579	579	
Sanitation District - Other	10,928	10,024	53			(851)	(851)	
Total business-type activities	62,688	63,015	2,380			2,707	2,707	
Total primary government	6,755,131	784,004	4,303,413	46,821	(1,623,600)	2,707	(1,620,893)	
Component Unit:								
First 5 Commission of San Diego	$ 39,031		27,782					(11,249)

Continued on next page

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	First 5 Commission of San Diego
Changes in net position:				
Net (expense) revenue	$ (1,623,600)	2,707	(1,620,893)	(11,249)
Revenues:				
General Revenues				
Taxes:				
Property taxes	1,077,968		1,077,968	
Transient occupancy tax	7,285		7,285	
Real property transfer tax	26,170		26,170	
Miscellaneous taxes	120		120	
Property taxes in lieu of vehicle license fees	558,665		558,665	
Sales and use taxes	67,133		67,133	
Total general tax revenues	1,737,341		1,737,341	
Investment earnings	185,999	9,546	195,545	1,297
Other	160,192	132	160,324	
Total general revenues	2,083,532	9,678	2,093,210	1,297
Transfers	4,710	(4,710)		
Total general revenues and transfers	2,088,242	4,968	2,093,210	1,297
Change in net position	464,642	7,675	472,317	(9,952)
Net position at beginning of year	4,119,343	288,843	4,408,186	35,133
Net position at end of year	$ 4,583,985	296,518	4,880,503	25,181

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024
(In Thousands)

	General Fund	Public Safety Fund	Tobacco Endowment Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Pooled cash and investments	$ 2,942,082	121,760	11,267	565,678	3,640,787
Cash with fiscal agents	17				17
Investments with fiscal agents	2		238,163		238,165
Receivables, net	1,344,947	67,855	3,041	204,020	1,619,863
Lease receivables	3,734			9,432	13,166
Property taxes receivables, net	176,634			1,106	177,740
Due from other funds	152,079			40,154	192,233
Inventories	40,238			1,477	41,715
Deposits with others				8	8
Prepaid items	5,281			432	5,713
Restricted assets:					
Cash with fiscal agents	218			1,690	1,908
Investments with fiscal agents				173,786	173,786
Total assets	4,665,232	189,615	252,471	997,783	6,105,101
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	368,608			87,607	456,215
Accrued payroll	89,238			3,358	92,596
Due to other funds	71,729	81,575	15,148	51,598	220,050
Unearned revenue	676,967			11,488	688,455
Total liabilities	1,206,542	81,575	15,148	154,051	1,457,316
DEFERRED INFLOWS OF RESOURCES					
Non-pension:					
Leases	3,620			9,251	12,871
Property taxes received in advance	16,865			985	17,850
Unavailable revenue	438,455			152,417	590,872
Total deferred inflows of resources	$ 458,940			162,653	621,593

Continued on next page

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024
(In Thousands)

(Continued)	General Fund	Public Safety Fund	Tobacco Endowment Fund	Other Governmental Funds	Total Governmental Funds
FUND BALANCES					
Nonspendable:					
Not in spendable form:					
Loans, due from other funds and prepaids	$ 10,473			432	10,905
Inventories and deposits with others	40,238			1,485	41,723
Restricted for:					
Creditors - Debt service				65,594	65,594
Creditors - Capital projects				95,984	95,984
Grantors - Housing assistance	144,192			11,623	155,815
Donations	4,261				4,261
Pension Stabilization	128,592				128,592
Laws or regulations of other governments:					
Custody of non-violent, non-serious, non-sex offenders and supervision of post release offenders	117,989				117,989
Future road improvements				293,347	293,347
Enforcement of consumer protection laws	212,289				212,289
Construction, maintenance and other costs for justice, health, and social facilities and programs	11,045				11,045
Development of multifamily housing for persons with serious mental illness who are homeless, chronically homeless, or at-risk of becoming chronically homeless	105,608				105,608
State Permanent Local Housing Allocation program to address unmet housing needs	6,715				6,715
Down payment and closing costs assistance for first-time homebuyers	5,146				5,146
Defray administrative costs, other general restrictions	29,467				29,467
Implementation of the opioid settlement framework	53,445				53,445
Custody and care for youthful offenders	2,975				2,975
Juvenile probation activities	3,385				3,385
Improvement and maintenance of recorded document systems	25,930				25,930
Public safety activities	6,208	108,040			114,248
Expansion of behavioral health community provider capacity and to strengthen the regional continuum of care	24,297				24,297
Fund purpose				143,506	143,506
Other purposes	$ 170,355			30,755	201,110

Continued on next page

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024
(In Thousands)

(Continued)	General Fund	Public Safety Fund	Tobacco Endowment Fund	Other Governmental Funds	Total Governmental Funds
Committed to:					
Support, promote, and improve educational options for San Diego County K-12 youth	$ 29,368				29,368
Realignment health, mental health and social services	39				39
Landfill, postclosure and landfill maintenance				38,353	38,353
Capital projects' funding	442,913				442,913
Health			237,323		237,323
Evaluation, acquisition, construction, or rehabilitation of affordable housing for low-income residents	48,936				48,936
Other purposes	49,258				49,258
Assigned to:					
Subsequent one-time expenditures	102,930				102,930
Legislative and administrative services	197,955				197,955
Other purposes	333,973				333,973
Unassigned	691,768				691,768
Total fund balances	2,999,750	108,040	237,323	681,079	4,026,192
Total liabilities, deferred inflows of resources and fund balances	$ 4,665,232	189,615	252,471	997,783	6,105,101

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

June 30, 2024

(In Thousands)

Total fund balances - governmental funds	$	4,026,192
Capital assets used in governmental activities (excluding internal service funds) are not current financial resources and, therefore, are not reported in the balance sheet. This amount represents capital assets net of accumulated depreciation/ amortization.		4,497,845
Unamortized gain on refundings (to be amortized as interest expense).		(29)
Unamortized loss on refundings (to be amortized as interest expense).		24,033
Accrued interest on long-term debt.		(10,193)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds and recognized as revenue in the statement of activities.		590,782
Long-term interest receivable on housing loans.		30,019
Deferred outflows of resources - Contributions to the pension plan subsequent to the measurement date.		792,815
Deferred outflows of resources - Changes in proportionate share and differences between employer's contributions and proportionate share of contributions - Pension.		23,227
Deferred outflows of resources - Changes of assumptions or other inputs - Pension.		571,082
Deferred outflows of resources - Net difference between projected and actual earnings on pension plan investments.		361,034
Deferred outflows of resources - Differences between expected and actual experience in the total pension liability.		327,972
Deferred outflows of resources - Contributions to the OPEB plan subsequent to the measurement date.		18,567
Deferred outflows of resources - Net difference between projected and actual earnings on OPEB plan investments.		1,451
Deferred inflows of resources - Changes in proportionate share and differences between employer's contributions and proportionate share of contributions - Pension.		(6,084)
Deferred inflows of resources - Differences between expected and actual experience in the total pension liability.		(99,706)
Deferred inflows of resources - Net differences between projected and actual experience in the total OPEB investments.		42
Long-term liabilities, such as bonds, notes, loans payable, financed purchases, leases, claims and judgments, compensated absences, landfill postclosure, pollution remediation, net pension liability, and net OPEB liability are not due and payable in the current period and, therefore, are not reported in the funds. (See Note 2 to the financial statements; **Table 3**.)		(6,702,902)
Internal service funds are used by management to charge the costs of information technology, vehicle operations and maintenance, employee benefits, public liability, road and communications services, materials and supplies (purchasing), and facilities services to individual funds; and, to make loans for start-up services for new and existing county service districts. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in the governmental activities in the statement of net position. (See Note 2 to the financial statements; **Table 3**.)		137,748
Net position of governmental activities	$	4,583,985

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	General Fund	Public Safety Fund	Tobacco Endowment Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 1,648,557			85,403	1,733,960
Licenses, permits and franchise fees	54,123			17,657	71,780
Fines, forfeitures and penalties	47,871			2,348	50,219
Revenue from use of money and property	131,343	1,111	4,503	39,399	176,356
Aid from other governmental agencies:					
State	1,850,171	382,340		151,424	2,383,935
Federal	1,334,526			249,464	1,583,990
Other	210,577			31,518	242,095
Charges for current services	467,107			56,694	523,801
Other	72,954			47,776	120,730
Total revenues	5,817,229	383,451	4,503	681,683	6,886,866
Expenditures:					
Current:					
General government	444,104		133	15,358	459,595
Public protection	2,126,391			34,300	2,160,691
Public ways and facilities	6,353			108,556	114,909
Health and sanitation	1,360,683			44,971	1,405,654
Public assistance	1,620,856			290,627	1,911,483
Education	1,073			62,978	64,051
Recreation and cultural	61,887			4,134	66,021
Capital outlay	125,582			316,998	442,580
Debt service:					
Principal	68,095			84,766	152,861
Interest	14,456			33,142	47,598
Bond issuance costs				993	993
Total expenditures	5,829,480		133	996,823	6,826,436
Excess (deficiency) of revenues over (under) expenditures	(12,251)	383,451	4,370	(315,140)	60,430
Other financing sources (uses):					
Sale of capital assets	228			5,010	5,238
Issuance and modifications of leases:					
Leases	45,498				45,498
Issuance of subscriptions:					
Subscriptions	3,099				3,099
Issuance of bonds, loans and financed purchases:					
Face value of bonds issued				160,910	160,910
Face value of loans issued				1,718	1,718
Premium on issuance of bonds				18,781	18,781
Transfers in	465,592			312,983	778,575
Transfers out	(310,980)	(433,464)	(15,113)	(23,996)	(783,553)
Total other financing sources (uses)	203,437	(433,464)	(15,113)	475,406	230,266
Net change in fund balances	191,186	(50,013)	(10,743)	160,266	290,696
Fund balance at beginning of year	2,817,915	158,053	248,066	520,776	3,744,810
Increase (decrease) in nonspendable inventories	(9,351)			37	(9,314)
Fund balances at end of year	$ 2,999,750	108,040	237,323	681,079	4,026,192

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024
(In Thousands)

Net change in fund balances - total governmental funds	$	290,696
Governmental funds accrue property tax revenue which is deemed collectible within 60 days. However, for the statement of activities the total amount estimated to ultimately be collected is accrued.		3,381
Revenues that do not provide current financial resources are not reported as revenues in the funds (deferred inflows) but are recognized as revenue in the statement of activities.		190,542
Revenues earned on long-term housing loans.		3,058
Adjustment to nonspendable inventories.		(9,314)
Change in accounting estimate for postclosure costs - (public protection function) - San Marcos landfill.		10,626
Change in accounting estimate for pollution remediation - (general government function).		(195)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. (See Note 2 to the financial statements; **Table 4**.)		215,427
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position. (See Note 2 to the financial statements; **Table 4**.)		4,118
Contributions to the pension plan subsequent to the measurement date.		793,250
Contributions to the OPEB plan subsequent to the measurement date.		18,630
The issuance of long-term debt (e.g. bonds, notes, loans, financed purchases, and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (See Note 2 to the financial statements; **Table 4**.)		(77,145)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (See Note 2 to the financial statements; **Table 4**.)		(1,070,108)
Internal service funds are used by management to charge the costs of centralized services to individual funds. The net revenue (expense) of certain activities of internal service funds is reported within governmental activities. (See Note 2 to the financial statements; **Table 4**.)		91,676
Change in net position - governmental activities.	$	464,642

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024
(In Thousands)

	Business-type Activities			Governmental Activities
	Airport Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS				
Current assets:				
Pooled cash and investments	$ 31,245	82,745	113,990	488,170
Receivables, net	2,973	2,426	5,399	6,157
Lease receivables	7,252		7,252	587
Due from other funds		528	528	40,096
Inventories	1	312	313	2,386
Prepaid items	1		1	
Total current assets	41,472	86,011	127,483	537,396
Noncurrent assets:				
Lease receivables	209,256		209,256	2,185
Due from other funds	2,737		2,737	157
Capital assets:				
Land	12,536	1,240	13,776	
Construction in progress	2,854	10,025	12,879	939
Buildings and improvements	134,755	19,248	154,003	2,963
Equipment	3,669	4,559	8,228	215,812
Software	297		297	14,442
Road infrastructure	27,388		27,388	
Sewer infrastructure		115,891	115,891	
Subscription Assets		342	342	
Accumulated depreciation/amortization	(76,386)	(68,554)	(144,940)	(150,517)
Total noncurrent assets	317,106	82,751	399,857	85,981
Total assets	358,578	168,762	527,340	623,377
DEFERRED OUTFLOWS OF RESOURCES				
Pension:				
Contributions to the pension plan subsequent to the measurement date	1,441	1,562	3,003	17,840
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions	48	49	97	524
Changes of assumptions or other inputs	1,238	1,248	2,486	14,086
Net difference between projected and actual earnings on pension plan investments	805	748	1,553	10,282
Difference between expected and actual experience in the total pension liability	535	686	1,221	7,178
OPEB:				
Contributions to the OPEB plan subsequent to the measurement date	41	51	92	553
Total deferred outflows of resources	$ 4,108	4,344	8,452	50,463

Continued on next page

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024
(In Thousands)

(Continued)	Business-type Activities			Governmental Activities
	Airport Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES				
Current liabilities:				
Accounts payable	$ 1,192	2,031	3,223	84,085
Accrued payroll	170	234	404	2,398
Due to other funds	427	2,509	2,936	8,577
Unearned revenue	457		457	907
Loans payable				84
Subscription payable		89	89	
Compensated absences	102	125	227	1,815
Claims and judgments				60,573
Total current liabilities	2,348	4,988	7,336	158,439
Noncurrent liabilities:				
Loans payable				184
Subscription payable		95	95	
Compensated absences	161	198	359	2,868
Claims and judgments				249,567
Net pension liability	10,239	11,228	21,467	117,400
Net OPEB liability	122	134	256	1,076
Total noncurrent liabilities	10,522	11,655	22,177	371,095
Total liabilities	12,870	16,643	29,513	529,534
DEFERRED INFLOWS OF RESOURCES				
Non-pension:				
Leases	210,742		210,742	2,714
Pension:				
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions	11	11	22	129
Differences between expected and actual experience in the total pension liability	268	196	464	2,199
OPEB:				
Net difference between projected and actual earnings on OPEB investments	4	3	7	42
Total deferred inflow of resources	211,025	210	211,235	5,084
NET POSITION				
Net investment in capital assets	104,555	82,066	186,621	81,013
Unrestricted net position	34,236	74,187	108,423	58,209
Total net position	$ 138,791	156,253	295,044	139,222

Reconciliation between net position - enterprise funds and net position of business-type activities as reported in the government-wide statement of net position	
Total net position	$ 295,044
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	1,474
Net position of business-type activities	$ 296,518

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Business-type Activities			Governmental Activities
	Airport Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues:				
Charges for current services	$ 14,318	48,697	63,015	631,910
Other	137		137	7,727
Total operating revenues	14,455	48,697	63,152	639,637
Operating expenses:				
Salaries and employee benefits	5,684	7,286	12,970	80,668
Repairs and maintenance	1,931	6,191	8,122	67,786
Equipment rental	425	1,211	1,636	225
Sewage processing		19,786	19,786	
Contracted services	3,808	1,376	5,184	336,913
Depreciation	3,776	2,944	6,720	20,613
Amortization		70	70	
Utilities	630	42	672	37,210
Cost of material		3,363	3,363	6,486
Claims and judgments				11,483
Fuel	95	10	105	14,575
Other	1,323	3,164	4,487	11,030
Total operating expenses	17,672	45,443	63,115	586,989
Operating income (loss)	(3,217)	3,254	37	52,648
Nonoperating revenues (expenses):				
Grants	2,327	53	2,380	6,095
Investment earnings	5,139	4,407	9,546	20,980
Gain (loss) on disposal of assets		(5)	(5)	1,225
Total nonoperating revenues (expenses)	7,466	4,455	11,921	28,300
Income (loss) before capital contributions and transfers	4,249	7,709	11,958	80,948
Capital contributions				1,467
Transfers in	74	858	932	11,711
Transfers out	(128)	(5,514)	(5,642)	(2,023)
Change in net position	4,195	3,053	7,248	92,103
Net position (deficits) at beginning of year	134,596	153,200	287,796	47,119
Net position (deficits) at end of year	$ 138,791	156,253	295,044	139,222

Reconciliation between change in net position - enterprise funds and change in net position of business-type activities as reported in the government-wide statement of activities		
Change in net position	$	7,248
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		427
Change in net position of business-type activities	$	7,675

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Business-type Activities			Governmental Activities
	Airport Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	$ 5,787	39,708	45,495	17,038
Cash received from other funds	4	9,561	9,565	620,595
Cash payments to suppliers	(5,876)	(31,088)	(36,964)	(428,480)
Cash payments to employees	(5,241)	(6,770)	(12,011)	(75,050)
Cash payment to other funds	(2,702)	(1,885)	(4,587)	(49,849)
Cash paid for claims and judgments				(42,445)
Net cash provided (used) by operating activities	(8,028)	9,526	1,498	41,809
Cash flows from noncapital financing activities:				
Operating grants	2,586	53	2,639	6,458
Transfers from other funds	74	858	932	11,711
Transfers to other funds	(128)	(5,514)	(5,642)	(2,023)
Principal paid on long-term debt				(102)
Other noncapital financing increases	147		147	
Other noncapital (decreases)				(107)
Net cash provided (used) by noncapital financing activities	2,679	(4,603)	(1,924)	15,937
Cash flows from capital and related financing activities:				
Capital contributions				1,465
Acquisition of capital assets	(3,123)	(4,150)	(7,273)	(27,592)
Lease payments received	7,190		7,190	1,474
Principal paid on subscription		(83)	(83)	
Proceeds from sale of assets		1	1	1,632
Net cash provided (used) by capital and related financing activities	4,067	(4,232)	(165)	(23,021)
Cash flows from investing activities:				
Investment earnings	5,005	4,121	9,126	19,015
Net increase (decrease) in cash and cash equivalents	3,723	4,812	8,535	53,740
Cash and cash equivalents - beginning of year	27,522	77,933	105,455	434,430
Cash and cash equivalents - end of year	$ 31,245	82,745	113,990	488,170

Continued on next page

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	Business-type Activities			Governmental Activities
	Airport Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (3,217)	3,254	37	52,648
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Decrease (increase) in accounts receivables	(8,906)	590	(8,316)	(1,599)
Decrease (increase) in due from other funds	3	(184)	(181)	(198)
Decrease (increase) in inventory		(22)	(22)	(24)
Increase (decrease) in accounts payable	(516)	688	172	(2,393)
Increase (decrease) in accrued payroll	22	47	69	185
Increase (decrease) in due to other funds	150	1,670	1,820	(1,783)
Increase (decrease) in unearned revenue	239		239	(207)
Increase (decrease) in compensated absences	35	10	45	328
Increase (decrease) in claims and judgments				(30,962)
Pension expense	430	514	944	5,833
OPEB expense	(44)	(55)	(99)	(632)
Depreciation / amortization	3,776	3,014	6,790	20,613
Total adjustments	(4,811)	6,272	1,461	(10,839)
Net cash provided (used) by operating activities	(8,028)	9,526	1,498	41,809
Non-cash investing and capital financing activities:				
Capital acquisitions included in accounts payable	558	501	1,059	2,626
Governmental contributions of capital assets	$			2

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2024
(In Thousands)

	San Diego County Employees Retirement Association Pension (and Other Postemployment Benefits) Trust Fund	Pooled Investments - Investment Trust Funds	County of San Diego Successor Agency Private Purpose Trust Fund	Custodial Funds
ASSETS				
Pooled cash and investments	$ 1,229	10,755,027	2,313	444,269
Cash with fiscal agents	2,308,983	397,439		8,539
Investments with fiscal agents			1,050	6,561
Securities lending cash collateral	122,944			
Receivables:				
Contributions	10,498			
Accrued interest and dividends	52,797			
Settlement of investments sold	1,494,031			
Accounts receivable				4,276
Investment earnings receivable		133,168	11	191,519
Taxes receivable, net		66,688		106,444
Other receivables		24,771		287
Investments at fair value:				
Domestic equity securities	3,577,724			
International equity securities	812,987			
Fixed income securities	9,145,677			
Cash and securities for swaps	25,276			
Private Equity	371,461			
Private real estates	357,067			
Real Estate	1,196,072			
Capital assets, net	2,373			
Total assets	19,479,119	11,377,093	3,374	761,895
LIABILITIES				
Collateral payable for securities lending	122,944			
Settlement of investments purchased	1,634,353			
Professional services	14,562			
Death benefits	2,178			
Retirement and health benefits	1,897			
Refunds to members	2,099			
County advance contribution	1,918			
Accounts payable		218,041	2	286,103
Warrants outstanding				6,642
Accrued payroll				859
Accrued interest			21	
Deferred revenues		131		
Other liabilities	14,420			
Noncurrent liabilities:				
Due within one year			713	
Due in more than one year			3,573	
Due to other funds			4,188	
Due to other governments				189,678
Total liabilities	1,794,371	218,172	8,497	483,282
NET POSITION				
Restricted for:				
Pension	17,619,364			
OPEB	65,384			
Pool participants		11,158,921		
Private purpose			(5,123)	
Individuals, organizations and other governments				278,613
Total net position (deficit)	$ 17,684,748	11,158,921	(5,123)	278,613

Notes to the basic financial statements are an integral part of this statement

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	San Diego County Employees Retirement Association Pension (and Other Postemployment Benefits) Trust Fund	Pooled Investments-Investment Trust Funds	County of San Diego Successor Agency Private Purpose Trust Fund	Custodial Funds
ADDITIONS				
Contributions:				
Employer contributions	$ 885,184			
Plan member contributions	201,782			
Property taxes collected for other governments				15,422,552
Contributions to investments		14,473,655		3,578,562
Total contributions	1,086,966	14,473,655		19,001,114
Investment income:				
Net appreciation/(depreciation) in fair value of investments:				
Equity securities	871,978			
Fixed income	226,599			
Foreign currency	21,533			
Real estate & private equity	(249,383)			
Private real assets	(17,897)			
Futures	112,852			
Swaps	513,630			
Total Net appreciation/(depreciation) in fair value of investments	1,479,312			
Interest income:				
Fixed income	165,848			
Cash	11,152			
Investment earnings		559,404	131	46,814
Total interest income	177,000	559,404	131	46,814
Other additions:				
Dividends	81,349			
Real estate income	74,793			
Private equity income	3,843			
Private real assets income	24,650			
Total other	184,635			
Less: Investment expenses	(23,556)	(829)		
Net investment income, before securities lending	1,817,391	558,575	131	46,814
Securities lending income and appreciation/ (depreciation)	7,962			
Securities lending rebates and bank charges	(5,962)			
Net securities lending	2,000			
Net investment income	1,819,391	558,575	131	46,814
Property taxes- Successor Agency Redevelopment Property Tax Trust Fund Distribution			2,375	
Total additions	$ 2,906,357	15,032,230	2,506	19,047,928

Continued on next page

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	San Diego County Employees Retirement Association Pension (and Other Postemployment Benefits) Trust Fund	Pooled Investments-Investment Trust Funds	County of San Diego Successor Agency Private Purpose Trust Fund	Custodial Funds
DEDUCTIONS				
Benefits				
Retirement benefits	$ 1,001,331			
Death benefits	2,012			
Health benefits	9,108			
Total Benefits	1,012,451			
Member refunds	8,904			
Administrative expenses	19,544	7,113	4	
Distributions from investments		14,790,206		3,564,368
Property taxes distributed to other governments				15,475,996
Contributions to other agencies			550	
Interest			326	
Total deductions	1,040,899	14,797,319	880	19,040,364
Change in net position	1,865,458	234,911	1,626	7,564
Net position (deficit) at beginning of year	15,819,290	10,924,010	(6,749)	271,049
Net position (deficit) at end of year	$ 17,684,748	11,158,921	(5,123)	278,613

NOTE 1

Summary of Significant Accounting Policies 71
The Reporting Entity 71
Blended Component Units 71
Discrete Component Unit 72
Fiduciary Component Unit 73
Financial Reporting Structure 73
Basic Financial Statements 73
Government-Wide Financial Statements 73
Fund Financial Statements 74
Measurement Focus, Basis of Accounting, and Financial Statement Presentation 75
Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance 76
Cash and Investments 76
Receivables and Payables 76
County Leased Property 77
Inventories and Prepaid Items 77
Capital Assets 78
Unearned Revenue 78
Deferred Outflows and Inflows of Resources 78
Subscription-Based Information Technology Arrangements 79
Lease Obligations 79
Long-Term Obligations 80
Pension 80
OPEB 81
Employees' Compensated Absences 81
General Budget Policies 82
Fund Balance 82
Net Position 83
Indirect Costs 83
Use of Estimates 83

NOTE 2

Reconciliation of Government-Wide and Fund Financial Statements 84
Balance Sheet/Statement of Net Position 84
Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities 85

NOTE 3

Deposits and Investments 86
Deposits 86
Investments 87

NOTE 4

Restricted Assets 94

NOTE 5

Receivables 94

NOTE 6

County Property on Lease to Others 96

NOTE 7

Capital Assets 97
Changes in Capital Assets 97
Depreciation/Amortization 98
Capital and Other Commitments 98

NOTE 8

Interfund Balances 100

NOTE 9

Interfund Transfers 101

NOTE 10

Payables ... 101

NOTE 11

Deferred Inflows of Resources: Unavailable Revenue ... 102

NOTE 12

Lease Obligations ... 102
Real Property ... 102
Personal Property ... 103

NOTE 13

Subscription Obligations ... 103

NOTE 14

Long-Term Debt ... 103
Certificates of Participation (COPs) and Lease Revenue Bonds (LRBs) ... 103
Taxable Pension Obligation Bonds (POBs) ... 105
Tobacco Settlement Asset-Backed Bonds (TSAB) ... 105
Loans - Governmental Activities ... 108
Financed Purchases ... 108
Arbitrage ... 109

NOTE 15

Changes in Long-Term Liabilities ... 110

NOTE 16

Funds Used to Liquidate Liabilities ... 111

NOTE 17

Landfill Site Postclosure Care Costs ... 111

NOTE 18

Pollution Remediation ... 112

NOTE 19

Conduit Debt Obligations ... 113

NOTE 20

Special Tax Bonds ... 114
Harmony Grove Village Improvement Area No. 1 Special Tax Bonds, Series 2018A ... 114
Harmony Grove Village Improvement Area No. 1 Special Tax Bonds, Series 2020A ... 114
Harmony Grove Village Improvement Area No. 2 Special Tax Bonds, Series 2020A ... 114

NOTE 21

Fund Balance Policy - General Fund ... 114

NOTE 22

Fund Balances Restricted for Laws or Regulations of Other Governments: Fund Purpose ... 116

NOTE 23

Fund Balances Restricted for Laws or Regulations of Other Governments: Other Purposes ... 117

NOTE 24

Fund Balances Committed to Other Purposes ... 118

NOTE 25

Fund Balances Assigned to Other Purposes ... 118

NOTE 26

Net Position Restricted for Laws or Regulations of Other Governments: Other Purposes ... 119

NOTE 27

Risk Management 120

NOTE 28

Contingencies 120
Litigation 120
Unrecorded Leave Benefits 120
Federal and State Programs 121

NOTE 29

Service Concession Agreement 121

NOTE 30

Joint Ventures. 121

NOTE 31

Pension Plans 122

NOTE 32

Other Postemployment Benefits 128
Retiree Health Plan 128

NOTE 33

Fund Deficits 133

NOTE 34

County of San Diego Successor Agency Private Purpose Trust Fund for Assets of Former San Diego County Redevelopment Agency 133
Due To Other Funds 133

NOTE 35

San Diego County Redevelopment Agency (SDCRA) Revenue Refunding Bonds 134
Changes in Long-Term Liabilities 135

NOTE 36

Subsequent Events 135
San Diego County Capital Asset Leasing Corporation - "County of San Diego Refunding Certificates Participation, Series 2024 (Edgemoor Refunding)" 135

NOTE 37

New Governmental Accounting Standards 135
Implementation Status 135
Under Analysis 136

NOTE 38

San Diego County Employees Retirement Association (SDCERA) 136

NOTE 1
Summary of Significant Accounting Policies
The Reporting Entity

The County of San Diego (the "County" or "CoSD"), is a political subdivision of the State of California (the "State") and as such can exercise the powers specified by the Constitution and laws of the State of California. The County operates under a charter and is governed by an elected five-member Board of Supervisors (the "Board").

The County provides a full range of general government services including police protection, detention and correction, public assistance, health and sanitation, recreation, library, flood control, public ways and facilities, inactive waste management, airport management and general financial and administrative support.

The County reporting entity includes all significant organizations, departments, and agencies over which the County is considered to be financially accountable. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. As required by accounting principles generally accepted in the United States of America (GAAP), the financial statements present the financial position of the County and its component units.

These are entities for which the County is considered to be financially responsible and has a potential financial benefit/burden relationship.

Blended component units, although legally separate entities are, in substance, part of the County's operations and data from these component units are combined with the data from the primary government.

A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County.

Blended Component Units

The blended component units listed below are agencies and special districts whose governing board is the County Board of Supervisors. The County Board of Supervisors therefore has the ability to impose its will. These component units have a direct financial benefit/burden relationship with the County, are fiscally dependent on the County, and as such financial actions including the setting of rates, issuance of debt and the adoption of the annual budget remain with the County.

County of San Diego In Home Supportive Services Public Authority (IHSSPA) - The *IHSSPA* was established to assist eligible low-income elderly and persons with disabilities in San Diego County to live high quality lives in their own homes. The *IHSSPA* program is mandated by the State. As the employer of record, *IHSSPA* recruits, screens, and trains home care workers who are available to assist eligible consumers in their own homes. *IHSSPA* is reported as a *special revenue fund.*

County Service Districts (CSD) - The *CSDs* were established to provide authorized services such as road, park, fire protection and ambulance to specific areas in the County. They are financed by ad valorem property taxes in the area benefited or by special assessments levied on specific properties. The *CSDs* are reported as *special revenue funds*.

Flood Control District (FCD) - The *FCD* was established to provide flood control in the County's unincorporated area. It is financed primarily by ad valorem property taxes and charges to property owners. The *FCD* is reported as a *special revenue fund*.

Lighting Maintenance District (LMD) - The *LMD* was established to provide street and road lighting services to specified areas of the County. Revenue sources include ad valorem taxes, benefit fees, state funding and charges to property owners. The *LMD* is reported as a *special revenue fund*.

San Diego County Housing Authority (SDCHA) - The *SDCHA* was established to provide decent housing in a suitable environment for individuals who cannot afford standard private housing. Contracts with the U.S. Department of Housing and Urban Development provide the major funding sources. *SDCHA* is reported

in two *special revenue funds* - Housing Authority - Low and Moderate Income Housing Asset Fund, and the Housing Authority - Other Fund.

San Diego County Sanitation District (SD) - The *SD* was established to construct, operate and maintain reliable and sustainable sanitary sewer systems. Revenue sources include charges to property owners, other agencies, and grants. The *SD* is reported as an enterprise fund.

Sanitation District - Other (SD Other) - The *SD Other* was established to construct, operate and maintain reliable and sustainable sanitary sewer and potable water systems. Revenue sources include charges to property owners, other agencies, and grants. The *SD Other* is reported as an enterprise fund.

Blended component units governed by boards other than the CoSD Board of Supervisors are listed below. These component units are, in substance, part of the County's operations due to their relationship with the County and the nature of their operations. Specifically, the CoSD Board appoints either all or a majority of their board members and the services they provide solely benefit the County.

San Diego County Capital Asset Leasing Corporation (SANCAL) - *SANCAL* was established to finance the acquisition of County buildings and equipment. It is a nonprofit corporation governed by a five-member Board of Directors, which is appointed by the CoSD Board. *SANCAL* financial activities are reported in a Debt *Service Fund* and a *Capital Projects Fund*.

San Diego County Tobacco Asset Securitization Corporation (SDCTASC) - The *SDCTASC* was created under the California Nonprofit Public Benefit Corporation Law and was established to purchase tobacco settlement payments allocated to the County from the State of California, pursuant to a Tobacco Master Settlement Agreement. *SDCTASC* is governed by a Board of Directors consisting of three members, two of which are employees of the County and one independent director who is not an employee of the County. The *SDCTASC* is reported as part of the *Tobacco Securitization Joint Special Revenue Fund*.

San Diego Regional Building Authority (*SDRBA*) - The *SDRBA* was established under the Mark-Roos Local Bond Pooling Act of 1985 and authorized to issue bonds for the purpose of acquiring and constructing public capital improvements and to lease them to its members, the County and the San Diego Metropolitan Transit Development Board (MTDB). The services provided by the *SDRBA* to the MTDB are insignificant.

The *SDRBA* is governed by a Commission consisting of three members, two of which are County Supervisors appointed by the County Board of Supervisors and concurrently serve on the Board of Directors of the San Diego Trolley, Inc. and the Board of Directors of MTDB. The third Commissioner is a member of MTDB and is appointed by the MTDB Board. The *SDRBA*'s financial activities are reported in a *debt service fund*.

Tobacco Securitization Joint Powers Authority of Southern California (TSJPA) - The *TSJPA* was created by a joint exercise of powers agreement between the County and the County of Sacramento pursuant to Government Code Sections 6500 et seq. The *TSJPA*'s purpose is to finance a loan to the San Diego County Tobacco Asset Securitization Corporation (the Corporation) via the sale of tobacco asset-backed bonds. The *Corporation* in turn uses the loan proceeds to purchase the County's future tobacco settlement revenues under a purchase and sale agreement. The *TSJPA* is administered by a Board of Directors consisting of three members, two members who are appointed by the CoSD Board and the third member is appointed by the Sacramento County Board of Supervisors. The *TSJPA* is reported as part of the *Tobacco Securitization Joint Special Revenue Fund*.

Separately issued financial reports for *IHSSPA*, *SDCTASC, SDRBA*, and *TSJPA* can be obtained from the County Auditor and Controller's Office located at 5530 Overland Avenue, Suite 410, San Diego, California 92123.

Discrete Component Unit

The *First 5 Commission of San Diego (Commission)* was established by the Board as a separate legal entity under the authority of the California Children and Families First Act and Sections 130100 et seq. of the Health and Safety Code. The *Commission* administers the County's share of tobacco taxes levied by the State for the purpose of implementing early childhood development programs. The County appoints all of the *Commission's* board and can remove appointed members at will.

The *Commission* is discretely presented because its Board is not substantively the same as the County's, and it does not provide services entirely or almost entirely to the County. A separately issued financial report can be obtained by writing to First 5 Commission, 9655 Granite Ridge Drive, Suite 120, San Diego, CA 92123.

Fiduciary Component Unit

The *San Diego County Employees Retirement Association* (*SDCERA*) is a cost-sharing, multiple-employer public retirement system organized under the 1937 Retirement Act. *SDCERA* is an independent governmental entity separate and distinct from the County of San Diego and provides retirement, disability, death, and health insurance allowance benefits for *SDCERA* members and beneficiaries. The County is a major participant in the *SDCERA* plans. The County appoints a majority of the *SDCERA* Retirement Board and is considered to have a financial burden as it is legally obligated to make contributions to the plans. The activity of *SDCERA* is reported within the following fiduciary funds - *SDCERA Pension Trust Fund* and *SDCERA Other Postemployment Benefits Trust Fund*.

Financial Reporting Structure

Basic Financial Statements

The basic financial statements include both government-wide financial statements and fund financial statements which focus on the County as a whole in the government-wide financial statements and major individual funds in the fund financial statements.

Government-Wide Financial Statements

The government-wide financial statements (statement of net position and statement of activities) display information about the County as a whole and the change in aggregate financial position resulting from the activities of the fiscal period, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the County (including its blended component units) as well as its discretely presented component unit. In the statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reported using the economic resources measurement focus and the accrual basis of accounting, which incorporates capital assets as well as long-term debt and obligations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation. All internal balances in the statement of net position have been eliminated, with the exception of those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the primary government total column. The statement of activities presents functional revenue and expenses of governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. In the statement of activities, internal service funds' revenue and expenses related to interfund services have been eliminated. Revenue and expenses related to services provided to external customers have not been eliminated and are presented within governmental activities.

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural activities. The business-type activities of the County include Airport, Jail Stores Commissary, and Sanitation District.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given

function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The fund financial statements are presented after the government-wide financial statements. They display information about major funds individually and in the aggregate for governmental and proprietary funds. In governmental and fiduciary funds, assets and liabilities are presented in order of relative liquidity. In proprietary funds, assets and liabilities are presented in a classified format that distinguishes between all current and noncurrent assets and liabilities. Current assets in the classified format are those considered available to generate or use cash within twelve months of the end of the fiscal period. Examples include cash, various receivables and short-term investments. All other assets are considered noncurrent. Current liabilities are obligations to be paid within the next fiscal year. Examples include payables and the current portion of long-term liabilities. For all fund types, deferred outflows of resources are presented after assets; and deferred inflows of resources are presented following liabilities. For further information see Deferred Outflows and Inflows of Resources.

Major individual governmental funds are reported as separate columns in the fund financial statements and are presented on a current financial resources measurement focus and modified accrual basis of accounting. Separate fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for and reports all financial resources of the County not accounted for and reported in another fund. Revenues are primarily derived from taxes; licenses, permits and franchise fees; fines, forfeitures and penalties; use of money and property; aid from other governmental agencies; charges for current services; and other revenues. Expenditures are expended for functions of general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural activities. Expenditures also include capital outlay and debt service.

The *Public Safety Special Revenue Fund* accounts for Proposition 172 half-cent sales taxes collected and apportioned to the County by the California Department of Tax and Fee Administration and are restricted for funding public safety activities. Per Government Code Section 30052, a "maintenance of effort" (pre-Proposition 172 public safety funding level) must be maintained by the County to comply with the statute's spending requirements. In accordance with the Code, these funds are allocated to the Sheriff, District Attorney and Probation departments. Transfers out of this fund subsidize the following types of public safety activities: juvenile detention services; facilities maintenance and support; capital projects, equipment and other one-time expenditures; on-going technology initiatives; and various region-wide services.

The *Tobacco Endowment Special Revenue Fund* accounts for tobacco settlement payments allocated to the County from the State of California, pursuant to the Master Settlement Agreement concluded on November 23, 1998 between the major tobacco companies and 46 states (including California), the District of Columbia and four U.S. Territories. According to Board of Supervisors Policy E-14, tobacco settlement monies are to be used for healthcare-based programs.

The County also reports the *Airport Fund* as a major Enterprise Fund. The Airport Fund is reported in a separate column in the fund financial statements using the economic resources measurement focus and the accrual basis of accounting. This fund is used to account for the maintenance, operations, and development of County airports. A major objective of the airport program is to develop airport property utilizing federal and state grants in order to enhance the value of public assets, generate new revenues and be a catalyst for aviation and business development.

The County reports the following additional funds and fund types:

Enterprise Funds - these nonmajor funds account for jail stores commissary and sanitation district activities; including operations and maintenance, financing of clothing and personal sundry items for persons institutionalized at various county facilities, sewage collection and treatment services.

Internal Service Funds account for the financing of public works and communications equipment; the financing of materials and supplies (purchasing); start up services for new and existing County service districts; the County's public liability and employee benefits activities; the financing of fleet services; facilities management activities; and the financing of information technology services. Goods or services provided by servicing County departments are paid for on a cost reimbursement basis by receiving departments.

The following *fiduciary funds* include the activities of the San Diego County Employees Retirement Association, a fiduciary component unit of the County; and funds which account for resources that are held by the County as a trustee or custodian for outside parties and cannot be used to support the County's programs.

San Diego County Employees Retirement Association Pension (and Other Postemployment Benefits) Trust Fund - This fund is used to account for financial activities of the Pension Plan and Other Postemployment Benefits Plan administered by San Diego County Employees Retirement Association.

Pooled Investments - Investment Trust Funds account for investment activities on behalf of external entities and include the portion of the County Treasurer's investment pool applicable to external entities. In general, external entities include school districts, independent special districts and various other governments.

County of San Diego Successor Agency Private Purpose Trust Fund is a fiduciary fund type used by the County to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the County of San Diego Successor Agency; formed pursuant to California Assembly Bill ABx1 26.

Custodial funds account for assets held by the County in a custodial capacity. The funds reported as custodial funds are not required to be reported in pension (and other employee benefit) trust funds, pooled investments - investment trust funds, or private purpose trust funds. Custodial funds account for the receipt, temporary investment, and remittance to individuals, private organizations, or other governments and also include property taxes collected on behalf of cities and other taxing agencies. The County's custodial funds use the economic resources measurement focus and accrual basis of accounting.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are susceptible to accrual when measurable and available. Sales taxes, investment earnings, state and federal grants, and charges for services are accrued when their receipt occurs within 180 days following the end of the fiscal year. 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. General capital assets acquisitions and principal payments on general long-term debt are reported as expenditures in governmental funds. Proceeds of general long-term debt, leases, and subscriptions are reported as other financing sources.

Proprietary Funds distinguish operating revenues and expenses from nonoperating 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 cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both *restricted and unrestricted resources* are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance

Cash and Investments

The County's cash and cash equivalents for cash flow reporting purposes are considered to be cash on hand, demand deposits, restricted cash, and investments held in the County's Investment Pool (the "Pool").

The Pool is available for use by all funds. Each fund's portion of the Pool is displayed on the statements of net position/balance sheets as "pooled cash and investments." The share of each fund's pooled cash and investments account is separately accounted for and interest earned, net of related expenses, is apportioned quarterly based on the fund's average daily cash balance in proportion to the total pooled cash and investments based on amortized cost. $12.748 million of interest earned by certain funds has been assigned to and reported as revenue of another fund. For fiscal year 2024, the General Fund was assigned $12.726 million and the Other Governmental Funds were assigned $22 thousand.

Governmental Accounting Standards Board Statement No. 72 (GASB 72) *Fair Value Measurement and Application* establishes a hierarchy of inputs to valuation techniques used to measure fair value and requires disclosures to be made about investment fair value measurements, the level of fair value hierarchy, and valuation techniques.

According to GASB 72, an investment is defined as a security or other asset that (a) a government holds primarily for the purpose of income or profit and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash. Investments not measured at fair value continue to include, for example, money market mutual funds which are valued at net asset value - $1 per share (amortized cost).

The following investments that have a remaining maturity at the time of purchase of one year or less and are held by fiscal agents outside of the County's Pool are to be measured at amortized cost: Money market mutual funds, including commercial paper; and participating interest-earning investment contracts, such as negotiable certificates of deposit.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement.

Fair value measurements for pooled investments and investments with fiscal agents are categorized within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs used to measure the fair value of assets and liabilities. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability. None of the County's investments are valued using Level 1 and Level 3 inputs.

Receivables and Payables

The major receivables for governmental and business-type activities are taxes, due from other governmental agencies, leases, and loans. All property taxes and accounts receivable are shown net of an allowance for uncollectibles, as applicable. Property taxes allowance for uncollectibles for governmental funds, pooled investment - investment trust funds, and Custodial Funds - Property Tax Collection Funds were $15.941 million, $9.569 million, and $6.418 million, respectively; while the accounts receivable allowance for uncollectibles for governmental funds were $5.690 million. Activities between funds that represent

lending/borrowing arrangements outstanding at the end of the fiscal year are disclosed in Note 8. All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Noncurrent interfund receivables between funds are reported as nonspendable fund balance in the General Fund; and as a restricted, committed or assigned fund balance in other governmental funds, as applicable.

Secured property taxes are levied based upon the assessed valuation as of the previous January 1st, (lien date) and the tax levy is recorded as of July 1st (levy date). They are payable in two equal installments due on November 1st and February 1st and are considered delinquent with ten percent penalties after December 10th and April 10th, respectively. An additional penalty of one and one-half percent per month begins to accrue on July 1st on defaulted secured property taxes. Unsecured property taxes are due as of the January 1st lien date and become delinquent, with 10 percent penalties, after August 31st. An additional penalty of one and one-half percent per month begins to accrue after October 31st on delinquent unsecured property taxes.

Governmental funds' property tax revenues are recognized in the fiscal year for which they are levied, provided they are due within the fiscal year and collected within 60 days after the fiscal year end. Property tax revenues are also recognized for unsecured and supplemental property taxes that are due at year end, and are collected within 60 days after the fiscal year end, but will not be apportioned until the next fiscal year due to the timing of the tax apportionment schedule.

County Leased Property

The County is a lessor of real property. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund, and enterprise fund financial statements for leases with an initial, individual value of $250 thousand or more.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The County uses its estimated incremental borrowing rate as the discount rate for leases, using the appropriate rate under the BVAL Municipal AAA curve.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a measurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Inventories and Prepaid Items

Inventories include consumable inventories valued at average cost. They are accounted for as expenditures at the time of purchase and reported in governmental funds as an asset with an offsetting nonspendable fund balance amount. Proprietary fund types are carried at average cost and are expended when consumed. Prepaid items reflect payments for costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements, with expenditures/expenses recorded when consumed. Inventories and prepaid items recorded in the governmental funds are not in spendable form and thus, an equivalent portion of fund balance is reported as nonspendable.

Capital Assets

Capital assets are of a long-term character and include: land, easements, construction in progress, buildings and improvements, equipment, software, right-to-use assets, subscription assets, and infrastructure.

Infrastructure assets include roads, bridges and sewers.

Capital assets are recorded at *historical cost* if purchased or constructed. Donated capital assets are recorded at *estimated acquisition value* at the date of donation. Capital assets with original unit costs equal to or greater than the *capitalization thresholds* shown in **Table 1** are reported in the applicable *governmental activities* or *business-type activities* columns in the government-wide financial statements.

Table 1
Capitalization Thresholds

Land	$	0
Easements		50
Buildings and improvements		50
Equipment		5
Software		5-100
Infrastructure		25-50
Right-to-use assets		250
Subscription assets		150

Depreciation and amortization are charged over the capital assets' estimated useful lives using the straight-line method for proprietary and governmental fund types. Governmental fund type depreciation and amortization are only shown in the statement of activities. Proprietary fund type depreciation and amortization are shown both in the fund statements and the government-wide statement of activities.

Estimated useful lives are shown in **Table 2**.

Table 2
Estimated Useful Lives

Buildings and improvements	10-50 years
Equipment	4-30 years
Software	2-10 years
Infrastructure	10-50 years
Right-to-use assets	Lease Term
Subscription assets	Subscription Term

Unearned Revenue

Under both the accrual and the modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for unearned revenue. Unearned revenue may be found in government-wide financial reporting as well as in the governmental, proprietary, and fiduciary funds' financial statements.

Deferred Outflows and Inflows of Resources

The County reports deferred outflows and inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods. Deferred inflows of resources represent an acquisition of net assets that applies to future periods.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual; it must be both measurable and available to finance expenditures of the current fiscal period. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding deferred inflow of resources. This type of deferred inflow is unique to governmental funds, since it is tied to the modified accrual basis of accounting, which is used only in connection with governmental funds.

Examples of deferred outflows and inflows of resources include property taxes received in advance, unavailable revenue, unamortized losses and gains on refunding of long-term debt (discussed below), and pension/OPEB related deferrals. Pension/OPEB related deferred outflows and inflows of resources include changes in proportionate share and differences between employer's contributions and proportionate share of contributions, changes in assumptions or other inputs, contributions to the pension/OPEB plan subsequent to the measurement date, differences between expected and actual experience in the total pension/OPEB liability and net difference between projected and actual earnings on pension/OPEB plan investments.

Occasionally, the County refunds some of its existing debt. When this occurs, the difference between the funds required to retire (reacquisition price of) the refunded debt and the net carrying amount of refunded debt results in a deferred amount on refunding. If there is an excess of the reacquisition price of refunded debt over its net carrying amount, it is treated as a deferred outflow of resources (a deferred loss on refunding). If there is an excess net carrying value amount of refunded debt over its reacquisition price, it is treated as a deferred inflow of resources (a deferred gain on refunding).

Subscription-Based Information Technology Arrangements

The County has entered into various subscription-based information technology arrangements (SBITAs). The County recognizes a subscription liability and a subscription asset in the government-wide financial statements, and in Enterprise Funds and Internal Service Funds, as applicable. The County recognizes subscription liabilities for SBITAs with an initial, individual value of $150 thousand or more.

At the commencement of a SBITA, the County initially measures the subscription liability at the present value of the subscription payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured as the initial measurement of the subscription liability, adjusted for payments made to the SBITA vendor at the commencement of the subscription term, plus capitalizable initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying information technology asset.

Key estimates and judgments related to SBITAs include how the County determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

Future subscription payments should be discounted using the interest rate the SBITA vendor charges the County, which may be the interest rate implicit in the SBITA. However, if the implicit rate is not readily determinable then the incremental borrowing rate may be used. Therefore, the County uses the Incremental Borrowing Rate as its discount rate.

The subscription term includes the period during which the County has a noncancellable right-to-use the underlying information technology assets. Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, payments for penalties for terminating the SBITA, and any other payment to the SBITA vendor associated with the SBITA contract that are reasonably certain of being required based on assessments of all relevant factors.

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

Lease Obligations

The County is a lessee for both real and personal property. The County recognizes a lease liability and a right-to-use asset in the government-wide financial statements. The County recognizes lease liabilities for leases with an initial, individual value of $250 thousand or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The right-to-use asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the right-to-use asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

Future lease payments should be discounted using the interest rate the lessor charges the lessee, which may be the interest rate implicit in the lease. However, if the implicit rate is not readily determinable then the incremental borrowing rate may be used. Therefore, the County uses the Incremental Borrowing Rate as its discount rate.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the right-to-use asset and lease liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right-to-use assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Long-Term Obligations

Long-term liabilities reported in the statement of net position include the amount due in one year (current) and the amount due in more than one year (noncurrent).

General long-term liabilities consist of the noncurrent portion of claims and judgments, compensated absences, landfill postclosure and other noncurrent liabilities. General long-term liabilities are not reported as liabilities in governmental funds but are reported in the governmental activities column in the government-wide statement of net position. General long-term debt is not limited to liabilities arising from debt issuances but may also include noncurrent liabilities on other commitments that are not current liabilities properly recorded in governmental funds.

Debt may be issued at par (face) value, with a premium (applicable to debt issued in excess of face value) or at a discount (applicable to debt issued at amounts less than the face value).

In the government-wide financial statements and proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of the debt issued and premiums are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Capital Appreciation Bonds (CABs) issued by the County represent bonds that are issued at a deep discount, pay no current interest but accrete or compound in value from the date of issuance to the date of maturity. CABs are presented at their maturity value less the unaccreted appreciation. Unaccreted appreciation represents the difference between the maturity value of the debt and their par (face) value. The unaccreted appreciation is accreted as interest over the life of the CABs.

Pension

The County recognizes its proportionate share of the San Diego County Employees Retirement Association Pension Plan's (SDCERA-PP) collective net pension liability. Essentially, the net pension liability represents the excess of the total pension liability over the fiduciary net position of the SDCERA-PP reflected in the actuarial report provided by the SDCERA-PP actuary. The net pension liability is measured as of the County's prior fiscal year-end. Changes in the net pension liability are recorded in the period incurred, as pension expense or as deferred outflows of resources or deferred inflows of resources depending on the nature of the change. The changes in net pension liability that are recorded as deferred outflows of resources or deferred inflows of resources are those that arise from changes in actuarial assumptions or other inputs, changes in proportionate share and differences between employer's contributions and proportionate share of contributions, differences between expected and actual experience in the total

pension liability, contributions to the pension plan subsequent to the measurement date, and the net difference between projected and actual earnings on SDCERA-PP investments.

For purposes of measuring the net pension liability and deferred outflows/inflows of resources information about the fiduciary net position of the SDCERA-PP and additions to/deductions from the SDCERA-PP fiduciary net position have been determined on the same basis as they are reported by SDCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

OPEB

The County recognizes its proportionate share of the San Diego County Employees Retirement Association retiree health plan's (SDCERA-RHP) collective net other postemployment benefits liability (net OPEB liability). Essentially, the net OPEB liability represents the excess of the total OPEB liability over the fiduciary net position of the SDCERA-RHP reflected in the actuarial report provided by the SDCERA-RHP actuary. The net OPEB liability is measured as of the County's prior fiscal year-end. Changes in the net OPEB liability are recorded in the period incurred, as OPEB expense or as deferred outflows of resources or deferred inflows of resources depending on the nature of the change. The changes in net OPEB liability that are recorded as deferred outflows of resources or deferred inflows of resources are those that arise from changes in actuarial assumptions or other inputs, changes in proportionate share and differences between employer's contributions and proportionate share of contributions, differences between expected and actual experience in the total OPEB liability, contributions to the OPEB plan subsequent to the measurement date, and the net difference between projected and actual earnings on SDCERA-RHP investments.

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources, information about the fiduciary net position of the SDCERA-RHP and additions to/deductions from the SDCERA-RHP fiduciary net position have been determined on the same basis as they are reported by SDCERA. For this purpose, benefit payments are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

Employees' Compensated Absences

The County's policy is to permit employees to accumulate *earned* but *unused* vacation, compensatory time, holiday and sick leave benefits. Each of these benefits is subject to certain limits based on employee class, except for sick leave and compensatory time that is subject to Fair Labor Standards Act (FLSA) rules or the California Labor Code. All vacation pay and a certain portion of compensatory and sick pay for specified employee classes is accrued in the government-wide and proprietary funds financial statements. Except for specified employee classes, there is no liability for *unpaid accumulated* sick leave since the County does not cash out unused sick leave when employees separate from service with the County. However, employees eligible for retirement benefits that meet minimum balance requirements may apply unused sick leave toward determining their length of service for the purpose of calculating retirement benefits.

Accumulated leave benefits including vacation, sick leave, and compensatory time worked are recorded in the government-wide statement of net position. Amounts recorded as accumulated leave benefits include the employer's share of Social Security and Medicare taxes. These amounts would not be expected to be liquidated from expendable available financial resources, but would be expected to be liquidated in future years as employees elect to use these benefits as prescribed by Civil Service rules and regulations.

County employees in the unclassified service and certain employees hired prior to 1979 may receive up to 75% and 25%, respectively, of the cash value of all or a portion of their sick leave balances upon termination or retirement. The cash value of these benefits is included in the accumulated leave benefits noted above. This liability has been recorded in the current and long-term portion of compensated absences in the appropriate proprietary funds and government-wide statement of net position.

California Labor Code Section 4850 entitles safety officers who meet certain criteria to receive full salary in lieu of temporary disability payments for the period

of disability, not exceeding 365 days, or until such earlier date as he or she is retired on permanent disability pension. This liability is accrued in the current and long-term portion of compensated absences.

All County employees who have completed at least five years of continuous service in the County retirement system, and have a sick leave balance of at least one hundred hours, may convert, at retirement, all or a portion of their sick leave balance to retirement service credits on a hour-for-hour basis. The conversion of these balances to retirement service credits is included in the County's actuarial accrued liability, as part of the annual actuarial valuation which includes assumptions regarding employee terminations, retirement, death, etc.

General Budget Policies

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 expenditures within departments. Annual budgets are not required to be adopted for the Tobacco Securitization Joint Special Revenue Fund; and the Debt Service and Capital Projects Funds (other governmental funds). Please refer to the note to the required supplementary information for more details regarding the County's general budget policies.

Fund Balance

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These classifications include: nonspendable; restricted; and the unrestricted classifications of committed, assigned and unassigned. When both restricted and unrestricted resources are available for use, fund balance is generally depleted by restricted resources first, followed by unrestricted resources in the following order: committed, assigned and unassigned. The fund balance classifications are defined as follows:

Nonspendable **fund balance** - 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** - 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.

Committed **fund balance** - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Supervisors. The Board of Supervisors may establish fund balance commitments by adoption of an ordinance, resolution, or formal board action memorialized by minute orders as may be required by law. All are equally binding. Those committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned **fund balance** - amounts that are constrained by the County's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the highest level of decision making authority (the Board of Supervisors), or by a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. This intent is expressed by the Board of Supervisors approval of the use of fund balance to fund non-capital related expenditures and via action taken by the Board of Supervisors on November 5, 2013, which provides that fund balance may be committed by the Board and/or assigned by the Chief Administrative Officer for specific purposes.

Unassigned **fund balance** - the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted,

committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Net Position

Net investment in capital assets - consists of capital assets net of accumulated depreciation reduced by the outstanding principal of capital related debt (adjusted by any unamortized premiums, discounts, losses and gains on refunding of debt, and unspent proceeds related to debt), incurred by the County to buy or construct, and lease capital assets shown in the statement of net position. Capital assets cannot readily be sold and converted to cash.

Restricted net position - consists of restricted assets reduced by liabilities related to those assets. Constraints placed on net position are externally imposed by creditors, grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

Unrestricted net position - consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

Indirect Costs

County indirect costs are allocated to benefiting departments and are included in the program expense reported for individual functions and activities. Cost allocations are based on the annual *County-wide Cost Allocation Plan* which is prepared in accordance with Federal Office of Management and Budget (OMB) 2 CFR 200 Uniform Guidance.

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 2
Reconciliation of Government-Wide and Fund Financial Statements
Balance Sheet/Statement of Net Position

Explanations of certain differences between the governmental funds balance sheet and the government-wide statement of net position are detailed below:

Table 3
Governmental Funds Balance Sheet / Government-Wide Statement of Net Position Reconciliation
At June 30, 2024

Long-term liabilities, such as bonds, notes, loans payable, financed purchases, leases, claims and judgments, compensated absences, landfill postclosure, pollution remediation, net pension liability, and net OPEB liability, are not due and payable in the current period and, therefore, are not reported in the funds. The details of this $6,702,902 difference are as follows:		
Bonds, notes and loans payable:		
Certificates of participation and lease revenue bonds	$	374,600
Taxable pension obligation bonds		211,225
Tobacco settlement asset-backed bonds		436,607
Loans - non-internal service funds		2,276
Unamortized issuance premiums (to be amortized as interest expense)		100,723
Financed purchases - non-internal service funds		8,727
Compensated absences - non-internal service funds		163,395
Leases - non-internal service funds		243,936
Subscriptions		13,079
Landfill postclosure - San Marcos landfill		11,419
Pollution remediation		1,550
Subtotal	$	1,567,537
Net pension liability - non-internal service funds		5,090,905
Net OPEB pension liability - non-internal service funds		44,460
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	$	6,702,902
Internal Service Funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of internal service funds are included in governmental activities in the statement of net position. The details of this $137,748 difference are as follows:		
Net position of the internal service funds	$	139,222
Less: Internal payable representing charges in excess of cost to business-type activities - prior years		(1,047)
Less: Internal payable representing charges in excess of cost to business-type activities - current year		(427)
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	$	137,748

Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities

Explanations of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities are detailed below:

Table 4
Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities Reconciliation
For the Year Ended June 30, 2024

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. The details of this $215,427 difference are as follows:		
Capital outlay	$	442,580
Depreciation/amortization expense		(227,153)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position - governmental activities	$	215,427
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position. The details of this $4,118 difference are as follows:		
The loss on the disposal of capital assets does not affect current financial resources but decreases net position		(4,029)
Donations of assets to the County do not provide current financial resources but increase net position		8,147
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position - governmental activities	$	4,118
The issuance of long-term debt (e.g., bonds, notes, loans, financed purchases, and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this $(77,145) difference are as follows:		
Debt issued or incurred:		
Premiums	$	(18,781)
Face value of bonds issue		(160,910)
Face value of loans issued		(1,718)
Leases		(45,498)
Subscriptions		(3,099)
Principal payments		99,766
Financed purchase payments		2,431
Lease payments		45,520
Subscription payments		5,144
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position - governmental activities	$	(77,145)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The details of this $(1,070,108) difference are as follows:		
Change in net pension liability, deferred inflows of resources and deferred outflows of resources	$	(1,056,324)
Change in net OPEB liability, deferred inflows of resources and deferred outflows of resources		4,741
Compensated absences		(14,866)
Accrued interest		(288)
Accretion of capital appreciation bonds		(8,342)
Amortization of premiums		6,944
Amortization of gain on refundings		22
Amortization of loss on refundings		(1,995)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position - governmental activities	$	(1,070,108)
Internal Service Funds. The net revenue (or expense) of certain activities of internal service funds is reported with governmental activities. The details of this $91,676 difference are as follows:		
Change in net position of the internal service funds	$	92,103
Less: Loss from charges to business activities		(427)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net position - governmental activities	$	91,676

NOTE 3
Deposits and Investments

The Treasurer is responsible for authorizing all County bank accounts and pursuant to Government Code Sections 27000.1 - 27000.5, 27130 - 27137, and 53600 - 53686 is responsible for conducting County investment activities of the County's investment pool (the "Pool") as well as various individual investment accounts outside of the Pool. Additionally, the Treasurer has oversight responsibilities for investments with fiscal agents.

The Pool is a County sponsored "external investment pool" wherein moneys of the County and other legally separate external entities, which are not part of the County Reporting Entity, are commingled (pooled) and invested on the participants' behalf.

Pursuant to Sections 27130-27137 of the California Government Code, the Board of Supervisors has established the Treasury Oversight Committee (TOC) which monitors and reviews the Investment Policy. The TOC consists of three Ex-officio positions of the County, a Board of Supervisor's representative, and five members of the public, representing a City Official, a Special District Official, a School Official, and two members of the public having expertise in public finance per Government Code. The investment policy requires a financial audit to be conducted annually on a fiscal year basis, which includes limited tests of compliance with laws and regulations, with the duty of the TOC to review the audit. The Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company. The Pool does not have any legally binding guarantees of share values.

A separately issued annual financial report for the Pool can be obtained from the Treasurer-Tax Collector at 1600 Pacific Highway, Room 112, San Diego, California, 92101 and can also be accessed at http://www.sdttc.com.

Total pooled cash and investments totaled $15.477 billion consisting of: $15.404 billion investments in the County pool; $69.721 million in deposits; $3.130 million of collections in transit; and, $500 thousand in imprest cash.

Deposits

Government Code Section 53652 et. seq. and the Treasurer's Pool Investment Policy (Pool Policy) prescribe the amount of collateral that is required to secure the deposit of public funds.

Federal Deposit Insurance Corporation (FDIC) insurance is available for funds deposited at any one insured depository institution for up to a maximum of $250 thousand for demand deposits and up to a maximum of $250 thousand for time and savings deposits. The aforementioned Government Code and Pool Policy require that depositories collateralize public funds with securities having a market value of at least 10% in excess of the total amount of the deposits. These securities shall be placed in the institution's pooled collateral account and monitored by the State Treasurer of California or a mutually agreed upon third party custodian bank.

Custodial Credit Risk - Deposits

The custodial credit risk for deposits is the risk that the County will not be able to recover deposits that are in the possession of an outside party. Deposits are exposed to custodial credit risk if they are not insured or collateralized; or collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the government's name.

The Pool does not have a formal policy regarding sweep (deposit) accounts, but utilizes national or state chartered banks where amounts exceeding the FDIC insurance limit are invested in repurchase agreements that are collateralized by U.S. Treasury and Federal Agency securities equal to or greater than the deposit amount in accordance with California Government Code.

California Government Code Section 53652 et. seq. requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. At June 30, 2024, the County's deposits were not exposed to custodial credit risk, as these deposits were either covered by FDIC insurance or collateralized with securities held by a named agent depository except as noted below:

a. Cash in banks is defined as short-term, highly liquid deposits with an original maturity of three months or less. Deposits consist of cash in banks. At year-end, the Pool maintained accounts in JPMorgan Chase Bank, N.A. and U.S. Bank, N.A. The carrying amount of the Pool's deposits was $69.721 million, and the bank balance at June 30, 2024 was $63.579 million. The difference between the carrying amount and the bank balance includes temporary reconciling items such as outstanding checks and deposits in transit. Of the bank balance, $250 thousand was covered by federal deposit insurance and $63.329 million was collateralized with securities held by a depository agent on behalf of the Pool, or held in trust at US Bank, as required by California Government Code Section 53656. The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Also, a financial institution may, in accordance with the California Government Code, secure local agency deposits using first trust deed mortgages; however, the fair value of the first trust deed mortgages collateral must be at least 150% of the total amount deposited.

b. The carrying amount of demand deposits with Fiscal Agents (outside of the Pool), other than demand deposits of the San Diego County Employees Retirement Association, was $407.903 million and the bank balance per various financial institutions was $408.700 million. Of the total bank balance, $1.365 million was covered by federal deposit insurance; $406.720 million was collateralized by a named agent depository; and $615 thousand was uncollateralized.

Investments

Government Code Section 53601 governs the types of investments that may be purchased and makes certain restrictions on investment maturity, maximum portfolio percentages, term, value, credit quality and timing to minimize the risk of loss.

Permissible types of investments and financial instruments include: U.S. treasuries, U.S. Federal agencies, local agency obligations, banker's acceptances, repurchase and reverse repurchase agreements, collateralized certificates of deposit, commercial paper, corporate medium-term notes, negotiable certificates of deposit, pass-through mortgage securities, supranationals, and money market mutual funds.

Investments in the Pool are stated at fair value in accordance with GASB Statement No. 72. Securities, which are traded on a national exchange, are valued at the last reported sales price at current exchange rates. Institutional money market mutual funds are carried at portfolio book value (net asset value). All purchases of investments are accounted for on a trade-date basis.

Unrealized gains or losses of securities are determined by taking the difference between amortized cost and the fair value of investments. The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of investments. Realized gains and losses on investments that were held in more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior year(s) and the current year.

In addition to the above, the Board annually adopts a Pooled Money Fund Investment Policy. This policy is based on the criteria in Government Code Section 53601 but adds further specificity and restrictions to permitted investments.

No policies have been established for investments with fiscal agents, however, moneys held by trustees on behalf of the County may generally only be invested in permitted investments specified in trustee or indenture agreements.

In conjunction with the discussion below concerning investment risks, please refer to **Tables 7** and **8,** respectively, which provide details on pooled investments and those held with fiscal agents at fiscal year-end. Additionally, **Table 10** provides a comparison of Pool policy restrictions with Government Code Section 53601 requirements.

Interest Rate Risk - Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates.

To mitigate the effect of interest rate risk, the Pool maintains a laddered portfolio in compliance with the Investment Policy, which requires at least 15% of securities to mature within 90 days and at least 35% of securities to mature within one year. In addition, the Pool limits the maximum effective duration of the portfolio to two years. As of June 30, 2024, the Pool was in full compliance with all provisions of the Investment Policy and the California Government Code. Actual weighted average days to maturity by investment type is presented in **Table 7**.

California Government Code Section 53601 indicates that when there is no specific limitation on the term or remaining maturity at the time of the investment, then no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment.

Generally, investments with fiscal agents are structured in such a way that securities mature at the times and in the amounts that are necessary to meet scheduled expenditures and withdrawals.

Credit Risk - Investments

Credit risk is the risk that an issuer or other counterparty to an investment may not fulfill its obligations.

The Pool's Investment Policy, which is more restrictive than the Government Code, places a minimum standard on the ratings of investments held in the Pool. Investments in securities other than those guaranteed by the U.S. Treasury or Government Sponsored Enterprises must have a credit rating of no less than "A" for long-term or "F1" for short-term. Nonrated securities include sweep accounts and repurchase agreements. Sweep accounts and collateralized certificates of deposit must be FDIC insured and collateralized with securities held by a named agent of the depository. Repurchase agreements are collateralized by securities, authorized by California Government Code Section 53601, having a market value of at least 102% of the amount of the repurchase agreement. The Pool did not have any repurchase agreements in its portfolio as of June 30, 2024.

Credit quality based on Fitch's Fund Credit Quality Rating is noted below and in **Table 7**.

Table 5
Fitch Investment Rating

	Investment Pool Rating at June 30, 2024	Minimum Pool Investment Policy Ratings at Time of Purchase
Overall credit rating	AAAf/S1	
Short-term		F1
Long-term		A

Concentration of Credit Risk - Investments

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. This occurs when there is a lack of diversification or having too much invested in a few individual issuers.

As disclosed in **Table 10**, the Treasury maintains investment policies that establish thresholds for holdings of individual securities. The Pool did not have any holdings meeting or exceeding the allowable threshold levels as of June 30, 2024.

The Pool's holdings of Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC) securities are issued by agencies that remain under conservatorship by the Director of the Federal Housing Agency. The U.S. government does not guarantee, directly or indirectly, the securities of the Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), FNMA, FHLMC, or the Tennessee Valley Authority.

The following issuers exceeded the 5 percent threshold of the total fair value of the County Pool's investments as of June 30, 2024: Federal Home Loan Bank (12.48%); Inter-American Development Bank (5.30%); and Bank of American Corporation (5.11%).

No general policies have been established for investments with fiscal agents, to limit the amount of exposure to any one single issuer, however, moneys held by trustees on behalf of the County may generally only be invested in permitted investments specified in trustee or indenture agreements. Instruments in any one issuer that represent 5% or more of the County investments with fiscal agents by individual major fund or nonmajor funds in the aggregate at June 30, 2024 are shown in **Table 6**. Any investments explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from **Table 6**. Percentages by issuer for pooled investments are noted in **Table 7**.

Table 6
Concentration of Credit Risk - Investments With Fiscal Agents

Issuer	Tobacco Endowment Fund	Percent
State of Florida	$ 13,760	6%
State of Georgia	31,379	13%
State of Maryland	26,761	11%
State of Minnesota	25,425	11%
State of Ohio	20,638	9%
State of Washington	20,757	9%

Custodial Credit Risk - Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the government's name.

The Investment Policy requires that securities purchased from any bank or dealer including appropriate collateral (as defined by California State Law), not insured by FDIC, shall be placed with an independent third party for custodial safekeeping. Securities purchased by the Pool are held by a third-party custodian, The Northern Trust Company, in their trust department to mitigate custodial credit risk.

Table 7
Pooled Investments
At June 30, 2024

	Fair Value	Book Value	Interest Rate Range	Maturity Range	Weighted Average Maturity (in days)	NRSRO Rating	%of Portfolio
U.S. Government Agencies:							
Federal Agricultural Mortgage Corporation (FAMC)	$ 345,147	350,000	3.77% - 5.19%	7/27 - 5/29	1329	AA+	2.24%
Federal Farm Credit Bank (FFCB)	596,939	621,311	0% - 5.73%	7/24 - 3/29	770	AA+ or F1+	3.88%
Federal Home Loan Bank (FHLB)	1,967,100	2,019,840	0% - 5.01%	7/24 - 4/29	514	AA+ or F1+	12.76%
Federal Home Loan Mortgage Corporation (FHLMC)	397,051	411,954	0.35% - 4.50%	9/24 - 9/28	374	AA+	2.58%
Federal National Mortgage Association (FNMA)	607,105	636,360	0.41% - 1.62%	8/24 - 12/25	393	AA+	3.94%
Tennessee Valley Authority (TVA)	24,455	24,848	3.87%	3/28	1354	AA+	0.16%
U.S. Treasury Notes	1,487,552	1,548,925	0.25% - 4.62%	6/24 - 7/28	564	AA+	9.66%
Pass-through Securities	1,044,090	1,050,341	.3% - 5.78%	9/24 - 4/29	1114	AAA or NR	6.78%
Supranationals	1,569,671	1,596,571	0% - 4.87%	8/24 - 7/29	1143	AAA or NA	10.19%
Commercial Paper	2,866,439	2,868,042	0.00%	7/24 - 11/24	44	F1 to F1+	18.61%
Local Agency Investment Fund	2	2	4.56%	N/A	0	NR	0.00%
Local Government Investment Pools	256,271	256,271	5.44%	N/A	0	AAA	1.66%
Money Market Mutual Funds	386,000	386,000	5.18% - 5.24%	N/A	0	AAA or NA	2.51%
Municipal Bonds	535,700	547,628	0.5% - 5.50%	8/24 - 10/28	686	AA- to AAA, or NA	3.48%
Negotiable Certificates of Deposit	2,923,467	2,924,000	5.37% - 6.00%	7/24 - 2/25	119	F1+ or NA	18.97%
Medium-Term Notes	397,548	403,754	.7% - 5.61%	8/24 - 9/26	252	AA- to AA, or NA	2.58%
Total investments	$ 15,404,537	15,645,847			460		100%

Table 8
Investments with Fiscal Agents
At June 30, 2024

	Fair Value	Interest Rate Range	Maturity Range	Weighted Average Maturity (days)	S&P Rating	% of Portfolio
County investments with fiscal agents						
Unrestricted:						
Fixed income tax exempt bonds	$ 2,069	5.00%	9/27	1172	A+	0.50%
Fixed income tax exempt bonds	10,979	5.00%	6/25 - 11/30	1922	AA	2.67%
Fixed income tax exempt bonds	4,918	5.00%	1/26 - 12/26	700	AA-	1.19%
Fixed income tax exempt bonds	27,693	1.85% - 5%	12/24 - 8/36	2765	AA+	6.72%
Fixed income tax exempt bonds	159,272	2% - 5%	7/24 - 8/35	2424	AAA	38.66%
Fixed income tax exempt bonds	2,234	5.00%	7/30	2192	NR	0.54%
Money market mutual funds	31,000	1.47%	7/24	5	AAAm	7.53%
Subtotal	238,165					
Restricted:						
Money market mutual funds	64,294	4.93% - 5.25%	7/24 - 8/24	31 - 47	AAAm	15.61%
State and local government securities	109,492	4.40% - 5.40%	7/24 - 10/26	203	NR	26.58%
Subtotal	173,786					
Total County investments with fiscal agents	411,951					100.00%
Private Purpose investments:						
Money market mutual funds	1,050	4.94%	8/24	32	AAAm	100.00%
Total Private Purpose investments	1,050					100.00%
Custodial funds investments:						
Money market mutual funds	6,561	4.97%	7/24	31	AAAm	100.00%
Total Custodial funds investments	6,561					100.00%
Total investments with fiscal agents	$ 419,562					

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by GASB 72. These principles recognize a three-tiered fair value hierarchy, as follows:

Level 1: Investments reflect prices quoted in active markets for identical assets;

Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,

Level 3: Investments reflect prices based upon unobservable sources.

None of the County's investments are valued using Level 1 and Level 3 inputs.

The Pool uses the market approach as a valuation technique in the application of GASB 72. This method uses prices and other relevant information generated by market transactions involving identical or comparable assets or groups of assets.

Total pooled investments as of June 30, 2024, were valued at $15.404 billion. The fair value of pooled investments categorized according to GASB 72 fair value hierarchy totaled $14.762 billion, and are all classified as Level 2. Money market mutual funds totaling $386.0 million, are valued at net asset value - $1 per share (amortized cost) and local government investment pool funds, together with the local agency investment fund - totaling $256.2 million, are not subject to the fair value hierarchy.

Total investments with fiscal agents as of June 30, 2024, were valued at $419.5 million. The fair value of investments with fiscal agents according to the GASB 72 fair value hierarchy totaled $207.2 million, and are all classified as Level 2. Fixed income tax exempt bonds were valued using matrix pricing, which is consistent with the market approach. The matrix pricing technique is used to value some types of financial instruments, such as debt securities, without relying exclusively on quoted prices for the specific securities. Instead, matrix pricing relies on the securities' relationship to other benchmark quoted securities. The following investments have a remaining maturity at the

time of purchase of one year or less, are held by fiscal agents outside of the County's Pool, and are measured at amortized cost: Money market mutual funds, $102.9 million, together with the state and local securities totaling $109.4 million, are not subject to the fair value hierarchy.

Table 9 summarizes pooled investments' and investments with fiscal agents' recurring fair value measurements and the fair value hierarchy as of June 30, 2024.

Table 9
Pooled Investments and Investments With Fiscal Agents By Fair Value Level

			Fair Value Measurements Using		
		June 30, 2024	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pooled investments by fair value level					
Pass-Through Securities	$	1,044,090		1,044,090	
Commercial Paper		2,866,439		2,866,439	
Negotiable Certificates of Deposit		2,923,467		2,923,467	
Municipal Bonds		535,700		535,700	
Medium-Term Notes		397,548		397,548	
Supranationals		1,569,671		1,569,671	
U.S. Government Agencies		3,937,797		3,937,797	
U.S. Treasury Notes		1,487,552		1,487,552	
Total pooled investments by fair value level		14,762,264		14,762,264	
Pooled investments not subject to the fair value hierarchy					
Money Market Mutual Funds		386,000			
Local Government Investment Pools		256,271			
Local Agency Investment Fund		2			
Total pooled investments		15,404,537			
Investments with fiscal agents by fair value level					
Fixed Income Tax Exempt Bonds		207,165		207,165	
Total investments with fiscal agents by fair value level				207,165	
Investments with fiscal agents not subject to the fair value hierarchy					
Money Market Mutual Funds		102,905			
State and local government securities		109,492			
Total investments with fiscal agents not subject to the fair value hierarchy		212,397			
Total investments with fiscal agents	$	419,562			

Table 10
Investment Pool Policy Restrictions versus California Government (Gov) Code Section 53601 Requirements

	Maximum Maturity		Maximum % of Portfolio		Maximum % with One Issuer		Minimum Rating	
Investment Type	Gov. Code	Pool Policy	Gov. Code	Pool Policy	Gov. Code	Pool Policy	Gov. Code	Pool Policy
U.S. Treasury Obligations	5 years	5 years	None	None	None	None	None	None
Agency Obligations	5 years	5 years	None	None	None	35%	None	None
Local Agency and State Obligations (1)	5 years	5 years	None	30%	None	10%	None	A
Bankers' Acceptances	180 days	180 days	40%	40%	30%	5%	None	A-1
Commercial paper (2) (3)	270 days	270 days	40%	40%	10%	10%	A-1	A-1
Negotiable Certificates of Deposit (1) (3)	5 years	5 years	30%	30%	30%	10%	None	A
Repurchase Agreements (4)	1 year	1 year	None	40%	None	Note4	None	None
Reverse Repurchase Agreements	92 days	92 days	20%	20%	20%	10%	None	None
Securities Lending	92 days	92 days	20%	20%	20%	10%	None	None
Medium-Term Notes (1) (3)	5 years	5 years	30%	30%	30%	10%	A	A
Collateralized Certificates of Deposit (5)	N/A	13 months	None	5%	None	5%	None	None
FDIC & NCUA Insured Deposit Accounts	N/A	13 months	None	5%	None	5%	None	None
Covered Call Option/Put Option	N/A	90 days	None	10%	None	None	None	None
Money Market Mutual Funds (6)	N/A	N/A	20%	20%	10%	10%	AAAm	AAAm
Local Government Investment Pools (LGIP)	N/A	N/A	None	5%	None	None	AAAm	AAAm
Local Agency Investment Fund (LAIF) (7)	N/A	N/A	None	5%	None	None	None	None
Pass-Through Securities	5 years	5 years	20%	20%	20%	10%	AA	AA
Supranationals (8)	5 years	5 years	30%	30%	30%	10%	AA	AA

(1) For securities with maturities of 13 months or less, the rating must be in the highest short-term rating category (without regard to qualification of such rating symbol such as "+" or "-") by at least one Nationally Recognized Statistical Rating Organization (NRSRO). For securities with maturities greater than 13 months, the rating must be "A" or higher by at least one NRSRO.

(2) Government Code Section 53635(a)(1-2) specifies percentage limitations for this security type for county investment pools.

(3) Maximum Exposure Per Issuer - The maximum exposure to a single issuer shall be 10% of the fund value, inclusive of any other non-Commercial Paper, Medium-Term Notes, or Negotiable CD Investments.

(4) Maximum Exposure Per Broker/Dealer – The maximum exposure to a single Repurchase Agreement (RP) broker/dealer shall be 10% of the portfolio value when the dollar-weighted average maturity is greater than five days or 15% of the portfolio when the dollar-weighted maturity is five days or less.

(5) Institutions at or above the highest short-term rating category (without regard to qualifications of such rating symbol such as "+" or "-") by at least one NRSRO may pledge mortgage-based collateral for County deposits.

(6) Money Market Mutual Fund ratings must be in the highest rating category by at least two NRSROs.

(7) Local Agency Investment Fund (LAIF) is an unrated fund.

(8) The following institutions are considered 'Supranationals": International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).

NOTE 4
Restricted Assets

Restricted assets include monies or other resources required to be set aside to repay principal and interest under debt covenants; and to comply with other legal or contractual requirements. For fiscal year 2024 restricted assets were as follows:

Table 11
Restricted Assets

Fund	Legal or Contractual Requirements	Debt Covenants
General Fund	$ 218	
Nonmajor Governmental Funds:		
Harmony Grove Community Facilities District - Special Revenue Fund		6
Housing Authority - Other Special Revenue Funds	246	
Capital Outlay Fund	1,444	
SANCAL Capital Project Fund		96,405
Tobacco Securitization Joint Special Revenue Fund		33,886
SANCAL Non-Capital Fund		17,929
Pension Obligation Bonds Debt Service Fund		669
SANCAL Debt Service Fund		24,530
San Diego Regional Building Authority Debt Service Fund		361

NOTE 5
Receivables

Details of receivables reported in the government-wide Statement of Net Position are presented in Table 12. Amounts that are not expected to be collected within the next fiscal year are identified below.

Due from Other Governmental Agencies - Governmental activities - $13.794 million:

This amount includes: $9.200 million in Senate Bill (SB) 90 cost reimbursements due to the County for the provision of State mandated programs mostly for Absentee Ballots and Sexually Violent Predators. The State Constitution requires reimbursement for these costs and interest will accrue on the reimbursement claims until they are paid according to Government Code Section 17617; and, $4.594 million is the balance owed to the County from participating agencies that financed their portion of the shared infrastructure costs for the Regional Communications System (RCS) NextGen Project upgrade.

Loans - Governmental activities - $287.842 million:

This amount includes: $196.412 million in housing rehabilitation loan programs for low-income or special needs residents, and loans for low income housing down payments; $28.516 million in community development block grant loans; $13.786 million owed to the Housing Authority - Low and Moderate Income Housing Asset Fund for Affordable Housing Development and Single-Family Rehabilitation Loans; $30.019 million in interest receivable on housing long term loans; $3.885 million in low income housing developer loans; $4.069 million in COVID-19 Small Business Loan Receivable; $9.604 million in Edgemoor Development Fund land sale notes receivable; $1.123 million owed to the General Fund from the County of San Diego Successor Agency Private Purpose Trust Fund as a result of a loan to provide funding for project improvements for the Upper San Diego River Project; and $328 thousand owed to the County Low and Moderate Income Housing Asset Fund (CLMIHAF) from the County of San Diego Successor Agency Private Purpose Trust Fund as a result of the Airport Enterprise Fund transferring its twenty percent outstanding loan principal balance to the CLMIHAF mandated by California Health and Safety Code 34191.4. At the fund level, in the General Fund and the CLMIHAF, these loans are presented as "Due From Other Funds". See Note 8 to the financial statements, "Interfund Balances". The remaining balance represents various other loans totaling $100 thousand.

Loans- Business-type activities- $2.771 million:

This amount includes $34 thousand in Airport Enterprise Fund (AEF) loans to Airport lessees for the purchase of AEF reversionary interests in leasehold improvements existing at the expiration of previous leases; and $2.737 million owed to the AEF from the County of San Diego Successor Agency Private Purpose Trust Fund as a result of a loan to fund airport projects. In the Airport Enterprise Fund, this loan is presented as "Due From Other Funds". See Note 8 to the financial statements, "Interfund Balances".

Table 12
Receivables
Primary Government and Discretely Presented Component Unit
At June 30, 2024

	Accounts	Investment Earnings	Due From Other Government Agencies	Loans	Other	Total Receivables	Allowance For Doubtful Accounts	Receivables Net
Governmental activities:								
General Fund	$ 103,601	36,095	977,568	224,629	3,054	1,344,947		1,344,947
Public Safety Fund			67,855			67,855		67,855
Tobacco Endowment Fund		3,041				3,041		3,041
Other Governmental Funds	30,389	14,410	132,623	31,743	545	209,710	(5,690)	204,020
Internal Service Funds	43	5,218	880		16	6,157		6,157
Total governmental activities - fund level	$ 134,033	58,764	1,178,926	256,372	3,615	1,631,710	(5,690)	1,626,020
Add: loan receivable from the County of San Diego Successor Agency Private Purpose Trust Fund				1,451		1,451		1,451
Add: interest receivable on housing long-term loans				30,019		30,019		30,019
Less: Due from Component Unit					(229)	(229)		(229)
Total governmental activities - Statement of Net Position	$ 134,033	58,764	1,178,926	287,842	3,386	1,662,951	(5,690)	1,657,261
Business-type activities:								
Airport Fund	1,723	382	834	34		2,973		2,973
Other Enterprise Funds	1,246	1,028	152			2,426		2,426
Total Enterprise Funds	$ 2,969	1,410	986	34		5,399		5,399
Add: loan receivable from the County of San Diego Successor Agency Private Purpose Trust Fund				2,737		2,737		2,737
Total business-type activities - Statement of Net Position	$ 2,969	1,410	986	2,771		8,136		8,136
Component Unit:								
First 5 Commission of San Diego	$ 238	414	4,453		215	5,320		5,320

NOTE 6

County Property on Lease to Others

As of June 30, 2024, the County's lease receivables totaled $232.4 million - consisting of $227.5 million in land and $4.9 million in buildings. The details are shown in the table below:

Table 13
County Property on Lease to Others

	Land Lease	Building Lease	Building Sublease	Total Building Lease	Total Land and Building	Original Lease Terms (In Years)	Remaining Lease Terms (In Years)	Interest Rate(s)
Governmental Activities	$ 11,727				11,727	54 to 83	23 to 40	1.57%
Governmental Activities		3,299		3,299	3,299	1 to 31	< 1 to 30	0.35% to 3.57%
Governmental Activities			912	912	912	4 to 14	< 1 to 6	0.51% to 1.24%
Subtotal	11,727			4,211	15,938			
Business-Type Activities	215,811				215,811	14 to 54	2 to 47	1.24% to 3.83%
Business-Type Activities		697		697	697	4 to 44	< 1 to 16	0.51% to 1.57%
Subtotal	215,811			697	216,508			
Total	$ 227,538			4,908	232,446			

Interest rates on all leases are calculated using the appropriate rate under the Bloomberg Valuation Service (BVAL) Municipal AAA curve. During fiscal year 2024, the County recognized $11.2 million in lease revenue, $3.6 million in interest revenue, and variable payments of $1.3 million.

The annual future lease payments expected to be received are presented in **Table 14**.

Table 14
Leases to Maturity

Fiscal Year	Principal	Interest	Total
Governmental Activities:			
2025	$ 1,742	240	1,982
2026	1,080	220	1,300
2027	568	211	779
2028	551	205	756
2029	527	196	723
2030-2034	2,031	878	2,909
2035-2039	1,722	736	2,458
2040-2044	1,896	583	2,479
2045-2049	2,056	411	2,467
2050-2054	2,067	228	2,295
2055-2059	1,441	64	1,505
2060-2064	257	9	266
Total	15,938	3,981	19,919
Business-Type Activities:			
2025	7,252	3,251	10,503
2026	7,410	3,148	10,558
2027	7,449	3,042	10,491
2028	7,548	2,943	10,491
2029	7,678	2,826	10,504
2030-2034	36,449	12,500	48,949
2035-2039	35,561	9,795	45,356
2040-2044	30,542	7,228	37,770
2045-2049	21,279	5,126	26,405
2050-2054	18,355	3,621	21,976
2055-2059	14,000	2,358	16,358
2060-2064	14,179	1,253	15,432
2065-2069	7,524	293	7,817
2070-2074	1,282	29	1,311
Total	216,508	57,413	273,921
Grand Total	$ 232,446	61,394	293,840

NOTE 7
Capital Assets
Changes in Capital Assets

Increases and decreases in the County's capital assets for governmental and business-type activities during the fiscal year were as follows:

Table 15
Capital Assets - Governmental Activities

		Beginning Balance at July 1, 2023	Increases	Decreases	Ending Balance at June 30, 2024
Capital assets, not being depreciated/amortized:					
Land	$	548,777	4,516		553,293
Easements		9,833			9,833
Construction in progress		385,981	296,327	(79,409)	602,899
Total capital assets, not being depreciated/amortized		944,591	300,843	(79,409)	1,166,025
Capital assets, being depreciated/amortized:					
Buildings and improvements		2,560,293	52,243	(612)	2,611,924
Equipment		447,939	69,548	(10,891)	506,596
Software		184,272	22,028	(29,427)	176,873
Road infrastructure		3,039,763	60,194		3,099,957
Bridge infrastructure		97,628	5,584		103,212
Right-to-use Assets:					
Right-to-use land (1)		55,925		(2,107)	53,818
Right-to-use buildings and improvements (1)		270,117	45,654	(803)	314,968
Right-to-use equipment		2,538			2,538
Subscription Assets (1)		20,136	3,214	(2,360)	20,990
Total capital assets, being depreciated/amortized		6,678,611	258,465	(46,200)	6,890,876
Less accumulated depreciation/amortization for:					
Buildings and improvements		(815,371)	(64,499)	460	(879,410)
Equipment		(268,174)	(34,542)	10,320	(292,396)
Software		(136,151)	(18,853)	29,128	(125,876)
Road infrastructure		(1,919,414)	(75,040)		(1,994,454)
Bridge infrastructure		(34,475)	(1,901)		(36,376)
Right-to-use Assets:					
Right-to-use land		(2,714)	(1,241)		(3,955)
Right-to-use buildings and improvements		(88,655)	(45,276)	803	(133,128)
Right-to-use equipment		(1,221)	(633)		(1,854)
Subscription Assets		(3,869)	(5,781)	1,682	(7,968)
Total accumulated depreciation/amortization		(3,270,044)	(247,766)	42,393	(3,475,417)
Total capital assets, being depreciated/amortized, net		3,408,567	10,699	(3,807)	3,415,459
Governmental activities capital assets, net	$	4,353,158	311,542	(83,216)	4,581,484

(1) These rows include modifications to right-to-use land (decrease), right-to use buildings and improvements (increase), and subscription assets (increase).

Table 16
Capital Assets - Business-type Activities

	Beginning Balance at July 1,2023	Increases	Decreases	Ending Balance at June 30,2024
Capital assets, not being depreciated/amortized:				
Land	$ 13,776	0	0	13,776
Construction in progress	7,894	7,165	(2,180)	12,879
Total capital assets, not being depreciated/amortized	21,670	7,165	(2,180)	26,655
Capital assets, being depreciated/amortized:				
Buildings and improvements	154,003	0	0	154,003
Equipment	7,061	1,167	0	8,228
Software	297	0	0	297
Road infrastructure	25,247	2,141	0	27,388
Sewer infrastructure	115,852	39	0	115,891
Right to Use Assets:				
Subscription Assets (1)	342	342	(342)	342
Total capital assets, being depreciated/amortized:	302,802	3,689	(342)	306,149
Less accumulated depreciation/amortization for:				
Buildings and improvements	(70,053)	(3,236)	0	(73,289)
Equipment	(3,252)	(537)	0	(3,789)
Software	(256)	(39)	0	(295)
Road infrastructure	(5,301)	(691)	0	(5,992)
Sewer infrastructure	(59,218)	(2,217)	0	(61,435)
Right to Use Assets:				
Subscription Assets	(70)	(70)		(140)
Total accumulated depreciation/amortization	(138,150)	(6,790)		(144,940)
Total capital assets, being depreciated/amortized, net	164,652	(3,101)	(342)	161,209
Business-type activities capital assets, net	$ 186,322	4,064	(2,522)	187,864

Depreciation/Amortization

Depreciation/amortization expense was charged to governmental activities and business-type activities as shown below:

Table 17
Depreciation Expense - Governmental Activities

General government	$ 16,445
Public protection	54,251
Public ways and facilities	76,151
Health and sanitation	9,669
Public assistance	3,674
Education	3,435
Recreation and cultural	10,597
Internal Service Funds	20,613
Total	$ 194,835

Table 18
Amortization Expense - Governmental Activities

General Government	$ 1,239
Public protection	17,470
Public ways and facilities	177
Health and sanitation	5,464
Public assistance	27,921
Education	660
Total	$ 52,931

Table 19
Depreciation Expense - Business-type Activities

Airport Fund	$ 3,776
San Diego County Sanitation District Fund	2,880
Sanitation District - Other Fund	64
Total	$ 6,720

Table 20
Amortization Expense - Business-type Activities

San Diego County Sanitation District Fund	$ 70
Total	$ 70

Capital and Other Commitments

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting is used in the governmental funds. Encumbrances outstanding at year end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year or years. Encumbered amounts for specific purposes for which amounts have not been previously restricted, committed, or assigned are included within

committed or assigned fund balance, as appropriate. At June 30, 2024, the County General Fund's outstanding encumbrances totaled $955.036 million; the Public Safety Fund's outstanding encumbrances totaled $28.736 million; and, Nonmajor governmental funds' outstanding encumbrances totaled $152.476 million.

At June 30, 2024, major contracts entered into for structures and improvements and other commitments within governmental activities and business-type activities are noted in **Table 21**.

Table 21
Capital Commitments
At June 30, 2024

		Remaining Commitments
Governmental Activities		
General Fund:		
Construction of County Public Health Laboratory	$	69,152
Renovation of George Bailey Detention Facility		18,343
Renovation of County Administration Center		17,324
Construction of Casa de Oro Library		17,162
Renovation and Modernization of Sheriff Ridgehaven Headquarters		15,441
Purchase and Renovation of Healthcare Facility for Residential Substance Use Disorder Services		12,000
Renovation of Fallbrook Local Park		8,058
Major Systems Renovation of Hall of Justice		7,127
Development of Integrated Property Tax System		6,936
Expansion and Reconfiguration of La Maestra Family Clinic		4,590
Reconfiguration of South Region Family Resource Center		3,186
Construction of Tri-City Healthcare District Psychiatric Facility		2,964
Construction of Ramona Intergenerational Community Campus		2,915
Construction of Heritage Park Building		2,755
Construction of Youth Transition Campus		2,676
Critical Systems Upgrade at Town Centre Manor Public Housing		2,623
Improvements to Smuggler's Gulch at Tijuana River Valley Regional Park		2,467
Construction of San Diego County Animal Shelter		2,282
Procurement of Two Live Well Mobile Office Vehicles		2,066
Replacement of East Mesa Juvenile Detention Facility Generator		1,591
Construction of Southeast San Diego Live Well Center		1,398
Procurement of Two Mobile Probation Service Centers		1,263
Major Maintenance Improvements to San Diego Central Jail Security and Emergency Power Equipment		1,257
Construction of Jacumba Fire Station #43		1,063
Subtotal		206,638
Nonmajor Governmental Funds:		
Improvement of County Roads and Bridges		32,635
Subtotal		32,635
Internal Service Funds:		
Vehicle Acquisitions		28,476
Subtotal		28,476
Governmental Activities Subtotal		267,749
Business-type Activities		
Enterprise Funds:		
Rehabilitation of Ramona Airport Tower Transient Apron		2,243
Business-Type Activities Subtotal		2,243
Total	$	269,992

NOTE 8
Interfund Balances

Interfund balances at fiscal year-end consisted of the following amounts:

Table 22
Interfund Balances
At June 30, 2024

		DUE TO								
		General Fund	Public Safety	Tobacco Endowment	Other Governmental	Airport Fund	Other Enterprise	Internal Service	Private Purpose Trust Fund	Total
DUE FROM	General Fund		81,575	15,148	46,979	189	416	6,649	1,123	152,079
	Other Governmental	$ 36,322			1,567	107	1,627	203	328	40,154
	Airport Fund								2,737	2,737
	Other Enterprise Funds	49			166		312	1		528
	Internal Service	35,358			2,886	131	154	1,724		40,253
	Total	$ 71,729	81,575	15,148	51,598	427	2,509	8,577	4,188	235,751

Descriptions of amounts not due to be repaid in the subsequent year are discussed below:

a) $1.123 million is due to the General Fund from the County of San Diego Successor Agency Private Purpose Trust Fund (Upper San Diego River Project) as a result of a loan to provide funding for Project improvements.

b) $2.737 million is due from the County of San Diego Successor Agency Private Purpose Trust Fund to the Airport Enterprise Fund as a result of a loan to fund airport projects.

c) $328 thousand is due from the County of San Diego Successor Agency Private Purpose Trust Fund to the County Low and Moderate Income Housing Asset Fund as a result of the Airport Enterprise Fund transferring its twenty percent outstanding loan principal balance to the County Low and Moderate Income Housing Asset Fund as mandated by California Health and Safety Code 34191.4.

For further discussion of the loans to the County of San Diego Successor Agency Private Purpose Trust Fund, refer to Note 34 to the financial statements, "County of San Diego Successor Agency Private Purpose Trust Fund for Assets of Former San Diego County Redevelopment Agency". Note that on the Statement of Net Position, the "Due from other funds" for the General Fund's $1.123 million Upper San Diego River Project loan and the "Due from other funds" for the County Low and Moderate Income Housing Asset fund's $328 thousand are included in the governmental activities' "Receivables, net". The "Due from other funds" for the $2.737 million Airport Enterprise Fund's airport projects loan, is included in the business-type activities' "Receivables, net". See Note 5 to the financial statements, "Receivables."

All remaining balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and, 3) payments between funds are made.

NOTE 9
Interfund Transfers

Interfund transfers at fiscal year-end consisted of the following amounts:

Table 23
Transfers In/Transfers Out
At June 30, 2024

		TRANSFERS OUT							
		General Fund	Public Safety	Tobacco Endowment	Other Governmental	Airport Fund	Other Enterprise	Internal Service	Total
TRANSFERS IN	General Fund		433,372	15,113	16,250		857		465,592
	Other Governmental	$ 298,522	92		7,561	128	4,657	2,023	312,983
	Airport Fund	24			50				74
	Other Enterprise	858							858
	Internal Service	11,576			135				11,711
	Total	$ 310,980	433,464	15,113	23,996	128	5,514	2,023	791,218

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and, (3) use unrestricted revenues collected in the General Fund to finance programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10
Payables

Payables at fiscal year-end are shown below:

Table 24
Payables
At June 30, 2024

	Vendors	Aid to Other Individuals	Due to Other Government Agencies	Other	Total Payables
Governmental Activities:					
General Fund	$ 316,726	7,736	30,045	14,101	368,608
Other Governmental Funds	80,575	56	2,464	4,512	87,607
Internal Service Funds	78,215	176	599	5,095	84,085
Total governmental activities	475,516	7,968	33,108	23,708	540,300
Business-type activities:					
Airport Fund	1,102	13	26	51	1,192
Other Enterprise Funds	1,648		6	377	2,031
Total Business-Type activities	2,750	13	32	428	3,223
Component Unit:					
First 5 Commission of San Diego	13,141		874	(2,291)	11,724

NOTE 11
Deferred Inflows of Resources: Unavailable Revenue

Table 25
Deferred Inflows of Resources - Non-pension
At June 30, 2024

Unavailable Revenue	General Fund	Other Governmental Funds	Total
Property and miscellaneous local taxes	$ 67,376	985	68,361
Aid from other governmental agencies	304,594	99,336	403,930
Charges for services	56,615		56,615
Other	9,870	52,096	61,966
Total	$ 438,455	152,417	590,872

A large portion of the Unavailable Revenue – aid from other governmental agencies consists primarily of $152 million in Federal Emergency Management Act funds, $130.7 million in Short Doyle Medi-Cal award, $99.3 million of TransNet one-half cent sales tax to be used for projects in the Road Fund, and $9.2 million of California Senate Bill 90 (SB 90) funds. In 1972, SB90 established a requirement that the State reimburse local government agencies for the costs of the new programs or increased levels of service on programs mandated by the State. Additionally, there are $4 million in Drug Medi-Cal administrative activities receivables, $6.7 million in Medi-Cal administrative activities for public health services, and $1.4 million in Epidemiology and Laboratory Capacity for Infectious Diseases receivable. The remaining $600 thousand represents various other unavailable aid from other governmental agencies.

Of the $62 million of Unavailable Revenue – other, approximately $14.2 million are tobacco settlement receivables, $22 million are low and moderate income housing assistance receivables, $6.8 million are for the Sheriff Regional Communication System upgrade project, $14.6 million are for Edgemoor development activities, approximately $1.2 million for interest receivable, and $3.1 million are for housing and community development activities. The remaining $100 thousand represents various other unavailable revenues.

Of the $57 million of Unavailable Revenue – charges for services, approximately $56.5 million is opioid settlement receivable. The remaining $500 thousand represents various charges for services unavailable revenues.

NOTE 12
Lease Obligations

As of June 30, 2024, the County's lease obligations totaled $244 million - consisting of $243 million in Real Property, ($50 million in land, and $193 million in buildings), and Personal Property - Equipment of $1 million. The details of these leases are shown below.

Real Property

The land leases had original lease terms ranging from 14 years to 99 years, with remaining lease terms ranging from 1.5 years to 62.33 years; with interest rates ranging from 1.24% to 1.57%. The building leases had original lease terms ranging from 1.33 years to 49.75 years, with remaining lease terms ranging from 1 month to 25.5 years; with interest rates ranging from 0.51% to 3.14%. Interest rates on all leases are calculated using the appropriate rate under the Bloomberg Valuation Service (BVAL) Municipal AAA curve.

The annual future lease payments are presented below.

Table 26
Real Property Leases
Requirements To Maturity

Fiscal Year	Principal	Interest	Total
2025	$ 43,961	3,440	47,401
2026	36,975	2,854	39,829
2027	28,382	2,384	30,766
2028	22,352	1,956	24,308
2029	17,366	1,563	18,929
2030-2034	37,763	5,524	43,287
2035-2039	13,247	3,655	16,902
2040-2044	3,870	3,249	7,119
2045-2049	3,813	2,933	6,746
2050-2054	3,622	2,647	6,269
2055-2059	3,918	2,351	6,269
2060-2064	4,237	2,032	6,269
2065-2069	4,584	1,685	6,269
2070-2074	4,958	1,311	6,269
2075-2079	5,363	906	6,269
2080-2084	5,800	468	6,268
2085-2087	2,971	59	3,030
Total	$ 243,182	39,017	282,199

Personal Property

The equipment leases had original lease terms ranging from 4 years to 5 years, with remaining lease terms ranging from 1 month to 2.25 years; with interest rates ranging from 0.39% to 0.55%. Interest rates on all leases are calculated using the appropriate rate under the Bloomberg Valuation Service (BVAL) Municipal AAA curve.

The annual future lease payments are presented below.

Table 27
Personal Property Leases
Requirements To Maturity

Fiscal Year	Principal	Interest	Total
2025	$ 376	4	380
2026	378	2	380
Total	$ 754	6	760

NOTE 13
Subscription Obligations

As of June 30, 2024, the County's subscription-based information technology arrangements totaled $13.263 million - consisting of $13.079 million governmental subscriptions and $184 thousand business-type subscriptions. The details of these subscriptions are show below.

The governmental subscription-based information technology arrangements had original terms ranging from 8.5 months to 10.92 years, with remaining lease terms ranging from 2 months to 7 years; with interest rates ranging from 0.25% to 3.67%. Interest rates on all subscriptions are calculated using the appropriate rate under the Bloomberg Valuation Service (BVAL) Municipal AAA curve.

The annual future subscription payments are presented below.

Table 28
Subscriptions
Requirements To Maturity

Fiscal Year	Principal	Interest	Total
2025	$ 4,396	351	4,747
2026	3,907	225	4,132
2027	3,472	116	3,588
2028	759	32	791
2029	281	14	295
2030-2031	264	7	271
Total	$ 13,079	745	13,824

The business-type subscription-based information technology arrangement had an original term of 5 years, with remaining lease term of 3 years; with an interest rate of 2.03%. Interest rates on all subscriptions are calculated using the appropriate rate under the Bloomberg Valuation Service (BVAL) Municipal AAA curve.

The annual future subscription payments are presented below.

Table 29
Subscriptions - Business-type Activities
Debt Service Requirements to Maturity

Fiscal Year	Principal	Interest	Total
2025	$ 89	4	93
2026	95	2	97
Total	$ 184	6	190

NOTE 14
Long-Term Debt

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

Certificates of Participation (COPs) and Lease Revenue Bonds (LRBs) provide funds for the acquisition and construction of major capital facilities and equipment. The repayment of these COPs and LRBs is secured by a lease structure where the borrowing entity, such as the County, leases certain properties to another entity, a lessor, which in turn leases the properties back to the County. These lessors are the San Diego County Capital Asset Leasing Corporation (SANCAL), and the San Diego Regional Building Authority (SDRBA), both blended component units of the County. (See discussion of Blended Component Units under Note 1 "Summary of Significant Accounting Policies".)

COPs and LRBs are secured by: a) (lease) base rental payments, for the use of certain facilities or equipment and b) encumbrances on the facilities. The lease premises are typically facilities or equipment purchased with proceeds of the COPs or LRBs. The base rental payments are made primarily from the County General Fund to the SANCAL or SDRBA. Under lease terms, the County is required to make the necessary annual appropriations for lease payments, except to the extent those payments are eligible to be abated in accordance with the terms of the leases.

COPs and LRBs evidence a pro rata share in a specific pledged revenue stream of lease payments, and investors in the certificates or bonds are entitled to receive a share in these lease payments from a particular project. Lease payments are passed through the lessor to the investors. The lessor assigns the lease and lease payments to a trustee, which distributes the lease payments to the investors.

In December 2023, $160.910 million of Certificates of Participation titled "County of San Diego Certificates of Participation, Series 2023 (County Public Health Laboratory and Capital Improvements) (Green Bonds)" were executed and delivered pursuant to the trust agreement by and among the trustee bank, the County and SANCAL. The Certificates were issued with a 5.00% fixed interest rate with maturity dates ranging from October 1, 2027 to October 1, 2053. These Certificates were issued with a premium of $18.781 million. Proceeds of $179.691 million, along with Federal Grants totaling $18.843 million. and County Contributions of $112.282 million were distributed as follows: 1) $288.618 million to fund the acquisition, construction, and installation costs on the County Public Health Laboratory and Capital Improvement projects; 2) $21.162 million of proceeds were used to finance capitalized interest with respect to the Certificates through April 1, 2027; 3) $738 thousand was set aside to pay certain costs of issuance, and 4) $298 thousand was used to pay the underwriter's discount.

Upon the occurrence of an event of default (as described in the COP and LRB financing documents), the Facility Lease provides that SANCAL, SDRBA, or its assignees must thereafter maintain the Facility Lease in full force and effect and may only recover rent and other monetary charges as they become due, all without terminating the County's right to possession of the Lease Property regardless of whether or not the County has abandoned the Lease Property. There is no available remedy of acceleration of the Lease Payments due over the term of the Lease Agreement. The lessors may not declare any Lease Payments not then in default to be immediately due and payable.

Details of the COPs and LRBs outstanding at June 30, 2024 are as follows:

Table 30
Certificates of Participation (COP) and Lease Revenue Bonds (LRB)

Issuance	Original Amount	Interest Rate	Final Maturity Date	Outstanding Balance at June 30, 2024
2014 Edgemoor and RCS Refunding COP Series 2014A (Edgemoor)	$ 91,675	2.00 - 5.00%	2030	44,360
2016 County Operations Center Refunding LRB	105,330	3.00 - 5.00%	2036	75,375
2019 Justice Facilities Refunding of 1997 Central Jail COP	15,635	5.00%	2026	4,905
2020A Waterfront Park Refunding COP (Tax-Exempt)	21,910	2.00 - 5.00%	2042	19,875
2020B Cedar and Kettner Refunding COP (Taxable)	23,815	0.45% - 3.125%	2042	20,885
2021 Youth Transition Campus COP	49,060	5.00%	2052	48,290
2023 County Public Health Laboratory and Capital Improvements COP	160,910	5.00%	2054	160,910
Total	$ 468,335			374,600

Annual debt service requirements to maturity for COPs and LRBs are as follows:

Table 31
Certificates of Participation and Lease Revenue Bonds - Debt Service Requirements to Maturity

Fiscal Year	Principal	Interest	Total
2025	$ 16,765	17,283	34,048
2026	16,300	16,504	32,804
2027	15,115	15,773	30,888
2028	18,730	14,921	33,651
2029	19,665	13,986	33,651
2030-2034	75,995	58,238	134,233
2035-2039	58,460	42,345	100,805
2040-2044	46,960	31,474	78,434
2045-2049	49,625	20,077	69,702
2050-2054	56,985	6,219	63,204
Subtotal	374,600	236,820	611,420
Add:			
Unamortized issuance premium	53,336		
Total	$ 427,936		

Taxable Pension Obligation Bonds (POBs)

Taxable Pension Obligation Bonds (POBs) were issued by the County to reduce its pension unfunded actuarial liability and to achieve interest rate savings by issuing bonds at interest rates which are less than the assumed rate of return earned on proceeds placed in the San Diego County Employees Retirement Association's (SDCERA) pension plan. POBs also have been issued to refund previously issued POB debt. Because current federal tax law restricts the investment of proceeds of tax-exempt bonds in higher-yielding taxable securities, POBs are issued on a taxable basis.

The obligation of the County to make payments with respect to the POBs is an absolute and unconditional obligation of the County imposed by law, enforceable pursuant to the County Employees Retirement Law of 1937, as amended. Upon the occurrence of an event of default (as described in the financing documents) the principal and accreted value of the bonds then outstanding and the interest accrued thereon will become due and payable immediately.

Details of POBs outstanding at June 30, 2024 are as follows:

Table 32
Taxable Pension Obligation Bonds

Issuance	Original Amount	Interest Rate	Final Maturity Date	Outstanding Balance at June 30, 2024
2004 Series B1-2	$ 147,825	5.91%	2025	57,250
2008 Series A	343,515	3.33 - 6.03%	2027	153,975
Total	$ 491,340			211,225

Annual debt service requirements to maturity for POBs are shown below.

Table 33
Taxable Pension Obligation Bonds - Debt Service Requirements to Maturity

Fiscal Year	Principal	Interest	Total
2025	$ 70,855	8,988	79,843
2026	75,220	4,495	79,715
2027	65,150	491	65,641
Total	$ 211,225	13,974	225,199

Tobacco Settlement Asset-Backed Bonds (TSAB)

TSAB are issued by the Tobacco Securitization Joint Powers Authority of Southern California (Authority) to securitize future revenue streams available to the County pursuant to the agreements described below.

A 1998 Master Settlement Agreement (MSA) was originally entered into by four cigarette manufacturers, 46 states and six other U.S. jurisdictions (Settling States) to provide state governments, including California, with compensation for smoking related medical costs and to help reduce smoking in the United States. There is no end date to the yearly settlement payments; they are perpetual. Also, a Memorandum of Understanding (MOU) and a supplemental agreement (ARIMOU) was agreed to by the State of California and all California counties and four California cities, granting those California municipalities the right to receive tobacco settlement allocation payments, (also known as Tobacco Settlement Revenues (TSRs)).

In fiscal year 2002, the Authority issued $446.86 million 2001 Tobacco Settlement Asset-Backed Bonds (2001 Bonds), to fund the Authority's loan to the San Diego County Tobacco Asset Securitization Corporation (Corporation), pursuant to a loan agreement between the Authority and the Corporation. (Both entities are blended component units of the County.) According to the loan agreement, the Corporation has pledged, assigned, and granted to the Authority, a first priority perfected security interest in all rights, title and interest of the Corporation, to the TSRs the Corporation purchased from the County. The Corporation used the net proceeds of the loan, $411.913 million, to pay the County, in exchange for the County's transfer to the Corporation of all the County's rights, title and interest in the TSRs. Net proceeds were placed in an endowment fund to fund healthcare-based programs pursuant to Board Policy E-14 and IRS regulations, and do not secure the repayment of the TSAB.

In May 2006 the Authority issued Series 2006 TSAB (2006 Bonds) in the amount of $583.631 million to refund the outstanding principal of the original 2001 Bonds noted above and to loan an additional $123.515 million to the Corporation. The proceeds were placed into the endowment fund for the aforementioned purposes.

In November 2019 the Authority issued Tobacco Settlement Asset-Backed Refunding Bonds, Series 2019 Senior Bonds, in the amount of $405.964 million to refund all of the Series 2006 Bonds that were Senior Bonds, and partially cancel a portion of the Series 2006 Bonds that were Third Subordinate Bonds.

Upon the occurrence of an event of default (as described in the Tobacco Securitization Authority Indenture), bond payments shall be applied in full to each order of bonds until bonds are no longer outstanding in the following manner: (1) Class 1 Senior Bonds: First, the accrued unpaid interest on the Class 1 Senior Bonds (Senior Bonds), and Second, the Bond Obligation (principal and accreted value) on all outstanding Class 1 Senior Bonds; (2) Class 2 Senior Bonds: First, the accrued and unpaid interest on the Class 2 Senior Bonds and, then Second, the Bond Obligation on all Class 2 Senior Bonds; (3) Series 2006B CABs (Series 2006 First Subordinate Bonds) principal and interest or accreted value; (4) Series 2006C CABs (Series 2006 Second Subordinate Bonds) principal and interest or accreted value; (5) Series 2006D CABs (Series 2006 Third Subordinate Bonds) principal and interest or accreted value; and (6) Additional Subordinate Bonds, (if authorized and issued), principal and interest or accreted value. The value of any Capital Appreciation Bonds (CABs) that are Series 2019B-2 Senior Bonds, Series 2006 First Subordinate Bonds, Series 2006 Second Subordinate Bonds or Series 2006 Third Subordinate Bonds shall continue to accrete at the default rate (including accretion on any unpaid accreted value), to the extent legally permissible.

Under the terms of the bond indenture (Indenture), TSRs are pledged to the repayment of the TSAB. Accordingly, the bonds are payable solely from certain funds held under the Indenture, including TSRs and earnings on such funds (collections).

The minimum payments for the Bonds are based on the 2006 Indenture and the Series 2006 Supplement, both dated as of May 1, 2006 and amended and restated as of November 1, 2019, and the 2019 Indenture and Series 2019 Supplement, dated November 1, 2019. However, actual payments on the Bonds depend on the amount of TSRs received by the County. The amount of these TSRs is affected by cigarette consumption, inflation, and the financial capability of the participating manufacturers. There are a number of risks associated with the amount of actual TSRs the County receives each year, including litigation affecting the participating manufacturers and possible bankruptcy as a result thereof, increased growth of non-participating manufacturer's market share, disputed payments set-aside by the participating manufacturers into an escrow account, a decline in cigarette consumption materially beyond forecasted levels, reduction in investment earnings due to unforeseen market conditions, and other future adjustments to the calculation of the TSRs.

No assurance can be given that actual cigarette consumption in the United States during the term of the Bonds will be as assumed in the Base Case, or that the other assumptions underlying these Base Case assumptions, including that certain adjustments and offsets will not apply to payments due under the MSA, will be consistent with future events. If actual events deviate from one or more of the assumptions underlying the Base Case, the amount of TSRs available to make payments, including Turbo Redemption Payments will be affected. No assurance can be given that these structuring assumptions, upon which the projections of the Bond payments and Turbo Redemptions are based, will be realized.

Details of the Bonds outstanding at June 30, 2024 are as follows:

Table 34
Tobacco Settlement Asset-Backed Bonds

Issuance	Original Amount	Interest Rate	Final Maturity Date	Outstanding Balance at June 30, 2024
Series 2006B CABs	$ 19,770	6.25%	2046	231,820
2006B unaccreted appreciation CABs				(171,645)
Series 2006C CABs	8,686	6.40%	2046	107,950
2006C unaccreted appreciation CABs				(80,808)
Series 2006D CABs	3,126	7.10%	2046	50,940
2006D unaccreted appreciation CABs				(39,898)
2019A (Class 1) Senior Current Interest Bonds	252,345	5.00%	2048	216,130
2019B-1 (Class 2) Senior Current Interest Bonds	109,000	5.00%	2048	78,595
2019B-2 (Class 2) Senior Capital Appreciation Bonds	33,619	5.63%	2054	228,795
2019B-2 (Class 2) Senior unaccreted appreciation CABs				(185,272)
Total	$ 426,546			436,607

Annual debt service requirements to maturity are as follows:

As shown in **Table 35**, the unpaid accreted appreciation of the Bonds as of June 30, 2024 was $76,681 which will continue to accrue and will be paid upon redemption.

Table 35
Tobacco Settlement Asset-Backed Bonds - Debt Service Requirements to Maturity

Fiscal Year	Principal	Unaccreted Appreciation	Interest	Total
2025	$ 7,630	8,865	14,704	31,199
2026	8,015	9,420	14,321	31,756
2027	8,355	10,013	13,919	32,287
2028	8,510	10,642	13,501	32,653
2029	8,605	11,310	13,075	32,990
2030-2034	43,030	68,154	58,891	170,075
2035-2039	50,985	92,473	47,606	191,064
2040-2044	45,000	125,523	35,211	205,734
2045-2049	146,177	86,615	19,742	252,534
2050-2054	33,619	54,608		88,227
Subtotal	359,926	477,623	230,970	1,068,519
Add:				
Accreted appreciation through June 30, 2024	76,681			
Subtotal	436,607			
Add:				
Unamortized Issuance Premium	47,387			
Total	$ 483,994			

Pledged revenue related to the Bonds for the year ended June 30, 2024 was as follows:

Table 36
Tobacco Settlement Asset-Backed Bonds - Pledged Revenues

			Fiscal Year 2024	
Debt Pledged	Final Maturity Date	Pledged Revenue To Maturity	Debt Principal & Interest Paid	Pledged Revenue Received
Series 2006 & 2019 Tobacco Settlement Asset-Backed Bonds	2054	$ 1,145,200	$ 32,309	$ 28,474

Loans - Governmental Activities

Loans for various governmental activities included a United States Department of Agriculture Farmers Home Administration loan for the construction of low income housing (Firebird Manor); a real property contract with the Whiting Family Trust titled Sheriff RCS - Ocotillo Wells for the purchase of one acre of property located in the Borrego Springs area to support the County's Regional Communications System (RCS); and San Diego Gas & Electric (SDG&E) On Bill Financing (OBF) program loans used to fund energy efficiency and demand response projects at County-owned facilities.

In November 2011, the County Board of Supervisors authorized the use of the previously mentioned SDG&E OBF program loans to fund energy efficiency and demand response projects. This program finances installations, modifications and upgrades, such as lighting retrofits and controls and mechanical system upgrades, with the goal of reducing utility costs. The financing is a zero percent interest loan which is repaid from energy savings generated by each SDG&E meter. The County received its first OBF loan in 2013. As of June 30, 2024, six OBF loans were outstanding, with remaining balances totaling $268 thousand.

On July 1, 2023, the Borrego Springs Fire Protection District was formally dissolved and annexed to the San Diego County Fire Protection District. At the time of annexation, the County assumed the Borrego Springs Fire Protection District, Series 2020 Taxable Revenue Obligations (CalPERS UAL Prepayment Project), a Promissory Note, dated October 15, 2020. The proceeds of the note were used to fund a portion of the District's UAL to CalPERS for the benefit of the District employees and paid certain costs of issuance in association therewith. The rate of interest to be paid on the obligation is 4.50% annually and the note matures on October 1, 2040.

Upon the occurrence of an event of default on any of the aforementioned loans (as described in the Promissory Notes or Loan Agreement), the whole sum of principal and interest shall become immediately due and payable. Furthermore, for the OBF loans, failure to repay the loan balance could result in shut-off of utility energy service, adverse credit reporting, and collection procedures which may include legal action.

Details of loans outstanding at June 30, 2024 for governmental activities are as follows:

Table 37
Loans - Governmental Activities

Issuance	Original Amount	Interest Rate	Final Maturity Date	Outstanding Balance at June 30, 2024
Loans - non internal service funds (ISF)				
Firebird Manor	$ 4,486	1.00%	2028	611
SDCFPD CalPERS UAL Prepayment Project	1,717	4.50%	2041	1,651
Sheriff RCS Land Purchase	68	6.78%	2026	14
Total loans - non-ISF	6,271			2,276
Loans - ISF				
San Diego Gas and Electric On Bill Financing (Facilities ISF)	1,012	0.00%	2029	268
Total loans - ISF	1,012			268
Total	$ 7,283			2,544

Annual debt service requirements to maturity for loans - governmental activities are as follows:

Table 38
Loans - Governmental Activities
Debt Service Requirements to Maturity

Fiscal Year	Principal	Interest	Total
2025	$ 318	80	398
2026	298	75	373
2027	286	69	355
2028	258	64	322
2029	112	59	171
2030-2034	474	235	709
2035-2039	593	115	708
2040-2041	205	7	212
Total	$ 2,544	704	3,248

Financed Purchases

On June 30, 2016, the County entered into a $23 million equipment financed purchase agreement with Motorola Solutions Inc., with a first payment due date of July 15, 2017. This equipment is classified as construction in progress in the Government-wide Statement of Net Position and the financed purchase obligation is reflected as a liability in that statement. The term of the financed purchase is 10 years, with an interest rate of 2.79%, maturing in July 2026. Upon the

occurrence of an event of default (as described in the equipment financed purchase agreement) Motorola Solutions, Inc. may exercise any one or more of the following remedies: (i) all amounts then due under the financed purchase shall become immediately due and payable; (ii) the equipment shall be returned to Motorola Solutions; (iii) the equipment may be sold, leased or subleased, holding the County liable for all financed purchase payments and other amounts due prior to the effective date of such selling, leasing or subleasing and for the difference between the purchase price, rental and other amounts; and (iv) exercise any other right, remedy or privilege which may be available under the applicable laws of the state of the equipment location. Furthermore, the financed purchase may be terminated in the event the funds appropriated by the County's governing body (or otherwise available) are insufficient. In the event of such termination, the County agrees to peaceably surrender possession of the equipment to Motorola Solutions.

In fiscal year 2022, the County assumed a $1.33 million financed purchase agreement with Municipal Finance Corporation for the Julian-Cuyamaca Fire Station. This building is classified as a capital asset in the Government-wide Statement of Net Position and the financed purchase obligation is reflected as a liability in that statement. The term of the financed purchase is 14 years, with an interest rate of 3.85%, maturing in July 2035. Upon the occurrence of an event of default (as described in the financed purchase agreement) Municipal Finance Corporation may exercise any and all remedies available pursuant to law or granted pursuant to the financed purchase agreement and, without terminating the agreement, may collect each installment of rent as it becomes due and enforce any other term or provision to be kept or performed by the County, regardless of whether or not the County has abandoned the leased property.

Table 39
Financed Purchases - Governmental Activities

Issuance	Original Amount	Interest Rate	Final Maturity Date	Outstanding Balance at June 30, 2024
Julian-Cuyamaca Fire Station	$ 1,331	3.85%	2036	$ 1,142
Sheriff NEXTGEN RCS	23,000	2.79%	2027	7,585
Total	$ 24,331			$ 8,727

Table 40
Financed Purchases - Governmental Activities
Debt Service Requirements to Maturity

Fiscal Year	Principal	Interest	Total
2025	$ 2,540	255	2,795
2026	2,611	183	2,794
2027	2,685	109	2,794
2028	90	33	123
2029	94	30	124
2030-2034	528	92	620
2035-2036	179	7	186
Subtotal	8,727	709	9,436
Total	$ 8,727		

Arbitrage

In compliance with the Tax Reform Act of 1986 and subsequent U.S. Treasury Regulations, the County performed arbitrage rebate calculations via a third party to determine probable amounts due to the Federal government. At June 30, 2024, the probable arbitrage rebate was zero.

NOTE 15
Changes in Long-Term Liabilities

Long-term liability activities for the year ended June 30, 2024 were as follows:

Table 41
Changes in Long-Term Liabilities

		Beginning Balance at July 1, 2023	Additions	Reductions	Accreted Interest	Ending Balance at June 30, 2024	Amounts Due Within One Year
Governmental Activities:							
COPs, bonds and loans							
Certificates of participation and lease revenue bonds	$	229,680	160,910	(15,990)		374,600	16,765
Taxable pension obligation bonds		277,990		(66,765)		211,225	70,855
Tobacco settlement asset-backed bonds		445,045		(16,780)	8,342	436,607	7,630
Loans - non-internal service funds (ISF)		789	1,717	(230)		2,276	234
Loans - internal service funds		365		(97)		268	84
Unamortized issuance premiums		88,887	18,781	(6,945)		100,723	7,234
Total COPs, bonds and loans	$	1,042,756	181,408	(106,807)	8,342	1,125,699	102,802
Other long-term liabilities:							
Financed Purchases	$	11,158		(2,431)		8,727	2,540
Claims and judgments - ISF		341,102	11,485	(42,447)		310,140	60,573
Compensated absences - non-ISF		148,529	115,385	(100,519)		163,395	65,274
Compensated absences - ISF		4,355	3,015	(2,687)		4,683	1,815
Landfill postclosure		22,045		(10,626)		11,419	761
Leases - non-ISF (1)		243,958	45,498	(45,520)		243,936	44,337
Pollution remediation		1,355	308	(113)		1,550	345
Subscriptions - non-ISF (1)		15,544	3,099	(5,564)		13,079	4,396
Total Other long-term liabilities	$	788,046	178,790	(209,907)	-	756,929	180,041
Total Governmental Activities	$	1,830,802	360,198	(316,714)	8,342	1,882,628	282,843
Business-type activities:							
Compensated absences		541	438	(393)		586	227
Subscriptions (1)		266	1	(83)		184	89
Total Business-type Activities	$	807	439	(476)	0	770	316

(1) Includes lease modifications.

NOTE 16
Funds Used to Liquidate Liabilities

The following funds presented in **Table 42** below have typically been used to liquidate other long-term obligations in prior years:

Table 42
Liquidated Liabilities

Liability	Fund(s) Used to Liquidate in Prior Years
Claims and Judgments	Internal Service Funds - Employee Benefits and Public Liability Insurance
Compensated Absences	General Fund; Special Revenue Funds - Road, County Library, Inactive Wastesites and Other Special Revenue Funds; Internal Service Funds - Facilities Management, Fleet Services and Purchasing; and Enterprise Funds - Airport and Sanitation District - Other
Landfill Postclosure	Special Revenue Funds - Inactive Wastesites
Pollution Remediation	General Fund and Special Revenue Funds - Inactive Wastesites
Net Pension Liability	General Fund; Special Revenue Funds - Road, County Library, Inactive Wastesites and Other Special Revenue Funds; Internal Service Funds - Facilities Management, Fleet Services and Purchasing; and Enterprise Funds - Airport and Sanitation District - Other
Net Other Postemployment Benefits Liability	General Fund; Special Revenue Funds - Road, County Library, Inactive Wastesites and Other Special Revenue Funds; Internal Service Funds - Facilities Management, Fleet Services and Purchasing; and Enterprise Funds - Airport and Sanitation District - Other

NOTE 17
Landfill Site Postclosure Care Costs

State laws and regulations require the placement of final cover on all landfill sites that stopped accepting solid waste after October 9, 1991 and the performance of certain maintenance and monitoring functions at these sites for a minimum of 30 years after closure. Closure and postclosure care costs are paid near or after the date a landfill stops accepting waste. The San Marcos Landfill is the sole waste disposal site owned by the County that is subject to these regulations. It was operational and accepted solid waste from 1979 until March 11, 1997. Formal closure of this landfill spanned from July 2004 through March 2007. Post closure maintenance began March 22, 2007.

On September 28, 2023, the California Department of Resources, Recycling and Recovery (CalRecycle) reduced the postclosure maintenance cost estimate multiplier from 30 years to 15 years. The projected landfill postclosure care liability at June 30, 2024 for the San Marcos Landfill was $11.419 million. This estimated amount is based on what it would cost to perform all postclosure maintenance over a 15 year period in calendar year 2024 dollars and is subject to change as a result of such factors including but not limited to: inflation; deflation; advancements in technology; and amendments to laws and regulations.

In addition to the above, state regulations require that landfill closure and postclosure maintenance costs be fully funded at the time of closure, unless a landfill owner/operator can demonstrate financial responsibility towards these activities by using other approved financial assurance alternatives. A pledge of revenue is one of various alternatives allowed to fund estimated postclosure costs. Under this alternative, the Board of Supervisors, on February 3, 1998, approved Minute Order No. 5 "Postclosure Maintenance Funding for the San Marcos Landfill", wherein the County entered into a pledge of revenue agreement with the California Integrated Waste Management Board (CIWMB). Pursuant to Resolution No. 98-24, adopted under Minute Order No. 5, the Board directed that the amount of pledged revenue shall be equal to $790 thousand per year for the 30 year period of postclosure maintenance commencing upon completion of the final closure of the San Marcos Landfill. The amount of pledged revenue was reduced to $660 thousand in 2021 when the California Department of Resources Recycling and Recovery (CalRecycle) reviewed and approved a revised postclosure maintenance plan for the San Marcos Landfill submitted by the County. The pledged amount is a promise of existing funds rather than future revenues and may increase or decrease to match any adjustment to identified cost estimates that are mutually agreed to by the County and CalRecycle.

Beginning July 1, 2011, CalRecycle, in accordance with Title 27, Division 2, Subdivision 1, Chapter 6 of the California Code of Regulations, requires owners and operators of all disposal facilities operating after July 1, 1991 to provide additional financial assurance for corrective action based on the highest amount of

either a water release corrective action or a non-water release corrective action, on or before the date of the first permit review.

The County determined that a non-water release corrective action would have the highest cost impact to the landfill and on January 27, 2016 the Board of Supervisors approved Minute Order No. 4 "Adopt a Resolution for Financial Assurance for Corrective Actions of the San Marcos Landfill and Authorize Submission of a Pledge of Revenue for Corrective Action Program at San Marcos Landfill." Pursuant to Resolution No. 16-011, adopted under Minute Order No. 4, the County entered into a pledge of revenue agreement to assure that adequate funds are available to carry out the Corrective Action Program 95-112 of the San Marcos Landfill. The pledge of revenue for corrective action costs is $3.342 million per year for the 30 year period and may increase or decrease to match any adjustment to the identified cost estimate mutually agreed to by the County and CalRecycle (adjusted to $3.462 million in fiscal year 2024). This pledged revenue will remain in the Environmental Trust Fund as a contingency until such time that corrective action costs are incurred.

Regulations governing solid waste management are promulgated by government agencies at the federal and state levels. These regulations address the design, construction, operation, maintenance, closure and postclosure maintenance of various types of facilities; acceptable and prohibited waste types; and inspection, permitting, environmental monitoring and solid waste recycling requirements. Regulations at both the state and federal levels could impose retroactive liability, particularly with respect to cleanup activities relating to any landfill site ever operated by the County, whether or not owned by the County. Thus, the County has potential liability with respect to every landfill ever owned, operated, contracted to be operated, or into which the County disposed waste. Compliance with these regulations may be costly, and, as more stringent standards are developed to protect the environment, these costs could increase.

NOTE 18
Pollution Remediation

Governmental Accounting Standards Board Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, establishes accounting and reporting guidelines for the recognition and measurement of pollution remediation obligations (liabilities).

The County is involved in several remediation actions to clean up pollution sites within its boundaries. These matters generally coincide with the County's ownership of land, buildings and infrastructure assets. In some cases, regulatory agencies (e.g., California Regional Water Quality Control Board) notified the County of the need for remedial action. In addition, the County conducts its own environmental monitoring and this activity identifies pollution sites and matters requiring further investigation and possible remediation. Once the County is aware of these conditions, it commences monitoring, assessment, testing, and/or cleanup activities, and recognizes pollution remediation obligations when estimates can reasonably be determined.

The types of pollution that have been identified include leaking underground storage tanks, water, groundwater and soil contamination, and excessive levels of other contaminants. Remediation efforts include developing remediation and feasibility studies, source identification studies, site testing, sampling and analysis, ground water cleanup, removal of storage tanks and other hazardous materials.

As of June 30, 2024, the County's estimated pollution remediation obligations totaled $1.550 million. These obligations were all associated with the County's government-wide governmental activities. The estimated liabilities were determined by project managers and/or consultants, based on historical cost information for projects of the same type, size and complexity and measured at their current value or current quotes from outside service providers. In subsequent periods, the County will adjust estimated obligations when new information indicates that such changes are required, including technology and changes in applicable laws or regulations.

The County owns a 70-acre parcel at Gillespie Field Airport that consists of vacant, mowed land, and a temporary asphalt parking lot. Historical agricultural and industrial uses of and adjacent to the site have left pollutant remnants detected at various concentrations, including organochlorine, pesticide chlordane, metals, hydrocarbons, and toluene. During fiscal year 2023-24 there were no projects on the parcel, therefore the County did not incur any remediation costs associated with the onsite contamination. Engineering design of redevelopment and infrastructure of the site's future phase is on hold and, therefore, the range of pollution remediation obligation is not reasonably estimable at this time. Upon finalization of the construction plans, a soil and sediment management plan will be implemented, if necessary, to manage above ground debris, including the following: hydrocarbon and toluene impacted sediment; metals within stained soil; and abandonment or protection of the onsite irrigation and groundwater monitoring wells.

The County owns and manages a facility in Otay Mesa. Based on the findings from an inspection by the County of San Diego Department of Environmental Health and Quality (DEHQ) - Hazardous Material Division (HMD) performed in May of 2021, hazardous waste violations were issued on August 2, 2021, related to lead and brass contamination that conveyed to landscape in amounts that exceeded acceptable solid waste disposal levels. The HMD violations have been absolved through demonstration by the County's improved Best Management Practices (BMPs) and payment of $15 thousand in penalties. Correspondence is ongoing with DEHQ - Site Assessment Mitigation (SAM) to determine if past contamination discharged beyond the designed containment. In February of 2023, the County and SAM entered into a Consent Agreement for further investigation and implementation of any corrective actions. Based on the investigative findings the consultant developed a work plan that is currently under review by DEHQ. The estimated financial obligation for remediation is approximately $245,000 for the physical remediation work.

The property formerly known as the Triple S Horse Ranch in Otay Mesa, located at 1550 Sunset Ave., San Diego, CA 92154, was purchased by the County in 2002 and was incorporated into the Tijuana River Valley Regional Park managed by the Department of Parks and Recreation (DPR). At the time of the 2002 acquisition, DEHQ, Department of General Services (DGS), and DPR began the process to confirm potential clean-up requirements and associated costs for removing items thought to have existed on the property at the time of purchase including three trailers and septic tanks that serviced the trailers along with remediating any potential staining or spillage of diesel fuel or gasoline if present. Unfortunately, for reasons unknown, the paperwork for this process was not completed. DEHQ, DGS, and DPR are now actively collaborating to confirm if clean-up efforts were previously completed, if any clean-up remains to be needed, and if so, what the potential associated costs are. Considering this property was purchased 20 years ago and is now part of an active park site it is anticipated that all clean-up was previously completed. This site is being assessed (by DGS and DPR) to confirm if any remaining clean-up is required. Since the assessments are in the beginning stages, it is not yet known if any clean-up efforts are needed, therefore the financial obligation for potential remediation cannot be reasonably estimated at this time.

NOTE 19
Conduit Debt Obligations

From time to time, the County has issued tax-exempt conduit debt under the authority of Chapter 7 of Part 5 of Division 3 of the Health and Safety Code of the State of California on behalf of qualified borrowers to provide financial assistance for projects deemed to be of public interest.

Conduit debt consisted of the following: three Certificates of Participation (COPs) for the acquisition, construction, capital improvement and equipping of various facilities. Conduit debt is secured by the property that is financed and is payable from the respective COPs' base rentals. Upon repayment of the debt, ownership of the acquired facilities transfers to the private-sector entity served by the debt issuance.

The County is not obligated in any manner for repayment of this debt. Accordingly, the debt is not reported as liabilities in the accompanying financial statements.

As of June 30, 2024, the aggregate conduit debt principal amount outstanding was $41.525 million.

NOTE 20
Special Tax Bonds

Harmony Grove Village Improvement Area No. 1 Special Tax Bonds, Series 2018A

In February 2018 the Community Facilities District No. 2008-01 (Harmony Grove Village) of the County of San Diego, Improvement Area No. 1 Special Tax Bonds, Series 2018A (the "Series 2018A Bonds"), were issued totaling $15.710 million. Proceeds of the Series 2018A Bonds were used to pay the costs of the acquisition of certain public facilities necessary for the development of that portion of the District designated as Improvement Area No. 1, to fund a reserve for the Series 2018A Bonds and to pay the costs of issuing the bonds. The Series 2018A Bonds are payable solely from net special tax revenues derived from the levy of the special taxes on real property located within the boundaries of Improvement Area No. 1 and are secured by a pledge of all the net special tax revenues and moneys deposited in certain custodial funds established under the Series 2018A Indenture.

The County is not liable in any manner for repayment of this debt. Accordingly, the debt is not reported as liabilities in the accompanying financial statements.

Harmony Grove Village Improvement Area No. 1 Special Tax Bonds, Series 2020A

In January 2020 the Community Facilities District No. 2008-01 (Harmony Grove Village) of the County of San Diego, Improvement Area No. 1 Special Tax Bonds, Series 2020A (the "Series 2020A Area No. 1 Bonds"), were issued totaling $13.505 million. Proceeds of the Series 2020A Area No. 1 Bonds were used to pay the costs of the acquisition of certain public facilities necessary for the development of that portion of the District designated as Improvement Area No. 1, to increase the reserve for the Bonds and to pay the costs of issuing the bonds. The Series 2020A Area No. 1 Bonds are payable solely from net special tax revenues derived from the levy of the special taxes on real property located within the boundaries of Improvement Area No. 1 and are secured by a pledge of all the net special tax revenues and moneys deposited in certain custodial funds established under the Series 2020A Indenture.

The County is not liable in any manner for repayment of this debt. Accordingly, the debt is not reported as liabilities in the accompanying financial statements.

Harmony Grove Village Improvement Area No. 2 Special Tax Bonds, Series 2020A

In January 2020 the Community Facilities District No. 2008-01 (Harmony Grove Village) of the County of San Diego, Improvement Area No. 2 Special Tax Bonds, Series 2020A (the "Series 2020A Area No. 2 Bonds"), were issued totaling $24.290 million. Proceeds of the Series 2020A Area No. 2 Bonds were used to pay the costs of the acquisition of certain public facilities necessary for the development of that portion of the District designated as Improvement Area No. 2, to fund a reserve for the Series 2020A Area No. 2 Bonds and to pay the costs of issuing the bonds. The Series 2020A Area No. 2 Bonds are payable solely from net special tax revenues derived from the levy of the special taxes on real property located within the boundaries of Improvement Area No. 2 and are secured by a pledge of all the net special tax revenues and moneys deposited in certain custodial funds established under the Series 2020A Indenture.

The County is not liable in any manner for repayment of this debt. Accordingly, the debt is not reported as liabilities in the accompanying financial statements.

NOTE 21
Fund Balance Policy - General Fund

In fiscal year 2018, the Board of Supervisors adopted San Diego County Code of Administrative Ordinance No. 10509 (N.S.), "An Ordinance Amending the San Diego County Code of Administrative Ordinances Article VII, Section 113 Relating to the Maintenance and Restoration of Fund Balances and Reserves in the General Fund", thereby amending Sections 113.1, "General Fund Balances and Reserves", 113.2, "General Fund Commitments and Assignments of Fund Balance, and 113.3, "Restoration of General Fund Reserve Minimum Balance; and added Section 113.4, "Fund Balances and Use of One Time Revenues".

The purpose of this code is to establish guidelines in accordance with industry best practices regarding the maintenance and use of General Fund Unrestricted fund balance and the use of one-time revenues to help protect the fiscal health and stability of the County. Available Unrestricted General Fund balance shall be determined by excluding Unrestricted Fund balances that have been Committed or Assigned thereby focusing solely on Unassigned Fund balance. These sections include:

General Fund Balances and Reserves: A portion of Unassigned Fund balance shall be maintained as a reserve (General Fund Reserve) at a minimum of two months of audited General Fund expenditures (which is the equivalent of 16.7% of audited General Fund expenditures). The General Fund Reserve will protect the County against expenditure and revenue volatility, natural disasters and other unforeseen emergencies, economic downturns, unfunded pension liabilities, and aging infrastructure.

Appropriation of the General Fund Reserve minimum balance requires at least one of the following criteria to be met:

- An unanticipated revenue shortfall or expenditure increase where total expenditures exceeds total revenues.
- A legally declared emergency as defined in Government Code Section 29127.
- To absorb unforeseen changes in pension liability, including changes in the assumed rate of return, market losses, to maintain or reduce the unfunded pension liability, or other related changes as recommended by the Chief Administrative Officer (CAO).
- To help mitigate risk due to maintaining aging infrastructure including capital improvements, new construction, or other recommendations made by the CAO.
- To the extent reserves are available, a recommendation made by the CAO to promote the long-term fiscal health and stability of the County.

Furthermore, all appropriation of the General Fund Reserve minimum balance and/or transfers from the General Fund Reserve appropriation, shall require a 4/5th vote of the Board of Supervisors.

To the extent that available Unassigned Fund balance is available in excess of General Fund Reserve minimum balance, the CAO may recommend the appropriation or commitment of the available balance for one-time uses. These recommendations may appear in the CAO Recommended Operational Plan or as an agenda item for a regularly scheduled meeting of the Board of Supervisors.

General Fund Commitments and Assignments of Fund Balance: From time to time, fund balance may be committed by the Board of Supervisors and/or assigned by the CAO for specific purposes. A commitment requires formal board action to establish, change or cancel while an assignment may be established, changed or cancelled by the CAO. Changing or cancelling a commitment or assignment of fund balance shall not be approved if such action would result in increased and/or unfunded costs or liabilities such as those required to fulfill existing contractual obligations or to identify alternative funding sources for the original Commitment or Assignment purpose or if such action would jeopardize the long-term fiscal sustainability of the County. Commitments and/or assignments shall not be approved if they would result in the amount of the General Fund Reserve falling below the minimum required balance.

Restoration of General Fund Reserve Minimum Balance: In the event that the General Fund Reserve falls below the minimum required balance, the CAO shall present a plan to the Board of Supervisors for restoration of the targeted levels. The plan should 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.

NOTE 22
Fund Balances Restricted for Laws or Regulations of Other Governments: Fund Purpose

At June 30, 2024, the fund balances restricted for laws or regulations of other governments: fund purpose are presented as follows:

Table 43
Fund Balances Restricted for Laws or Regulations of Other Governments: Fund Purpose
At June 30, 2024

Fund Type:	Purpose		Amount
Nonmajor Funds			
Special Revenue Funds			
Asset Forfeiture Program Fund	Law enforcement	$	16,583
Community Facilities District Funds - Other	Fire protection and suppression, emergency response, operation and maintenance of facilities, and flood control services		5,805
County Library Fund	Library services		13,465
County Low and Moderate Income Housing Asset Fund	County housing activities		4,706
County Service District Funds	Road, park lighting maintenance, fire protection and ambulance services		31,726
Edgemoor Development Fund	Edgemoor development		3,493
Harmony Grove Community Facilities District Fund	Maintenance and operation of parks and recreation services, fire protection services, emergency response, street improvements, street lighting, and flood control services		2,020
Housing Authority Low and Moderate income Housing Asset Fund	Housing Authority housing activities		111
In Home Supportive Services Public Authority Fund	In home supportive services		45
Incarcerated Peoples and Ward Welfare Program Fund	Benefit, education, and welfare of wards and incarcerated persons		14,679
Lighting Maintenance District Fund	Street and road lighting maintenance		5,492
Other Special Revenue Funds	Retracement or remonument surveys, improvements for grazing lands, wildlife propagation and aviation purposes, capital improvements and repairs, contracts administration, data collection, analysis and reporting, and responding to complaints regarding trash and trash haulers in unincorporated areas		10,792
Park Land Dedication Fund	Developing new or rehabilitating existing neighborhood or community park or recreational facilities		34,589
Total Nonmajor Funds (Special Revenue Funds)		$	143,506

NOTE 23
Fund Balances Restricted for Laws or Regulations of Other Governments: Other Purposes

At June 30, 2024, the fund balances restricted for laws or regulations of other governments: other purposes are presented as follows:

Table 44
Fund Balances Restricted for Laws or Regulations of Other Governments: Other Purposes
At June 30, 2024

Major Fund		
General Fund		
IGT behavioral health services	$	35,870
Juvenile justice crime prevention		27,189
Parole revocation hearings		20,529
Teeter tax loss		19,187
Environmental health and quality		9,795
Fingerprinting equipment purchase and operation		8,149
Vector control		8,142
Probation Department activities		4,141
Juvenile probation camp		3,678
Emergency medical services, various construction costs		3,478
Probation community transition unit activities		3,362
Domestic violence and child abuse prevention		3,321
Real estate fraud prosecution		3,210
Reimburse District Attorney's Office for the reasonable costs of investigation and prosecution of cases related to fraud schemes targeting state dollars intended for K-12 education		3,127
Rehabilitative housing and supervision services for secure track youth population		2,388
Projects, programs and services that benefit Crest - Dehesa - Harbison Canyon - Granite Hills sub-region		2,401
Parks and Recreation land acquisition, improvements, stewardship and other activities		1,967
Vehicle abatement activities		1,817
Improvement, maintenance and operation of the Waterfront Park		1,648
Pre-trial felony mental health diversion program		1,521
Sheriff law enforcement		1,408
Acquisition, rehabilitation, construction and financing of courtrooms, courtroom buildings or court facilities		1,123
Sheriff automated warrant system		1,037
Disarming prohibited persons program		880
Administration, operation and conservation of trails, paths or other facilities for off-highway motor vehicles		513
Sheriff vehicle maintenance and replacement		280
Offset costs incurred to locate and notify victims to whom restitution is owed		139
Public Defender defense of indigent cases		44
Lease or purchase of California state approved voting systems, or components of voting systems		9
Sheriff corrections training		2
Total General Fund	$	170,355
Nonmajor Funds		
Special Revenue Funds		
Flood Control District Fund		
Flood control future drainage improvements	$	30,754
Housing Authority - Other Fund		
Housing repairs and improvements		1
Total Nonmajor Special Revenue Funds	$	30,755
Total Nonmajor Funds	$	30,755
Total Fund Balances Restricted for Laws or Regulations of Other Governments: Other Purposes	$	201,110

NOTE 24
Fund Balances Committed to Other Purposes

At June 30, 2024, the fund balances committed to other purposes are presented as follows:

Table 45
Fund Balances Committed To Other Purposes
At June 30, 2024

Major Fund		
General Fund		
SB43 Program	$	15,000
Regional communication system infrastructure enhancements		12,322
San Diego behaviorial health workforce		10,000
Sheriff's Department helicopter replacement		5,161
Department of Planning and Development Services activities		3,278
Parks and Recreation land acquisition		1,751
Future purchase of agricultural conservation easements		1,266
Parks and Recreation turf replacement Sweetwater Valley		192
Parks expansion and improvements		132
Management of conduit financing programs		55
South County Shelter capital improvements		51
Capital projects or major maintenance projects		47
Workplace Justice Fund		3
Total General Fund	$	49,258

NOTE 25
Fund Balances Assigned to Other Purposes

At June 30, 2024, the fund balances assigned to other purposes are presented as follows:

Table 46
Fund Balances Assigned to Other Purposes
At June 30, 2024

Major Fund		
General Fund		
Law enforcement, detention, legal and other protection services	$	114,254
Health, mental health and social services		112,819
Planning, land use, agriculture, watershed and other public services		68,714
Park and Recreation services		16,704
Assessor/Recorder/County Clerk services		9,122
Fire protection		3,661
Maintenance		2,683
One-time labor negotiation payments		2,039
Treasurer-Tax Collector services		1,724
Integrated property tax system mainframe integration		1,337
Registrar of Voters services		866
Animal Services		50
Total General Fund	$	333,973

NOTE 26
Net Position Restricted for Laws or Regulations of Other Governments: Other Purposes

At June 30, 2024, the net position restricted for laws or regulations of other governments: other purposes is presented as follows:

Table 47
Net Position Restricted for Laws or Regulations of Other Governments: Other Purposes
At June 30, 2024

IGT behavioral health services	$	35,870
Juvenile justice crime prevention		27,189
Developing new or rehabilitating existing neighborhood or community park or recreational facilities		34,589
Parole revocation hearings		20,529
Housing Authority housing activities		20,460
Edgemoor development		18,097
Law enforcement		16,583
Benefit, education, and welfare of wards and incarcerated persons		14,679
Library services		13,465
Retracement or remonument surveys, improvements for grazing lands, wildlife propagation and aviation purposes capital improvements and repairs, contracts administration, data collection, analysis and reporting, and responding to complaints regarding trash and trash haulers in unincorporated areas		10,792
Sheriff law enforcement		10,608
Environmental health and quality		9,795
Fingerprinting equipment purchase and operation		8,149
County housing activities		5,896
Fire protection and suppression, emergency response, operation and maintenance of facilities, and flood control services		5,805
Street and road lighting maintenance		5,492
Probation Department activities		4,141
Juvenile probation camp		3,678
Emergency medical services, various construction costs		3,478
Probation community transition unit activities		3,362
Domestic violence and child abuse prevention		3,321
Real estate fraud prosecution		3,210
Reimburse District Attorney's Office for the reasonable costs of investigation and prosecution of cases related to fraud schemes targeting state dollars intended for K-12 education		3,127
Projects, programs and services that benefit Crest - Dehesa - Harbison Canyon - Granite Hills sub-region		2,401
Rehabilitative housing and supervision services for secure track youth population		2,388
Maintenance and operation of parks and recreation services, fire protection services, emergency response, street improvements, street lighting, and flood control services		2,020
Parks and Recreation land acquisition, improvements, stewardship and other activities		1,967
Vehicle abatement activities		1,817
Improvement, maintenance and operation of the Waterfront Park		1,648
Pre-trial felony mental health diversion program		1,521
Acquisition, rehabilitation, construction and financing of courtrooms, courtroom buildings or court facilities		1,123
Sheriff automated warrant system		1,037
Disarming prohibited persons program		880
Administration, operation and conservation of trails, paths or other facilities for off-highway motor vehicles		513
Sheriff vehicle maintenance and replacement		280
Offset costs incurred to locate and notify victims to whom restitution is owed		139
In home supportive services		45
Public Defender defense of indigent cases		44
Lease or purchase of California state approved voting systems, or components of voting systems		9
Sheriff's corrections training		2
Housing repairs and improvements		1
Total Net Position Restricted for Laws or Regulations of Other Governments: Other Purposes	$	300,150

NOTE 27
Risk Management

The County operates a Risk Management Program, whereby it is partially self-insured for general liability (California Government Code Section 990), self-insured for malpractice (California Government Code Section 990.9), automobile liability (California Vehicle Code Section 16020(b)(4)), and primary workers' compensation (California Code of Regulations, Title 8, Section 15203.4). The County purchases insurance coverage for all property losses, cyber liability, excess workers' compensation, excess general liability, government crime insurance, including employee dishonesty and faithful performance, aviation commercial general liability, and aircraft hull and liability insurance. Settlements in the areas covered have not exceeded insurance coverage for each of the past three fiscal years.

The County's Employee Benefits and Public Liability Insurance Internal Service Funds (ISF) are used to report all of its uninsured risk management activities. Risk management liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Actuarial evaluations were obtained which determine estimates of known and projected public liability and workers' compensation claim liabilities. These evaluations include estimates for claims incurred but not reported; allocated and unallocated loss adjustment expenses; and amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

At June 30, 2024, these liabilities discounted for anticipated investment return (public liability of 1.5% and workers' compensation of 2.5%), totaled $310.1 million, including $106.7 million in public liability and $203.4 million in workers' compensation. Changes in the balances of claim liabilities for fiscal years 2024 and 2023 are shown in **Table 48**.

Table 48
Risk Management - Changes in Claim Liabilities

		2024	2023
Employee Benefits Fund			
Unpaid claims, July 1	$	203,813	198,093
Incurred claims		35,040	38,495
Claim payments		(35,453)	(32,775)
Unpaid claims, June 30	$	203,400	203,813
Public Liability Insurance Fund			
Unpaid claims, July 1	$	137,289	103,264
Incurred claims		(23,555)	85,968
Claim payments		(6,994)	(51,943)
Unpaid claims, June 30	$	106,740	137,289

NOTE 28
Contingencies

Litigation

As of June 30, 2024 the County has recorded a liability, based on the actuarial evaluation, that could result if unfavorable final decisions are rendered in numerous lawsuits to which the County is a named defendant.

Unrecorded Leave Benefits

County employees have unrecorded accumulated benefits of approximately $292 million in sick leave, holiday and compensatory time. With the exception of sick leave for eligible employees, these benefits are not payable to employees upon termination and are normally liquidated at year-end or as employees elect to use their benefits per Civil Service rules and regulations. Accumulated vacation, sick leave, and compensatory time-off for which employees are eligible for payment upon separation have been recorded as liabilities in the appropriate proprietary funds and the government-wide statement of net position.

Federal and State Programs

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

NOTE 29
Service Concession Agreement

The County has entered a Service Concession Arrangement (SCA) with Ace Parking III, LLC (Ace Parking) in which Ace Parking provides parking management services for two County owned parking structures, the County Administration Center underground parking garage and the Cedar/Kettner parking structure. Ace Parking is specially trained and possess certain skills, experience, education and competency to perform these services more economically and efficiently than the County. The County maintains ownership of the parking structures as well as the authority to determine what services Ace Parking is required to provide, to whom Ace Parking is required to provide the services, and the prices or rates that can be charged for the services. As of June 30, 2024, the County Administration Center underground parking garage's value was $11.749 million, net of accumulated depreciation and generated $325 thousand in revenues for the year ended June 30, 2024. The Cedar/Kettner parking structure's value was $30.635 million, net of accumulated depreciation and generated $530 thousand in revenues.

NOTE 30
Joint Ventures

The San Diego Geographic Information Source (SanGIS) was created in July 1997 as a joint powers agreement between the City of San Diego and the County of San Diego. SanGIS objectives are to create and maintain a geographic information system; marketing and licensing compiled digital geographic data and software; providing technical services; and publishing geographic and land related information for the City and the County, other public agencies, and the private sector. It is governed by a Board of Directors consisting of one voting member from the City of San Diego and one from the County of San Diego. SanGIS relies mostly on an annual budget of $1.8 million contributed primarily by the City and the County to supplement its operating revenues. In its latest report, SanGIS reported a decrease in net position of $63 thousand and ending net position of $664 thousand for the fiscal year ended June 30, 2023. The financial report may be obtained by writing to SanGIS at 5530 Overland Ave., Suite 410, San Diego CA 92123 or by calling (858) 874-7000 or by E-mail at webmaster@sangis.org.

The County is a participant with 18 incorporated cities to operate the Unified San Diego County Emergency Services Organization for the purpose of providing regional planning and mutual assistance in the event of an emergency or disaster in the region. The organization is governed by the Unified Disaster Council (UDC) with the San Diego County Board of Supervisors, who serves as Chair of the Council, and a representative from each of the 18 incorporated cities. The County of San Diego Office of Emergency Services (OES) serves as staff to the UDC. OES is a liaison between the incorporated cities, the California Governor's Office of Emergency Services, the Federal Emergency Management Agency, as well as non-governmental agencies such as the American Red Cross. A contractual agreement requires that the cities and the County provide the total required funding each year; one half from the cities and the other half from the County. In its latest report, the organization reported a decrease in net position of $61 thousand and ending net position of $214 thousand for the fiscal year ended June 30, 2023. Separate financial statements may be obtained from the Office of Emergency Services, 5580 Overland Ave., Suite 100, San Diego CA 92123 or by calling (858) 565-3490 or by E-mail at oes@sdcounty.ca.gov.

The San Diego Workforce Partnership (Partnership) funds job training programs to empower job seekers to meet the current and future workforce needs of employers in San Diego County. Two boards provide oversight: The Consortium Policy Board and the Workforce Development Board (WDB). As the Workforce Partnership is a joint powers authority, the Consortium Policy Board is a partnership of the City

and County of San Diego. Members include two County Board of Supervisors, two San Diego City Council members, and a community representative (currently the United Way of San Diego). The Consortium Policy Board appoints members to, and receives recommendations from, the WDB. The two boards collaborate on a variety of funding decisions and priorities. For the fiscal year ended June 30, 2023, the Partnership reported an increase in net position of $521 thousand and ending net position of $2.7 million. Complete financial reports may be obtained by writing to the San Diego Workforce Partnership, 9246 Lightwave Ave., Suite 210, San Diego, CA 92123 or by calling (619) 228-2900.

In November 2011, the County of San Diego, which oversees the San Diego County Fire Authority, agreed to be a participant in the Heartland Fire Training Authority effective July 1, 2012. The Authority includes 10 other member agencies and was formed for the purposes of jointly equipping, maintaining, operating, and staffing to provide training of fire-fighting and emergency response personnel to member agencies. It is governed by a Commission comprised of elected officials from each member jurisdiction. The annual budget is derived from fees paid by participating agencies along with revenue generated from class offerings. In its latest report, Heartland Fire Training Authority reported a decrease in net position of $21 thousand and ending net position of $1.3 million for the fiscal year ended June 30, 2023. The financial report may be obtained by writing to Heartland Fire Training Authority at 1301 North Marshall Ave., El Cajon CA 92020 or by calling (619) 441-1683.

NOTE 31
Pension Plans

Plan Description

The County contributes to the San Diego County Employees Retirement Association pension plan (SDCERA-PP or the Plan), a cost-sharing, multiple-employer, defined benefit pension plan that is administered by the Board of Retirement of the San Diego County Employees Retirement Association (SDCERA), a public employee retirement system established by the County of San Diego (County) on July 1, 1939. SDCERA is an independent governmental entity separate and distinct from the County of San Diego. The SDCERA-PP provides retirement, disability, death and survivor benefits for its members under the County Employees Retirement Law of 1937 (Government Code Section 31450 et. seq.), the "Retirement Act".

The management of SDCERA is vested with the Board of Retirement. The Board consists of nine members and two alternates made up of member-elected representatives, Board of Supervisors-appointed representatives and the County Treasurer-Tax Collector who is elected by the general public and a member of the Board of Retirement by law. All members of the Board of Retirement serve terms of three years except for the County Treasurer-Tax Collector whose term runs concurrent with his term as County Treasurer.

Plan Membership

The participating employers in the SDCERA-PP consist of the County of San Diego; Superior Court of California - County of San Diego; Air Pollution Control District, San Dieguito River Valley Joint Powers Authority; Local Agency Formation Commission; and, the San Diego County Office of Education.

All employees of the County of San Diego and the other aforementioned participating employers working in a permanent position at least 20 hours each week are members of the SDCERA. Membership begins with the first biweekly payroll period in the month following employment. Members are vested after accruing five years of service credit.

There are separate retirement plans (types of membership) - General and Safety, under the SDCERA-PP. Safety membership is extended to those involved in active law enforcement or who otherwise qualify for Safety membership including court service officers and probation officers. All other employees are classified as General members.

The SDCERA-PP has five Tiers. Subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code Section 7522 et seq. and Assembly Bill (AB) 197, any new employee hired on or after January 1, 2013 through June 30, 2018 who became a General member, (January 1 2013 through June 30, 2020 for Safety members), was placed into Tier C; while any new employee hired on or after July 1, 2018 who became a

General member and any new employee who will be hired on or after July 1, 2020 who becomes a Safety member, is placed into Tier D. Tier C and Tier D, are the current open plans for all new General and Safety employees; Tiers I, A, and B are generally closed to new entrants but have active members. On March 8, 2002, the Board of Supervisors eliminated Tier II and established Tier A for active General Members and all non-retired Safety Members who entered on or after March 8, 2002 and before August 28, 2009. All active General Members were converted to Tier A unless they elected to opt-out during a one-time opt-out period. All active and deferred Safety Members were converted to Tier A. All deferred General Tier II Members and active Members who elected to opt out of Tier A were converted to Tier I. Both Tier I and Tier II are closed to new members.

Benefits Provided

The tiers and their basic provisions are listed in the following table:

Table 49
SDCERA - PP Tiers and Basic Provisions

Tier Name	Governing Code	Membership Effective Date	Basic Provisions	Final Average Salary Period
General Tier I	§31676.12	Before March 8, 2002 (1)	2.62% at 62; maximum 3% COLA	Highest 1 - year
General Tier A	§31676.17	March 8, 2002 to August 27, 2009	3.0% at 60; maximum 3% COLA	Highest 1 - year
General Tier B	§31676.12	August 28, 2009 to December 31, 2012	2.62% at 62; maximum 2% COLA	Highest 3 - year
General Tier C	§7522.20(a)	January 1, 2013 to June 30, 2018	2.5% at 67; maximum 2% COLA	Highest 3 - year (2)
General Tier D	§31676.01	July 1, 2018	1.62% at 65; maximum 2% COLA	Highest 3 - year (2)
Safety Tier A	§31664.1	Before August 28, 2009	3.0% at 50; maximum 3% COLA	Highest 1 - year
Safety Tier B	§31664.2	August 28, 2009 to December 31, 2012	3.0% at 55; maximum 2% COLA	Highest 3 - year
Safety Tier C	§7522.25(d)	January 1, 2013 to June 30, 2020	2.7% at 57; maximum 2% COLA	Highest 3 - year (2)
Safety Tier D	§7522.25(c)	July 1, 2020	2.5% at 57; maximum 2% COLA	Highest 3 - year (2)

(1) All general members with membership dates before March 8, 2002 who made a specific and irrevocable election to opt out of General Tier A. This also included those General Members in deferred status on March 8, 2002.

(2) PEPRA limits the amount of compensation that can be used to calculate retirement benefit for Tier C and Tier D to 100% and 120% of the 2013 Social Security taxable wage base limit for General members and Safety members, respectively. These amounts will be adjusted with price inflation starting in 2014.

General members enrolled in Tier 1, A or B are eligible to retire once they attain the age of 70 regardless of service or at age 50 (55 for Tier B) and have acquired 10 or more years of retirement service credit. A General member in Tier 1, A or B with 30 years of service is eligible to retire regardless of age. General members enrolled in General Tier C or D are eligible to retire

once they attain the age of 70 regardless of service or at age of 52, and have acquired five or more years of retirement service credit.

Safety members enrolled in Tier A or B are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A Safety member in Tier A or B with 20 years of service is eligible to retire regardless of age. Safety members enrolled in Safety Tier C or D are eligible to retire once they have attained the age of 70 regardless of service or at age of 50, and have acquired five or more years of retirement service credit.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier.

For members enrolled in Tier 1, A or B, the maximum monthly retirement allowance is 100% of final compensation. PEPRA limits the amount of compensation that can be used to calculate the retirement benefit for Tier C and Tier D to 100% of the 2013 Social Security taxable wage base limit for General Members and 120% for Safety Members. These amounts will be adjusted with price inflation starting in 2014.

The member may elect an unmodified retirement allowance, or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date. Certain surviving spouse or domestic partners may also be eligible if marriage or domestic partnership was at least two years prior to the date of death and the surviving spouse or domestic partner has attained age 55. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

The County Employees Retirement Law of 1937 (Government Code Section 31450 et seq.) assigns the County Board of Supervisors the authority to establish and amend benefit provisions.

In addition to the aforementioned retirement, disability, death and survivor benefits, SDCERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment (COLA), based upon the ratio of the past two annual Consumer Price Indices for the San Diego-Carlsbad Area (with 1982-84 as the base period), is capped at 3.0% for Tier 1 and Tier A; and capped at 2.0% for Tier B, Tier C and Tier D. The County Employees Retirement Law of 1937 (Government Code Section 31450 et seq.) assigns the SDCERA Board of Retirement authority to approve retiree members and beneficiaries cost-of-living increases.

Contributions

SDCERA-PP is a contributory plan, meaning both the member and the employer pay contributions into the system; membership and contributions are mandatory. All members are required to make contributions to SDCERA regardless of the retirement plan or tier in which they are included. The average member contribution rate as of June 30, 2024 for fiscal year 2024 was 11.75% of compensation, (not adjusted for employer pick-up of employee contributions).

The County of San Diego and the other participating agencies contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from SDCERA's actuary after the completion of the annual actuarial valuation. The average employer contribution rate for fiscal year 2024 was 50.71% (not adjusted for pick-up) of compensation.

The Retirement Act requires that County and member contributions be actuarially determined to provide a specific level of benefit. California Government Code Section 31454 (Section 31454) requires the Board of Supervisors to adjust the rates of the San Diego County employer and employee retirement contributions in accordance with the recommendations of the Board of Retirement of SDCERA (SDCERA Board). Section 31454 allows the Board of Supervisors to set (amend) the rate to a

higher rate than that recommended by the SDCERA Board, but cannot fix the rate lower than the recommended rate. Contribution rates are expressed as a percentage of covered payroll and member rates vary according to age at entry, benefit tier level and certain negotiated contracts that provide for the County to pay a portion of members' contributions.

Contributions to the Plan from the County were $813,658 for the year ended June 30, 2024.

Employer and employee contribution rates and active members for the General and Safety plans are as follows:

Table 50
Employer/Employee Contribution Rates and Active Members by Tier

	Employer Contribution Rates	Employee Contribution Rates	Active Members
General Tier I	43.23%	10.28 - 18.26%	11
General Tier A	43.23%	12.24 - 20.13%	5,932
General Tier B	43.23%	8.75 - 15.56%	1,659
General Tier C	36.74%	9.97%	4,870
General Tier D	34.11%	7.09%	6,626
Safety Tier A	64.03%	16.62 - 23.00%	1,130
Safety Tier B	64.03%	13.21 - 18.31%	408
Safety Tier C	55.83%	16.58%	1,018
Safety Tier D	54.56%	15.58%	546

SDCERA issues a publicly available financial report that includes financial statements and required supplementary information for the SDCERA-PP. The financial report may be obtained by writing to San Diego County Employees Retirement Association, 2275 Rio Bonito Way, Unit 100, San Diego, California 92108-1685 or by calling (619) 515-6800 or via the following internet address https://www.sdcera.org/about-sdcera/finance.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the County reported a liability of $5,229,772 for its proportionate share of the collective Net Pension Liability (NPL). The NPL was measured as of June 30, 2023 and was determined by rolling forward the Total Pension Liability (TPL) as of the June 30, 2022 actuarial valuation date. The NPL is equal to the difference between the TPL and the Plan's Fiduciary Net Position.

Pension amounts, including the County's proportionate share of the NPL, are determined separately for the General and Safety membership classes based on their benefit provisions, actuarial experience, receipts and expenses. The total pension liability for each membership class was calculated based on the participants in and benefits provided for the respective membership class, and the SDCERA-PP fiduciary net position was determined in proportion to the valuation of assets for each membership class. San Diego County is the sole active employer in the Safety membership class that made contributions in fiscal year 2023; therefore 100% of the NPL for the Safety membership class is allocated to San Diego County.

For the County's General membership class, actual or statutorily required contributions for the fiscal year ended June 30, 2023 were used as the basis for determining the proportion of pension amounts, including the NPL. The ratio of the County's General member contributions to the total SDCERA-PP General member contributions for all participating employers is multiplied by the SDCERA-PP total General member NPL to determine the County's proportionate share of the General membership class NPL. The County's total proportionate share is the combination of the County's Safety and General member class proportions.

At June 30, 2023, the County's proportionate share of employer contributions was approximately 94.133%, (General 91.252%, Safety 100%), which was an increase of approximately 0.537% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the County recognized pension expense of $1.086 billion.

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Table 51
Pension Deferred Outflows/Inflows

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions to the pension plan subsequent to the measurement date	$ 813,658	
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions	23,848	6,235
Changes of assumptions or other inputs	587,654	
Net difference between projected and actual earnings on pension plan investments	372,869	
Differences between expected and actual experience in the total pension liability	336,371	102,369
	$ 2,134,400	108,604

Deferred outflows of resources and deferred inflows of resources noted above represent the unamortized portion of changes to the net pension liability to be recognized in future periods in a systematic and rational manner.

Projected earnings on pension investments are recognized as a component of pension expense. The net difference between projected and actual earnings on pension plan investments is reported as a deferred outflow of resources or deferred inflow of resources and amortized as a component of pension expense on a closed basis over a five-year period, beginning with the period in which they are incurred.

Changes in proportionate share and differences between employer's contributions and proportionate share of contributions, changes of assumptions and other inputs, and differences between expected and actual experience in the total pension liability, are amortized over the average of the expected remaining service lives (service lives) of all employees that are provided with pensions through the SDCERA-PP and are recorded as a component of pension expense, beginning with the period in which they are incurred. $813,658 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Table 52
Pension Expense

Year Ending June 30	Amount
2025	$ 385,047
2026	228,701
2027	630,180
2028	(31,790)
Total	$ 1,212,138

Actuarial Assumptions

Total Pension Liability represents the portion of the actuarial present value of projected benefit payments attributable to past periods of employee service. The significant actuarial assumptions used to measure the total pension liability as of June 30, 2023 (the measurement date) are shown in the following table:

Table 53
Actuarial Assumptions

Inflation	2.50%
Salary increases	General: 3.90% to 10.50% and Safety: 4.10% to 11.75%, vary by service, including inflation and real across-the-board salary increases
Discount rate	6.50%, net of pension plan investment expense, including inflation
Cost-of-living adjustment	Maximum of 3% for Tiers I and A Maximum 2% for Tiers B, C and D
Date of last experience study	July 1, 2018 through June 30, 2021

Mortality rates for General members and all beneficiaries not currently in pay status are based on the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021. Mortality rates for beneficiaries in pay status are based on the Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021. Mortality rates for Safety members are based on the Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates

increased by 5% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021. Mortality rates for General members with a disability retirement are based on Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates decreased by 15%, projected generationally with the two-dimensional mortality improvement scale MP-2021. Mortality rates for Safety members with a disability retirement are based on Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.

The allocation of investment assets within the SDCERA portfolio is approved by the Board of Retirement. Plan assets are managed on a total return basis with a long-term objective of achieving the assumed investment rate of return.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, are shown in the following table. This information was used in the derivation of the long-term expected investment rate of return assumption for the June 30, 2022 actuarial valuation and rolled forward to the June 30, 2023 measurement period:

Table 54
Target Allocation and Projected Arithmetic Real Rates of Return for each Asset Class

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Equity	19.00%	5.40%
Small Cap Equity	3.00%	6.17%
Developed International Equity	15.00%	6.13%
Global Equity	11.50%	6.20%
Emerging Markets Equity	5.00%	8.17%
High Yield Bonds	6.40%	2.76%
Bank Loan	0.60%	2.02%
Real Estate	7.40%	4.59%
Private Equity	5.00%	10.83%
Private Credit	1.00%	5.93%
Timberland	0.80%	4.44%
Farmland - Row crops	0.70%	5.62%
Infrastructure	1.50%	6.02%
Real Estate (Non-Core)	2.60%	7.94%
Intermediate Duration Bonds - Gov't	10.30%	-0.24%
Intermediate Duration Bonds - Credit	10.20%	0.70%
Total	100%	4.80%

Discount Rate

The discount rate used to measure the total pension liability was 6.50% percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed SDCERA-PP member contributions will be made at the current contribution rates and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current SDCERA-PP members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future SDCERA-PP members and their beneficiaries, as well as projected contributions from future SDCERA-PP members, are not included. Based on those assumptions, the SDCERA-PP's net position was projected to be available to make all projected future benefit payments for current SDCERA-PP members. Therefore, the long-term expected rate of return on SDCERA-PP investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to the Changes in the Discount Rate

The following table presents the County's proportionate share of the Net Pension Liability as of June 30, 2023, calculated using the discount rate of 6.50%, as well as what the County's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

Table 55
County's Share of Net Pension Liability Discount Rate Sensitivity

	1% Decrease (5.50)	Current Discount Rate (6.50)	1% Increase (7.50)
County's proportionate share of the net pension plan liability	$ 8,059,118	$ 5,229,772	$ 2,923,043

SDCERA-PP Fiduciary Net Position

Detailed information about the SDCERA-PP fiduciary net position is available in the aforementioned SDCERA publicly available financial report.

NOTE 32
Other Postemployment Benefits
Retiree Health Plan
Plan Description

The County contributes to the SDCERA retiree health plan, (SDCERA-RHP) a cost-sharing multiple-employer defined benefit health plan administered by SDCERA. The SDCERA-RHP is administered as an Internal Revenue Code Section 401(h) account (Health Benefits 401(h) Trust) within the defined benefit pension plan under the authority granted by the Retirement Act to the SDCERA Board of Retirement. The Health Benefits 401(h) Trust was established by the SDCERA Retirement Board and the County's Board of Supervisors. The Retirement Act assigns the authority to establish and amend Health Insurance Allowance (HIA) benefits to the SDCERA Board of Retirement.

SDCERA issues a publicly available financial report that includes financial statements and required supplementary information for the SDCERA-RHP. The financial report may be obtained by writing to San Diego County Employees Retirement Association, 2275 Rio Bonito Way, Unit 100, San Diego, California 92108-1685, by calling (619) 515-6800, or via the following internet address https://www.sdcera.org/about-sdcera/finance.

Benefits Provided

The SDCERA Retirement Board approved the SDCERA-RHP HIA benefits for eligible retired Tier I and Tier II members. The SDCERA-RHP is closed to members in the other Tiers. The HIA is paid from the Health Benefits 401(h) Trust, which is pooled with total fund assets for investment purposes, and is used exclusively to fund future retired member health insurance allowances and program administration. The HIA is not a vested SDCERA benefit and is not guaranteed. It may be reduced or discontinued at any time.

The HIA may be applied to a member's insurance premiums for an SDCERA-sponsored plan or toward medical, dental, and prescription insurance premiums paid to other providers selected by the member. The allowance may not be used toward dependents' premiums, nor can it be used to cover any additional medical expenses incurred. It may not be used toward expenses for vision insurance, office visits or prescription co-payments. An allowance (or any portion of an allowance) that the retiree is unable to use, is forfeited.

Currently, an HIA benefit is paid to retired General and Safety Tier I and Tier II Members with at least 10 years of SDCERA service credit. Reciprocal service credit and purchased service credit from work in a prior public agency do not count toward the total service credit used to determine the level of allowance. The allowance increases for each year of service credit, with a maximum allowance of $400 per month available for Members with 20 or more years of SDCERA service credit. When Members become eligible for Medicare, their HIA allowance is set at $300 per month, plus reimbursement of $93.50 per month for Medicare Part B premiums.

Members who were granted a disability retirement and were determined to be totally disabled are eligible for the maximum allowance. Members with less than 10 years of service credit who were granted a disability retirement and determined to be partially disabled are eligible for the minimum allowance.

The benefit amounts for non-disabled retirees in Tiers I and II are listed in the following table:

Table 56
Benefit Amount for Non-Disabled Retires

Years of SDCERA Service Credit*	Monthly Allowance if Not Eligible for Medicare	Monthly Allowance if Eligible for Medicare
Less than 10	0	0
10	$ 200	
11	220	300
12	240	
13	260	In addition to the allowance, up to $93.50 may be reimbursed to use toward the cost of the monthly Medicare Part B Premium.
14	280	
15	300	
16	320	
17	340	
18	360	
19	380	
20 or more	$ 400	

* Members who retired on or before September 30, 1991 may be eligible for the maximum allowance.

Upon the retiree's death, the HIA may be transferred to the retiree's eligible spouse or registered domestic partner. The duration of coverage is lifetime for retiree plus continuance to an eligible surviving spouse or registered domestic partner for life. The level of HIA payable to the survivor is the same as that payable to the retiree.

Contributions

The SDCERA-RHP is funded by employer contributions that are based on an actuarial valuation, actuarially determined 20-year level dollar amortization schedule. The Actuarial Valuation of Other Postemployment Benefits (OPEB) as of June 30, 2022, established the fiscal year 2024 employer contribution rate of 1.24 percent of covered payroll which amounted to $19,212 million in required contributions made by the County. The Internal Revenue Code limits employer contributions to a 401(h) account to a maximum of 25 percent of the employer's normal cost contributions to the pension plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the County reported a liability of $45,792 for its proportionate share of the collective Net Other Postemployment Benefits Liability (NOL). The NOL was measured as of June 30, 2023 (measurement date), and determined based upon the results of the actuarial valuation as of June 30, 2023. The Plan's Fiduciary Net Position (plan assets) and the Total OPEB Liability (TOL) were also valued as of the measurement date. The NOL is equal to the difference between the TOL and the Plan's Fiduciary Net Position.

The County's proportion of the NOL, as well as its proportion of the other OPEB related deferred outflows of resources and deferred inflows of resources is determined using the employer contributions from each employer category from July 1, 2022 through June 30, 2023 as provided to the SDCERA Actuary from SDCERA. The ratio of the County's contributions to the total employer contributions is multiplied by the SDCERA-RHP total NOL to determine the County's proportionate share of the NOL. The same calculation is performed for the other OPEB related deferred outflows of resources and deferred inflows of resources.

At June 30, 2023 the County's proportionate share of the NOL was approximately 93.023%, which was an increase of approximately 0.110% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the County recognized OPEB income of $5,211.

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Table 57
OPEB Deferred Outflows/Inflows

	Deferred Outflows of Resources
Contributions to the OPEB plan subsequent to the measurement date	$ 19,212
Net difference between projected and actual earnings on OPEB plan investments	1,444
	$ 20,656

Deferred outflows of resources noted above represent the unamortized portion of changes to net OPEB liability to be recognized in future periods in a systematic and rational manner.

Projected earnings on OPEB investments are recognized as a component of OPEB expense. The net difference between projected and actual earnings on OPEB plan investments is reported as a deferred outflow of resources or deferred inflow of resources and amortized as a component of OPEB expense on a closed basis over a five-year period, beginning with the period in which they are incurred.

Changes in proportionate share and differences between employer's contributions and proportionate share of contributions, changes of assumptions and other inputs, and differences between expected and actual experience in the total OPEB liability, are amortized over the average of the expected remaining service lives (service lives) of all employees that are provided with OPEB through the SDCERA-RHP and are recorded as a component of OPEB expense, beginning with the period in which they are incurred.

$19,212 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the NOL in the year ending June 30, 2025.

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Table 58
OPEB Expense

Year Ending June 30	Amount
2025	$ 414
2026	225
2027	1,040
2028	(235)
Total	$ 1,444

Actuarial Assumptions

The TOL in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, as shown in the table below:

Table 59
Actuarial Assumptions

Inflation	2.50%
Salary increases	General: 3.90% to 10.25%, including inflation and 0.50% across the board salary increases Safety: 4.10% to 11.75%, including inflation and 0.50% across the board salary increases
Discount rate	6.50%
Health care trend	Non-Medicare: 7.25% graded to ultimate 4.50% over 11 years; Medicare: 6.50% graded to ultimate 4.50% over 8 years.
Health insurance allowance subsidy increases	0.00%

Changes in assumptions were made from the prior measurement period and included changes in Safety salary increases. Salary increases for the prior measurement period for Safety were not stated. Salary increases for the current measurement period for Safety members is 4.10% to 11.75% including inflation. The inflation rate, salary increases for General, discount rate, health care trend, and health insurance allowance subsidy increase did not change from the prior year.

Mortality rates include Post-retirement mortality rates and Pre-retirement mortality rates. Post-retirement mortality rates include healthy retirement, disabled retirement, and beneficiary retirement.

Healthy Retirement. For General members mortality rates are based on Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality

improvement scale MP-2021. For Safety Members, mortality rates are based on Pub-2010 Safety Healthy Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females) times 105% for males and 95% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Disabled Retirement. For General members, mortality rates are based on Pub-2010 Non-Safety Disabled Retiree Headcount-Weighted Mortality Table (separate tables for males and females) times 85% for males and 85% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021. For Safety members, mortality rates are based on Pub-2010 Safety Disabled Retiree Headcount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.

Beneficiary. For beneficiaries, mortality rates are based on Pub-2010 General Contingent Survivor Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.

The aforementioned mortality data reasonably reflect the mortality experience as of the measurement date. These mortality tables were adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

Pre-retirement. For General members, mortality rates are based on the Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021. For Safety members, mortality rates are based on Pub-2010 Safety Employee Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an experience study for the period from July 1, 2018 through June 30, 2021. They are the same as the assumptions used in the June 30, 2023 funding actuarial valuation for SDCERA-RHP.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each measurement class, after deducting inflation, but before deducting investment expenses, are summarized in the following table:

Table 60
Target Allocation and Projected Arithmetic Real Rates of Return for each Asset Class

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Equity	19.00%	5.40%
Small Cap Equity	3.00%	6.17%
Developed International Equity	15.00%	6.13%
Global Equity	11.50%	6.20%
Emerging Market Equity	5.00%	8.17%
High Yield Bonds	6.40%	2.76%
Bank Loan	0.60%	2.02%
Real Estate	7.40%	4.59%
Private Equity	5.00%	10.83%
Private Credit	1.00%	5.93%
Timberland	0.80%	4.44%
Farmland - Row Crops	0.70%	5.62%
Infrastructure	1.50%	6.02%
Real Estate (Non-Core)	2.60%	7.94%
Intermediate Duration Bonds - Gov't	10.30%	-0.24%
Intermediate Duration Bonds - Credit	10.20%	0.70%
Total	100%	4.80%

Discount Rate

The discount rate used to measure the TOL was 6.50% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current SDCERA-RHP members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs (if any) for future SDCERA-RHP members and their beneficiaries, as well as projected contributions (if any) from future SDCERA-RHP members, are not included. Based on those assumptions, the SDCERA-RHP's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current SDCERA-RHP members. Therefore, the long-term expected rate of return on SDCERA-RHP investments was applied to all periods of projected benefit payments to determine the TOL as of June 30, 2023.

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to the Changes in the Discount Rate and Changes in the Healthcare Cost Trend Rate

The following table presents the County's proportionate share of the Net OPEB Liability (NOL) as of June 30, 2023, calculated using the discount rate of 6.50%, as well as what the County's proportionate share of the NOL would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate; and presents the County's proportionate share of the NOL as of June 30, 2023 and what it would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Table 61
County's Share of Net OPEB Liability

Dicount Rate Sensitivity	1% Decrease (5.50%)	Current Discount Rate 6.50%)	1% Increase (7.50%)
County's proportionate share of the net OPEB plan liability	$ 52,468	45,792	39,942

Healthcare Cost Trend Rate Sensitivity	1% Decrease *	Current TrendRates*	1% Increase *
County's proportionate share of the net OPEB plan liability	$ 43,243	45,792	48,383

* Because current benefits for most members are limited by the fixed dollar health insurance allowance levels, the trend assumption has little effect on the Net OPEB Liability.

SDCERA-RHP Fiduciary Net Position

Detailed information about the SDCERA-RHP fiduciary net position is available in the aforementioned SDCERA publicly available financial report.

NOTE 33
Fund Deficits

Table 62
Fund Deficits
At June 30, 2024

Internal Service Funds:		
Facilities Management Fund	$	(35,710)
Public Liability Insurance Fund		(2,787)
Purchasing Fund		(689)

The Facilities Management and Purchasing Fund deficits of $36 million and $700 thousand respectively, resulted from adjustments attributed to reporting the County's proportionate shares of the SDCERA-PP net pension liability and the SDCERA-RHP net OPEB liability.

The Public Liability Insurance Fund deficit of $2.8 million resulted mainly from the higher than anticipated settlement payments in recent fiscal years. However, favorable resolutions in several litigation matters and the delayed resolution of several matters beyond fiscal year 2023-24 have reduced the deficit. The liability also decreased to $106.7 million from the prior year's estimate of $137.3 million. The County intends to reduce the existing deficit through increased rate charges to County departments over a 10-year period starting in fiscal year 2024-25, primarily based on the 5 year history of actual expenses by department.

NOTE 34
County of San Diego Successor Agency Private Purpose Trust Fund for Assets of Former San Diego County Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill x1 26 (the "Bill") that provided for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the County that previously had reported the San Diego County Redevelopment Agency (SDCRA) as a blended component unit.

The Bill provided that upon dissolution of a redevelopment agency, either the County or another unit of local government would agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 24, 2012, via Minute Order 14, the County Board of Supervisors designated the County as the successor agency to the SDCRA; in accordance with the Bill.

Subject to the control of an established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will continue to only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

After the date of dissolution, as allowed in the Bill, the County elected to retain the housing assets and functions previously performed by the former SDCRA. These assets and activities are accounted for in the County Low and Moderate Income Housing Asset Fund and are reported in the County's governmental fund financial statements. The remaining assets, liabilities, and activities of the dissolved SDCRA are reported in the County of San Diego Successor Agency Private Purpose Trust Fund (fiduciary fund) financial statements of the County.

Due To Other Funds

The County of San Diego Successor Agency Private Purpose Trust Fund's "Due To Other Funds" consists of outstanding loans owed to the General Fund for the Upper San Diego River Project ($1.123 million), to the Airport Enterprise Fund (AEF) for the Airport Projects ($2.737 million) and to the County Low and Moderate Income Housing Asset Fund (CLMIHAF) ($328 thousand). The loans were originally made from the General Fund and AEF to the former San Diego County Redevelopment Agency (SDCRA) but were transferred to the County of San Diego Successor Agency Private Purpose Trust Fund upon dissolution of the SDCRA on

February 1, 2012. Additionally, in fiscal year 2016, twenty percent of the then outstanding amount owed to the AEF was transferred from the AEF to the CLMIHAF, as mandated by California Health and Safety Code 34191.4. As of June 30, 2024, the interest earned on the General Fund loan accrues on the average quarterly outstanding balance, at a rate equal to the average County earned investment rate as determined by the County Treasurer. Interest earned on the AEF and CLMIHAF loans accrue at the rate mandated by Health and Safety Code 34191.4. Under California Assembly Bills ABx1 26 and AB 1484, it is expected that the County Successor Agency Private Purpose Trust Fund will pay principal and interest on the loans outstanding when funds are available for this purpose. The timing and total amount of any repayment is subject to applicable law.

NOTE 35
San Diego County Redevelopment Agency (SDCRA) Revenue Refunding Bonds

In December 2005, the San Diego County Redevelopment Agency (SDCRA) issued $16 million Revenue Refunding Bonds Series 2005A that were to mature in fiscal year 2032 but will now mature in 2030 due to the effect of making turbo payments. The SDCRA has pledged property tax increment revenues generated within the Gillespie Field Project Area to pay for the bonds. Gillespie Field Airport revenues may also be used to fund debt service payments if there are insufficient property tax increment revenues to cover a particular fiscal year's debt service requirement. Bonds are also payable from funds held under the indenture, including earnings on such funds. Pursuant to California Assembly Bill ABx1 26, the responsibility for the payment of this debt was transferred to the County of San Diego Successor Agency Private Purpose Trust Fund. The Series 2005A Bonds are not a debt of the County and are not payable out of any funds or properties other than those of the SDCRA.

Upon the occurrence of an event of default (as described in the financing documents) the principal of all of the Bonds then outstanding and the interest accrued thereon shall be immediately due and payable.

SDCRA revenue refunding bonds outstanding at June 30, 2024 were as follows:

Table 63
SDCRA Revenue Refunding Bonds

Issuance		Original Amount	Interest Rate	Final Maturity Date	Outstanding Balance at June 30, 2024
Revenue Refunding Bonds Series 2005A	$	16,000	3.65 - 5.75%	2030	4,300
Total	$	16,000			4,300

Annual debt service requirements to maturity for SDCRA bonds are as follows:

Table 64
SDCRA Revenue Refunding Bonds - Debt Service Requirements to Maturity

Fiscal Year		Principal	Interest	Total
2025	$	715	222	937
2026		755	181	936
2027		795	136	931
2028		845	89	934
2029		890	39	929
2030		300	7	307
Total		4,300	674	4,974
Less:				
Unamortized issuance discount		(14)		
Total	$	4,286		

SDCRA pledged revenue for the year ended June 30, 2024 was as follows:

Table 65
SDCRA Revenue Refunding Bonds - Pledged Revenues

Debt Pledged	Final Maturity Date	Pledged Revenue To Maturity	Fiscal Year 2024 Debt Principal & Interest Paid	Fiscal Year 2024 Pledged Revenue Received
Revenue Refunding Bonds Series 2005A	2030	$ 4,974	$ 1,529	$ 1,545

Changes in Long-Term Liabilities

Long-term liability activities for the year ended June 30, 2024 were as follows:

Table 66
SDCRA Changes in Long-Term Liabilities

	Beginning Balance at July 1, 2023	Additions	Reductions	Ending Balance at June 30, 2024	Amounts Due Within One Year
Revenue Refunding Bonds Series 2005A	$ 5,550		(1,250)	4,300	715
Unamortized issuance discounts	(16)		2	(14)	(2)
Total	$ 5,534		(1,248)	4,286	713

NOTE 36
Subsequent Events

San Diego County Capital Asset Leasing Corporation - "County of San Diego Refunding Certificates of Participation, Series 2024 (Edgemoor Refunding)"

In July 2024, the San Diego County Capital Asset Leasing Corporation issued $31.090 million of fixed rate certificates of participation titled, "County of San Diego Refunding Certificates of Participation, Series 2024 (Edgemoor Refunding)." The 2024 Certificates were issued at a 5.00% fixed rate of interest and will mature on October 1, 2029.

The 2024 Certificates were issued with a premium of $2.191 million. These certificates were issued to current refund and defease the entire outstanding County of San Diego Edgemoor and RCS Refunding Series 2014A certificates of participation.

NOTE 37
New Governmental Accounting Standards

Implementation Status

In April 2022, the GASB issued *Statement No. 99, Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

In fiscal year 2023, the County determined that some of the requirements of this statement were effective for fiscal year 2023 and were implemented in fiscal year 2023. The remaining requirements of this statement were effective for fiscal year 2024, and the County has implemented the remaining requirements for the current fiscal year.

In June 2022, the GASB issued *Statement No. 100, Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

The County has implemented this Statement for the current fiscal year.

Under Analysis

The County is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In June 2022, the GASB issued *Statement No. 101, Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

In December 2023, the GASB issued *Statement No. 102, Certain Risk Disclosures.* The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

In April 2024, the GASB issued *Statement No. 103, Financial Reporting Model Improvements.* The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

NOTE 38
San Diego County Employees Retirement Association (SDCERA)

Investments

The California Constitution and the County Employees Retirement Law of 1937 (CERL) grant the Board of Retirement (Retirement Board) exclusive control over SDCERA's Trust Fund. The CERL permits the Board to invest, or delegate the authority to invest, Trust Fund assets through the purchase, holding or sale of any form or type of investment, financial instrument, or financial transaction. All purchases and sales of investments are accounted for on a trade-date basis, and dividends declared but not received are accrued on the ex-dividend date. Realized and unrealized gains or losses of securities are determined based on fair values.

Cash and Short-Term Investments

Cash and short-term investments are cash and assets readily convertible to cash. They include funds held in bank accounts, certificates of deposit, banker's acceptances, Treasury bills, commercial paper and other money market instruments with original maturities of 90 days or less.

Valuation of Investments

SDCERA's custodian bank provides daily valuation of portfolio assets using third-party vendors or specified alternative sources that are considered reliable. The custodian bank reviews the data received from these sources for valuation accuracy. Pricing methodologies vary by asset type and are summarized next.

Equity

Exchange-traded domestic and global equities and equity option values are based on the closing price reported by the primary exchange on which the asset trades or other agreed-upon exchange. Over-the-counter (OTC) equity investments not traded on an exchange and warrants are valued based on the last bid price.

Fixed Income

Domestic and global fixed income securities with an active market and Preferred stocks are valued based on bid prices.

Private Equity and Private Real Assets

The fair value of all private equity and private real asset investments are determined based on valuations provided in good faith by the General Partners or fund managers consistent with their valuation policies. Valuation assumptions are based upon the nature of the investments and underlying businesses, and valuation techniques vary based upon investment type and involve expert judgment. Private equity and private real assets funds are subject to annual independent audit.

Real Estate

Real estate directly owned by SDCERA is held in separate accounts. Limited Partner interests are valued based on the net asset value of the partnership, which is determined by the General Partners in accordance with the partnership's valuation policies. Properties are generally valued by an independent third-party appraisal performed on a rotational one-to-three-year basis consistent with the Uniform Standards of Professional Appraisal Practice. During the interim years, real estate values are adjusted for market conditions and cash flow activities. Real estate investments held in separate accounts and Limited Partner interests are subject to an annual independent audit.

Mortgage Loans

Table 67 presents SDCERA's mortgage loans payable associated with its real estate investments as of June 30, 2024. Principal includes amortization and terminal principal payments for the loan balance as of June 30, 2024, and interest includes interest payments on the forecasted loan balances, inclusive of additional draws after June 30, 2024.

Table 67
Mortgage Loans Payable
For the fiscal year ended June 30, 2024
(In Thousands)

Fiscal year payable	Principal (1)	Interest (2)	Total
2025	$ 24,100	23,338	47,438
2026	55,991	21,467	77,458
2027	181,727	15,529	197,256
2028	114,633	8,041	122,674
2029	25,722	4,585	30,307
2030-2034	47,060	5,351	52,411
Total	$ 449,233	78,311	527,544

(1) Principal includes amortization and terminal principal payments for the loan balances as of June 30, 2024.
(2) Interest includes interest payments on the forecasted loan balances, inclusive of additional draws after June 30, 2024.

Derivative Financial Instruments

Derivatives are used in investment portfolios to gain exposure to certain assets or markets, to protect against the risk of adverse moves in asset prices or to enhance returns. SDCERA permits its investment managers to use derivatives to implement their approved investment strategies within their portfolios provided such usage does not introduce market leverage to the total Trust Fund.

SDCERA reports the fair value of derivative instruments in the Statement of Fiduciary Net Position. **Table 68** presents SDCERA's derivative instruments as reported in the Statement of Fiduciary Net Position in the domestic equity, international equity, fixed income and private equity categories as of June 30, 2024.

Table 68
Derivative Instruments Summary
As of June 30, 2024
(In Thousands)

Derivative Type	Changes in Fair Value (1)	Fair Value	Notional Value
Swaps	$ (97,680)	25,276	3,824,838
Options	470	66	
Forwards	8,192	17,369	694,853
Futures	(20,995)	1,094	647,559
Total	$ (110,013)	43,805	5,167,250

(1) All changes in the fair value of these derivatives are reported as investment income in the Statement of Changes in Fiduciary Net Position.

Swaps

Swaps are contracts by which the parties agree to exchange cash flows and usually involve exchanging a fixed cash flow for a variable cash flow. For example, one party may agree to receive a fixed interest payment in exchange for the total return of an equity index. Swaps do not trade on exchanges. **Table 69** presents SDCERA's Swaps by Type as of June 30, 2024.

Table 69
Swaps by Type
As of June 30, 2024
(In Thousands)

Type	Description/ Counterparty	Notional Value	Fair Value
Cleared Interest Rate Swaps	Chicago Mercantile Exchange Inc		5,372
Cleared Interest Rate Swaps	LCH Ltd		3,351
Cleared Zero Coupon Swaps	LCH Ltd		2,640
Total Return Swaps	BNP Paribas SA	$ 53,460	(730)
Total Return Swaps	Bank of America NA	91,668	1,560
Total Return Swaps	Citibank NA	376,908	3,170
Total Return Swaps	Goldman Sachs International	25,935	27
Total Return Swaps	HSBC Bank PLC	217,030	(5,432)
Total Return Swaps	JPMorgan Chase Bank NA	366,067	950
Total Return Swaps	Morgan Stanley & Co International PLC	541,532	(13,890)
Total Return Swaps	Nomura Securities International PLC	132,499	4,160
Total Return Swaps	Royal Bank of Canada	825,479	20,250
Total Return Swaps	TD Waterhouse Group Inc	64,238	2,020
Total Return Swaps	UBS AG/London	661,027	(2,638)
Total Return Swaps	Undefined Counterparty	468,995	4,466
Total		$ 3,824,838	25,276

Options

Options are contracts that give the buyer the right, but not the obligation, to buy or sell an asset at a pre-determined price by a specified date. While options may be privately negotiated, the majority of options are standardized contracts that trade on an exchange. **Table 70** presents SDCERA's Options by Type as of June 30, 2024.

Table 70
Options by Type
As of June 30, 2024
(In Thousands)

Type	Notional Value	Fair Value
Call		
Put	$	66
Total	$	66

Forwards

Forwards are non-standardized, binding contracts between two parties to buy and sell an asset at a specified price at a certain future date; they do not trade on an exchange. Forwards settle at the end of the contract term. **Table 71** presents SDCERA's Forward Contracts by Type as of June 30, 2024.

Table 71
Forward Contracts by Type
As of June 30, 2024
(In Thousands)

Type	Notional Value	Fair Value
Foreign Currency Forwards	$ 694,853	17,369
Total	$ 694,853	17,369

Futures

Futures are standardized, binding contracts to buy and sell an asset at a specified price by a certain date. Futures are exchange-traded and settle daily. For SDCERA, net gains and losses for the daily settlements are included in the Statement of Changes in Fiduciary Net Position. **Table 72** presents a summary of SDCERA's Futures Contracts by Type as of June 30, 2024.

Table 72
Futures Contracts by Type
As of June 30, 2024
(In Thousands)

Type	Notional Value	Fair Value
Equity Futures	$ 741,851	1,441
Fixed Income Futures	(94,292)	(347)
Total	$ 647,559	1,094

Deposits And Investments

SDCERA retains investment managers who specialize in particular asset classes and are subject to the guidelines and controls established in SDCERA's Investment Policy Statement (IPS). SDCERA contracts with The Bank of New York Mellon (BNY Mellon) to custody Plan assets.

SDCERA's Investment Philosophy is contained in the IPS and is based on Modern Portfolio Theory, which posits that a diversified portfolio with capitalization-weighted allocations to multiple asset classes will maximize Trust Fund returns and diversify against the risk of loss. Interest rate and credit risks are embedded in a capitalization-weighted portfolio, cannot be diversified away, and are observed in the expected and realized volatilities of the Trust Fund, its components, and the benchmarks. This is reviewed and reported to the Retirement Board monthly.

Any risks from deviations from the capitalization-weighted benchmarks are taken by active investment managers and these risks are captured by the expected and realized tracking error of each manager. These data are also reviewed by staff and are reported to the Retirement Board monthly at a summary level for the total Trust Fund. Chapters II.A (Investment Philosophy), III.E (Investment Manager Requirements), IV.F (Risk Measurement and Management) and G (Tracking Error), and VI.A (Asset Class Allocations, Ranges and Update Cycle) and B (Total Trust Fund Benchmarks) of the Investment Policy Statement are the formal policy statements that address these risks and overall risk management.

Highly Sensitive Investments

As of June 30, 2024, SDCERA's investments included collateralized mortgage obligations (CMO) and mortgage-backed securities totaling $270.5 million. These securities are highly sensitive to interest rate fluctuations and are subject to prepayment risk in a period of declining interest rates.

Annual Rate of Return

In FY 2024, the annual money-weighted rate of return for the Trust Fund, net of fees, was 11.2%. The money-weighted rate of return reflects investment performance, net of fees, adjusted for the timing of cash flows and the amounts invested. The money-weighted rate of return can be different than the time-weighted rate of return for the SDCERA-PP, which was 11.3%, net of fees for FY 2024.

Investment Risk

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 40, *Deposit and Investment Risk Disclosures*, investment risk disclosure is required for interest rate risk, credit risk (including custodial credit risk and concentrations of credit risk) and foreign currency risk.

Interest Rate Risk

Interest rate risk is the risk that a change in interest rates will adversely impact the fair value of an investment. In general, an investment's maturity and coupon rate affect how much its price will change as a result of fluctuations in market interest rates. Interest rate risk is monitored and managed by SDCERA's investment managers in accordance with the interest rate risk parameters specified in each manager's investment guidelines.

Table 73 presents exposure to interest rate risk in terms of maturity as of June 30, 2024.

Table 73
Investment Maturities by Type
As of June 30, 2024
(In Thousands)

Investment Type	Investment Maturities (in years) Less than 1	1 - 5	6 - 10	More than 10	Totals
Agency CMO or Mortgage-Backed	$ 27,458	95,147		78,031	200,636
Asset Backed	132,123	356,597	25,627	238	514,585
Commingled Funds	341,201	710,550	268,232	745,364	2,065,347
Convertibles	6,244	104,418			110,662
Corporates	442,150	673,466	68,044	28,054	1,211,714
Municipal	63				63
Non-Agency CMO or Mortgage-Backed	5,405			64,507	69,912
Private Placements	1,164,958	1,353,576	370,238	319,882	3,208,654
US Government Debt	187,261	439,233	205,101	267,831	1,099,426
Totals	$ 2,306,863	3,732,987	937,242	1,503,907	8,480,999

Credit Risk

Credit risk is the risk that a bond issuer or counterparty will fail to make timely interest and principal payments and thus default on its obligations. Credit risk is influenced by the issuers or counterparty's financial position and prior history of payments or defaults. Credit rating agencies evaluate borrowers' creditworthiness and issue ratings on debt issuances to designate the level of confidence that the borrower will honor its debt obligations as agreed. Credit rate risk is monitored and managed by SDCERA's investment managers in accordance with the credit rating parameters specified in each manager's investment guidelines.

Table 74 and **Table 75** present SDCERA's fixed income securities ratings by category as of June 30, 2024. Credit ratings were issued by Standard & Poor's (S&P) Global Ratings. The weighted average credit rating of Below Investment Grade assets was B.

Table 74
Credit Risk
As of June 30, 2024
(In Thousands)

Investment Type	AAA	AA	A	BBB	Below Investment Grade	Not Rated	Totals
Agency CMO or Mortgage-Backed	$ 200,636						200,636
Asset Backed	217,586	1,929	2,934		23,847	268,289	514,585
Commingled Funds	61,397	1,341,844	263,502	209,286	(39)	189,357	2,065,347
Convertibles	4,666					105,996	110,662
Corporates	14,053	75,292	552,594		493,637	76,138	1,211,714
Municipal						63	63
Non-Agency CMO or Mortgage-Backed	3,269	1,639	1,194		3,737	60,073	69,912
Private Placements	784,523	21,855	248,482		1,157,251	996,543	3,208,654
US Government Debt	1,099,426						1,099,426
Totals	$ 2,385,556	1,442,559	1,068,706	209,286	1,678,433	1,696,459	8,480,999

Table 75
Credit Risk Percentage of Holdings
As of June 30, 2024

Investment Type	AAA	AA	A	BBB	Below Investment Grade	Not Rated
Agency CMO or Mortgage-Backed	8.4%					
Asset Backed	9.1%	0.2%	0.3%		1.4%	15.8%
Commingled Funds	2.6%	93.0%	24.7%	100.0%		11.2%
Convertibles	0.2%					6.3%
Corporates	0.6%	5.2%	51.7%		29.4%	4.5%
Municipal						
Non-Agency CMO or Mortgage - Backed	0.1%	0.1%	0.1%		0.2%	3.5%
Private Placements	32.9%	1.5%	23.2%		69.0%	58.7%
U.S. Government Debt	46.1%					
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Agency Collateralized Mortgage Obligations or Mortgage-Backed Securities

Agency collateralized mortgage obligations (CMOs) or mortgage-backed securities are securities issued by an agency that use mortgages as collateral.

Asset-Backed

Asset-backed securities are securities that are collateralized by a pool of assets such as loans, leases, credit card debt, royalties or receivables.

Commingled Funds

Commingled funds are professionally managed diversified investment portfolios comprised of assets from multiple investors and managed as a single portfolio. Commingled funds are not publicly traded and participation in them is typically limited to institutional investors.

Convertibles

Convertibles are securities that can be converted into other securities under specified conditions, such as convertible bonds or preferred stock that can be converted into shares of common stock.

Corporates

Corporates refer to debt securities issued by domestic or foreign corporations.

Municipal

Municipal bonds are debt securities issued by a state, county, city, redevelopment agency, special purpose district, school district or similar entity.

Non-Agency CMOs or Mortgage-Backed Securities

Non-Agency CMOs or mortgage-backed securities are domestic and foreign securities that use mortgages as collateral but are issued by an entity other than an agency.

Private Placements

Private placements are domestic and foreign stocks or bonds sold to pre-selected investors and institutions rather than in the open market.

U.S. Government Debt

U.S. Government debt refers to fixed income securities issued by the United States of America, such as Treasury notes and bonds.

Derivative Credit Risk

Derivative instruments generally have a maturity of one year or less. **Table 76** presents counterparty credit ratings related to swaps and forward contracts in SDCERA's portfolio as of June 30, 2024. Credit ratings were issued by S&P Global Ratings.

Table 76
Credit Risk of Derivatives at Fair Value
As of June 30, 2024
(In Thousands)

Credit Rating		Swaps	Forwards
A+	$	(16,983)	15,233
A			1,194
A-			748
AA			192
AA-		31,614	2
Not Rated		10,645	
Total subject to credit risk	$	25,276	17,369

Concentration of Credit Risk

Credit risk concentration refers to the risk of loss that could occur from a disproportionately large exposure to any single credit risk, such as investing a large proportion of a portfolio's assets in a single security or in the securities of a single issuer. As of June 30, 2024, in conformance with GASB Statements No. 40 and No. 67, no single issuer exceeded 5% of SDCERA's total investments or represented 5% or more of its total net position. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments are exempt from GASB disclosure requirements.

Foreign Currency Risk

Foreign currency risk is the risk that a change in exchange rates will adversely impact the value of an investment. **Table 77** presents SDCERA's Net Exposure to Foreign Currency Risk. Foreign currency risk is monitored and managed by SDCERA's investment managers in accordance with the foreign currency exposure parameters specified in each manager's investment guidelines.

Table 77
Net Exposure to Foreign Currency Risk
As of June 30, 2024
(In Thousands)

Currency Name	Equity	Fixed Income	Foreign Exchange Contracts	Cash & Cash Equivalents	Commingled Funds	Total
Euro Currency Unit	$ 49,205	274,161	73	1,644	253,353	578,436
Japanese Yen			(17,171)	339,747	184,471	507,047
Pound Sterling		61,862	(195)	2,560	115,271	179,498
Hong Kong Dollar				23	125,312	125,335
Taiwan Dollar					116,783	116,783
Indian Rupee					115,783	115,783
Australian Dollar		20,659	135	383	67,304	88,481
Danish Krone		44,776	(3)	221	28,735	73,729
South Korean Won					71,463	71,463
Swiss Franc			(4)	788	67,319	68,103
Canadian Dollar		5,583	1	1,620	54,166	61,370
Swedish Krona					27,951	27,951
Brazilian Real				531	25,807	26,338
Saudi Riyal					22,505	22,505
Chinese Yuan Renminbi					22,023	22,023
South African Rand				2	17,055	17,057
Mexican Peso			(1)	37	12,344	12,380
Israeli Shekel				6,635	4,731	11,366
Singapore Dollar				63	10,112	10,175
Thailand Baht					9,051	9,051
Malaysian Ringgit					8,940	8,940
Indonesian Rupiah					8,930	8,930
Norwegian Krone				8	6,954	6,962
Uae Dirham					6,204	6,204
Polish Zloty				1	6,045	6,046
Turkish Lira					5,266	5,266
Qatar Rials					4,514	4,514
Chilean Peso					4,271	4,271
Philippines Peso					2,932	2,932
New Zealand Dollar			(1)	314	1,864	2,177
Other (Less Than $2 Million Holdings)			(4)	2	2,244	2,242
Total	$ 49,205	407,041	(17,170)	354,579	1,409,703	2,203,358

SDCERA also had indirect exposure to foreign currency through its investment in DFA Emerging Markets Value Portfolio (NASDAQ: DFEVX), an institutional mutual fund that invests primarily in shares of foreign equities. As of June 30, 2024, SDCERA's investment in this mutual fund totaled $113.3 million. Detailed information about the fund is available at: us.dimensional.com.

Custodial Credit Risk

Custodial credit risk is the risk of being unable to recover the value of investment or collateral securities in the possession of an outside party. Custodial credit risk is influenced by how the securities are insured and registered and where they are held. SDCERA's investments are insured, registered or held by the SDCERA-PP or its agent in the SDCERA-PP's name and therefore not exposed to custodial credit risk.

Securities Lending

SDCERA's IPS permits the SDCERA-PP to enter into securities lending transactions. SDCERA lends U.S. Government obligations, domestic and international bonds and equities to brokers with a simultaneous agreement to return collateral for the same securities plus a fee in the future. SDCERA's securities lending agent BNY Mellon manages the securities lending program and receives securities and/or cash as collateral. Cash and non-cash collateral are pledged at between 102% or 110% of the fair value of domestic securities and international securities on loan, respectively. There are no restrictions on the amount of

securities that can be loaned at one time. The term to maturity of the loaned securities is generally not matched with the term to maturity of the investment of the cash collateral. BNY Mellon is required to indemnify SDCERA if the borrowers fail to return the borrowed securities.

As of June 30, 2024, the SDCERA-PP had $982.9 million in securities on loan and held cash and non-cash collateral of $1.1 billion from borrowers.

Table 78 presents SDCERA's Securities Lending Transactions as of June 30, 2024.

Table 78
Securities Lending Transactions
As of June 30, 2024
(In Thousands)

		SDCERA Securities Lent	Cash and Non-Cash Collateral
Lent for cash collateral:			
Domestic corporate	$	106,282	108,926
Domestic equities		2,904	2,987
U.S. government debt		8,166	8,337
Exchange Traded		2,640	2,694
Lent for securities collateral:			
Domestic corporate		44,880	50,206
Domestic equities		39,090	43,130
U.S. government debt		775,936	848,617
Exchange traded		3,022	3,199
Total	$	982,920	1,068,096

BNY Mellon invests the cash collateral for securities lending in a separately managed, short-term investment account. As shown in **Table 79**, at June 30, 2024, the short-term investment account consisted of 100.2% overnight repurchase agreements and (0.2%) asset-backed securities.

Table 79
Securities Lending Investments
As of June 30, 2024
(In Thousands)

		Fair value	% of Total
Repurchase agreements	$	123,200	100.2%
Other (cash)		(256)	-0.2%
Total	$	122,944	100.0%

The time deposits and asset-backed securities were rated A by S&P Global Ratings. SDCERA does not have the ability to pledge or sell collateral securities without a borrower default. As of June 30, 2024, SDCERA had no credit risk exposure to borrowers.

Fair Value of Investments

SDCERA measures and records its investments using fair value measurement guidelines in accordance with generally accepted accounting principles. These guidelines recognize a three-level fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active markets;

Level 2: Observable inputs other than quoted market prices; and,

Level 3: Unobservable inputs.

Table 80 presents a schedule of SDCERA's Fair Value Measurements as of June 30, 2024. Values are derived from BNY Mellon and are presented based on securities classification. Amounts per asset class, when aggregated, correspond to values presented in the Statement of Fiduciary Net Position.

Table 80
Fair Value Measurements
As of June 30, 2024
(In Thousands)

	Total as of 6/30/2024	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Equity Securities:				
Domestic Equity Securities	$ 3,567,757	133,482	1,446,887	1,987,388
International Equity Securities	804,813	(54)	306,002	498,865
Total Equity Securities	4,372,570	133,428	1,752,889	2,486,253
Fixed Income Securities	9,145,288	1,392,406	7,428,739	324,143
Private Equity	192,584			192,584
Private Real Assets	77,728			77,728
Real Estate	500,174			500,174
Total Investments by Fair Value Level	14,288,344	1,525,834	9,181,628	3,580,882
Investments measured at Net Asset Value (NAV):				
Private Equity	178,877			
Private Real Assets	279,339			
Real Estate	695,899			
Total Investments measured at NAV	1,154,115			
Investments Derivative Instruments:				
Forwards	17,369		17,369	
Futures	1,094	1,094		
Options	66		66	
Swaps	25,276		25,276	
Total Investments Derivative Instruments	43,805	1,094	42,711	
Total investments Measured at Fair Value	15,486,264			
Investments Securities Lending Collateral:				
Collateral payable for securities lending	122,944		122,944	
Total Collateral from securities lending	$ 122,944		122,944	

Values derived from custodian bank and presented based on securities classification. Amounts per asset class, when aggregated, correspond to values as presented in the Statement of Fiduciary Net Position.

Fixed income and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Securities classified as Level 2 are valued using matrix pricing, market corroborated pricing and inputs such as yield curves and indices. Securities classified as Level 3 are valued using investment manager pricing for private placements, private equities and real estate.

Investments valued using the net asset value (NAV) per share or its equivalent are considered "alternative investments" and, unlike more traditional investments, generally do not have readily- obtainable market values and take the form of limited partnerships. SDCERA invests in the following alternate investments:

Private Equity Funds. These funds generally invest in illiquid, non-publicly traded equity and debt securities and partnership interests. Investments in these Limited Partnership investments are stated at fair value in accordance with U.S. generally accepted accounting principles and Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement*.

Private Real Assets Funds. These funds generally invest in agriculture, energy, infrastructure, metals and mining, and timber assets. The investments are typically illiquid and non-publicly traded.

Real Estate Funds. These funds invest both in U.S. and foreign commercial real estate. The fair values of the investments have been determined using the NAV per share or its equivalent of SDCERA-PP's ownership interest in partners' capital. Generally, these investments cannot be redeemed. Distributions from each fund are received when income is distributed or when the underlying investments in the funds are liquidated.

SDCERA values alternative investments based on the partnerships' financial statements. If June 30 statements are available, those values are used. If partnerships have fiscal years ending dates other than

June 30, the value is obtained from the most recently available valuation combined with subsequent calls and distributions.

Table 81 presents a schedule of the unfunded commitments, redemption frequency and redemption notice period for SDCERA's Alternative Investments Measured at Net Asset Value, as of June 30, 2024.

Table 81
Investments Measured at Net Assets Value (NAV)
As of June 30, 2024
(In Thousands)

		Net Asset Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Private Equity Funds	$	178,877	101,631	Not Eligible	N/A
Private Real Assets Funds		279,339	89,845	Variable	Variable
Real Estate Funds		695,898	189,499	Variable	Variable
Total Investments measured at NAV	$	1,154,114	380,975		

Commitments And Contingencies

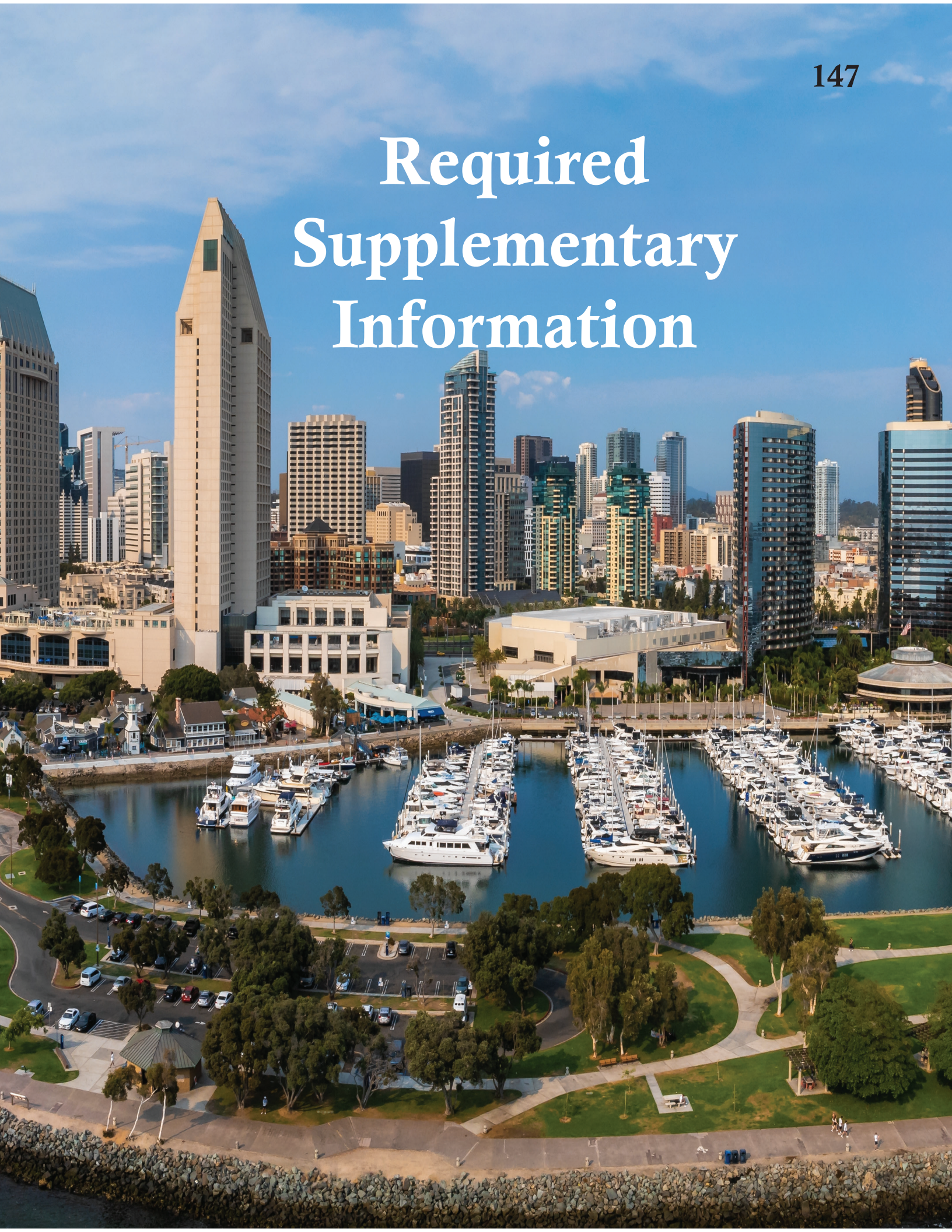
Derivative Instruments

Through certain investment managers, SDCERA is a party to derivative financial instruments. Derivative instruments include but are not limited to contracts for delayed delivery of securities, commodities or currencies in which the seller agrees to make delivery at a specified future date of a specified instrument at a specified price or yield. Risks arise from the possible inability of counterparties to meet the terms of their contract. The risk of loss from these financial instruments includes credit risk and market risk, which refers to the possibility that future changes in market prices may make such financial instruments less valuable.

Unfunded Commitments

The Statement of Fiduciary Net Position does not reflect unfunded commitments to invest in private equity funds in the amount of $101.6 million, real estate funds in the amount of $189.5 million and private real asset funds in the amount of $89.8 million. SDCERA funds these commitments from SDCERA-PP assets over multiple fiscal years.

Required Supplementary Information



Pension Plan

The schedule (in thousands) of the County's proportionate share of the San Diego County Employees Retirement Association (SDCERA) pension plan collective Net Pension Liability is shown in the table below:

Table 1
Schedule of the County's Proportionate Share of the Net Pension Liability

	Fiscal Year									
	2024*	2023*	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*
County's proportion of the net pension liability	94.133%	93.596%	93.800%	93.014%	93.750%	94.119%	93.136%	92.898%	92.827%	92.292%
County's proportionate share of the net pension liability	$ 5,229,769	5,314,913	2,246,673	4,478,532	3,790,434	3,197,900	3,433,950	3,992,748	2,593,395	1,958,456
County's covered payroll	$ 1,444,698	1,339,194	1,307,845	1,267,790	1,190,184	1,145,764	1,091,617	1,058,895	1,036,987	988,858
County's proportionate share of the net pension liability as a percentage of its covered payroll	361.997%	396.874%	171.784%	353.255%	318.480%	279.106%	314.575%	377.067%	250.089%	198.052%
Plan fiduciary net position as a percentage of the total pension liability	73.95%	71.86%	87.07%	72.83%	76.08%	78.32%	75.56%	70.48%	78.63%	82.65%

*Amounts presented above were based on the measurement periods ending June 30, 2023, June 30, 2022, June 30, 2021, June 30, 2020, June 30, 2019, June 30, 2018, June 30, 2017, June 30, 2016, June 30, 2015, and June 30, 2014, respectively.

The schedule (in thousands) of County contributions to the SDCERA pension plan is shown in the table below:

Table 2
Schedule of the County's Contributions - Net Pension Liability

	Fiscal Year									
	2024*	2023*	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*
Actuarial determined contributions	$ 782,514	616,642	589,349	578,519	523,865	485,619	465,339	386,971	354,524	356,732
Contributions in relation to the actuarially determined contribution	813,657	625,412	589,349	578,519	533,885	499,451	487,841	386,971	354,524	356,732
Contribution deficiency (excess)**	(31,143)	(8,770)	-	-	(10,020)	(13,832)	(22,502)	-	-	-
County's covered payroll	$ 1,601,398	1,444,698	1,339,194	1,307,845	1,267,790	1,190,184	1,145,764	1,091,617	1,058,595	1,036,987
Contributions as a percentage of covered payroll	50.81%	43.29%	44.01%	44.23%	42.11%	41.96%	42.58%	35.45%	33.49%	34.40%

*Amounts presented above were based on the fiscal years ended June 30, 2024, June 30, 2023, June 30, 2022, June 30, 2021, June 30, 2020, June 30, 2019, June 30, 2018, June 30, 2017, June 30, 2016, and June 30, 2015, respectively.

**Based on one-time use of over-realized general purpose revenue generated by greater-than-anticipated assessed value growth as per County Code of Administrative Ordinances Article VII, Section 113.5(b)

The 10-year schedule of annual money-weighted rate of return on pension plan investments is included in the SDCERA financial report at https://www.sdcera.org/finance_Annual_Comprehensive_Financial_Reports.htm.

See note to the required supplementary information

Changes in Assumptions

The following assumptions used to determine the Total Pension Liability have changed:

Table 3
Actuarial Assumptions

	Reporting Period: June 30, 2015	**Reporting Period: June 30,2016**
Inflation	3.25%	3.00%
Salary increases	General: 4.75% to 10.00% and Safety: 5.00% to 12.00% vary by service, including inflation.	General: 4.50% to 9.75% and Safety: 4.75% to 11.75% vary by service, including inflation.
Discount rate	7.75%, net pension plan investment expense, including inflation.	7.50%, net pension plan investment expense, including inflation.
	Reporting Period: June 30, 2016	**Reporting Period: June 30,2017**
Salary increases	General: 4.50% to 9.75% and Safety: 4.75% to 11.75% vary by service, including inflation.	General: 4.25% to 10.25% and Safety: 4.50% to 12.00% vary by service, including inflation.
Discount rate	7.50%, net pension plan investment expense, including inflation.	7.25%, net of pension plan investment expense, including inflation.
Date of last experience study	July 1, 2009 through June 30, 2012	July 1, 2012 through June 30, 2015
Mortality rates	RP-2000	RP-2014
	Reporting Period: June 30, 2019	**Reporting Period: June 30, 2020**
Inflation	3.00%	2.75%
Salary increases	General: 4.25% to 10.25% and Safety: 4.50% to 12.00% vary by service, including inflation.	General: 4.15% to 10.50% and Safety: 4.25% to 12.00% vary by service, including inflation.
Discount rate	7.25%, net of pension plan investment expense, including inflation.	7.00%, net of pension plan investment expense, including inflation.
Date of last experience study	July 1, 2012 through June 30, 2015	July 1, 2015 through June 30, 2018
Mortality rates	RP-2014	Pub-2010
	Reporting Period: June 30, 2022	**Reporting Period: June 30, 2023**
Inflation	2.75%	2.50%
Salary increases	General: 4.15% to 10.50% and Safety: 4.25% to 12.00% vary by service, including inflation.	General: 3.90% to 10.50% and Safety: 4.10% to 11.75% vary by service, including inflation.
Discount rate	7.00%, net pension plan investment expense, including inflation.	6.50%, net pension plan investment expense, including inflation.
Date of last experience study	July 1, 2015 through June 30, 2018	July 1, 2018 through June 30, 2021

OPEB Plan

The schedule (in thousands) of the County's proportionate share of the SDCERA Retiree Health Plan (RHP) collective Net OPEB Liability is shown in the table below:

Table 4
Schedule of the County's Proportionate Share of the Net OPEB Liability

	Fiscal Year						
	2024*	2023*	2022*	2021*	2020*	2019*	2018*
County's proportion of the net OPEB liability	93.023%	92.913%	93.257%	92.670%	93.396%	93.227%	92.590%
County's proportionate share of the net OPEB liability	$ 45,792	69,417	71,147	92,006	106,033	119,483	132,163
County's covered payroll	$ 1,444,698	1,339,194	1,307,845	1,267,790	1,190,184	1,145,764	1,091,617
County's proportionate share of the net OPEB liability as a percentage of its covered payroll	3.170%	5.183%	5.440%	7.257%	8.909%	10.428%	12.107%
Plan fiduciary net position as a percentage of the total OPEB liability	49.35%	32.73%	31.57%	19.70%	14.73%	10.12%	6.92%

*Amounts presented above were based on the measurement period ending June 30, 2023, June 30.2022, June 30, 2021, June 3, 2020, June 30, 2019, June 30, 2018, and June 30, 2017.

Note: This Schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

See note to the required supplementary information

The schedule (in thousands) of County contributions to the SDCERA RHP is shown in the table below:

Table 5
Schedule of the County's Contributions - OPEB

	Fiscal Year						
	2024*	2023*	2022*	2021*	2020*	2019*	2018*
Actuarial determined contributions	$ 19,212	17,116	17,008	17,611	18,472	18,892	18,229
Contributions in relation to the actuarially determined contributions	19,212	17,116	17,008	17,611	18,472	18,892	18,229
Contribution deficiency (excess)							
County's covered payroll	$ 1,601,398	1,444,698	1,339,194	1,307,845	1,267,790	1,190,184	1,145,764
Contributions as a percentage of covered payroll	1.20%	1.18%	1.27%	1.35%	1.46%	1.59%	1.59%

*Amounts presented above were based on the fiscal years ended June 30, 2024, June 30,2023, June 30, 2022, June 30, 2021, June 30, 2020, June 30, 2019 and June 30, 2018.

Note: This Schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

The 10-year schedule of annual money-weighted rate of return on RHP investments is included in the SDCERA financial report at https://www.sdcera.org/finance_Annual_Comprehensive_Financial_Reports.htm.

Changes in Assumptions

The following assumptions used to determine the Total OPEB Liability have changed:

Table 6
Actuarial Assumptions

	Reporting Period: June 30, 2018	**Reporting Period: June 30, 2019**
Salary increases	General: 4.50% to 9.75% including inflation.	General: 4.25% to 10.25% including inflation.
Healthcare trend	6.50% graded to ultimate 4.50% over 8 years.	Non-Medicare: 7.00% graded to ultimate 4.50% over 10 years; Medicare: 6.50% graded to ultimate 4.50% over 8 years.
	Reporting Period: June 30, 2019	**Reporting Period: June 30, 2020**
Inflation	3.00%	2.75%
Salary increases	General: 4.25% to 10.25% including inflation.	General: 4.15% to 10.50% including inflation.
Discount rate	7.25%	7.00%
Healthcare trend	Non-Medicare: 7.00% graded to ultimate 4.50% over 10 years; Medicare: 6.50% graded to ultimate 4.50% over 8 years.	Non-Medicare: 6.75% graded to ultimate 4.50% over 9 years; Medicare: 6.25% graded to ultimate 4.50% over 7 years.
	Reporting Period: June 30, 2021	**Reporting Period: June 30, 2022**
Healthcare trend	Non-Medicare: 6.75% graded to ultimate 4.50% over 9 years; Medicare: 6.25% graded to ultimate 4.50% over 7 years.	Non-Medicare: 7.50% graded to ultimate 4.50% over 12 years; Medicare: 6.50% graded to ultimate 4.50% over 8 years.
	Reporting Period: June 30, 2022	**Reporting Period: June 30, 2023**
Inflation	2.75%	2.50%
Salary increases	General: 4.15% to 10.50% including inflation.	General: 3.90% to 10.25% including inflation and 0.50% across the board salary increases.
Discount rate	7.00%	6.50%
Healthcare trend	Non-Medicare: 7.50% graded to ultimate 4.50% over 12 years; Medicare: 6.50% graded to ultimate 4.50% over 8 years.	Non-Medicare: 7.25% graded to ultimate 4.50% over 11 years; Medicare: 6.50% graded to ultimate 4.50% over 8 years.
	Reporting Period: June 30, 2023	**Reporting Period: June 30, 2024**
Salary increases	General: 3.90% to 10.25% including inflation and 0.50% across the board salary increases.	General: 3.90% to 10.50% including inflation and 0.50% across the board salary increases. Safety: 4.10% to 11.75% including inflation and 0.50% across the board salary increases.

See note to the required supplementary information

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024
(In Thousands)

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	$ 1,562,653	1,593,709	1,648,557
Licenses, permits and franchise fees	57,819	57,819	54,123
Fines, forfeitures and penalties	47,969	47,969	47,871
Revenue from use of money and property	49,594	49,595	131,343
Aid from other governmental agencies:			
State	1,971,299	1,992,372	1,850,171
Federal	1,583,057	1,593,753	1,334,526
Other	217,102	218,001	210,577
Charges for current services	473,645	473,902	467,107
Other	156,497	160,300	72,954
Total revenues	6,119,635	6,187,420	5,817,229
Expenditures:			
Current:			
General government:			
Assessor/recorder/county clerk - finance	61,212	67,813	54,663
Auditor and controller	34,946	35,499	34,301
Auditor and controller - information technology management services	13,540	12,621	6,198
Board of supervisors district #1	3,240	3,196	2,825
Board of supervisors district #2	3,312	3,374	3,242
Board of supervisors district #3	3,547	3,571	3,321
Board of supervisors district #4	3,085	3,286	1,904
Board of supervisors district #5	3,129	3,338	2,930
Board of supervisors general office	613	614	560
Chief administrative office - legislative and administrative	13,445	17,081	12,462
Civil service commission	624	625	612
Clerk of the board of supervisors - legislative and administrative	5,470	5,498	5,125
Community enhancement	8,119	8,136	6,066
Community projects	11,964	12,173	7,455
County communications office	5,942	5,959	5,174
County counsel	43,203	43,319	40,027
County technology office	12,761	12,776	10,244
Countywide general expense	347,214	328,591	111,373
Finance and general government - legislative and administrative	10,642	12,066	431
Finance and general government - other general	6,176	8,751	2,134
Finance and general government group - CAC major maintenance	9,066	8,778	9,260
Finance and general government group - finance	7,580	7,023	5,069
Human resources - other general government	8,699	8,936	7,146
Human resources - personnel	28,846	28,701	28,745
Land use and environment - legislative and administrative	12,331	21,657	7,457
Lease payments - bonds	54	54	1
Office of evaluation, performance and analytics	2,313		
Public safety - legislative and administrative	29,670	29,612	17,708
Public works, dept of gen	1,342	1,342	771
Registrar of voters	42,220	41,923	34,166
Treasurer - tax collector	25,674	24,951	22,734
Total general government	759,979	761,264	444,104

Continued on next page

See note to the required supplementary information

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	Original Budget	Final Budget	Actual
Public protection:			
Agriculture, weights and measures	28,431	28,859	23,224
Agriculture, weights and measures - sealer	6,490	6,101	5,773
Assessor/recorder/county clerk - other protection	32,325	25,988	18,087
Child support	53,513	53,510	47,733
Citizens law enforcement review board	1,938	1,946	1,688
Contributions for trial courts	67,446	67,796	67,630
Department of animal services	9,745	10,691	10,521
District attorney - judicial	273,361	287,276	247,576
Fire protection, Office of emergency services	84,049	83,957	71,729
Grand jury	606	779	567
Health and human services agency - public administrator/public guardian	6,029	6,028	6,615
Local agency formation commission administration	582	582	581
Medical examiner	16,506	17,926	17,228
Office of emergency services	12,385	45,518	29,158
Penalty Assessment	3,129	3,129	
Planning and development services	104,863	110,145	50,484
Probation - detention and correction	195,626	205,750	168,183
Probation - juvenile detention	78,212	78,321	79,102
Public defender	129,451	133,199	127,768
Public safety - other protection	542	542	118
Public works, flood control, soil and water, general	12,301	11,823	15,476
Sheriff - adult detention	448,994	444,106	428,335
Sheriff - detention and correction	8,827	9,033	8,926
Sheriff - other protection	3,776	3,775	3,797
Sheriff - police protection	797,090	804,475	696,092
Total public protection	2,376,217	2,441,255	2,126,391
Public ways and facilities:			
Public works, general - public ways	8,163	8,163	6,353
Total public ways and facilities	8,163	8,163	6,353
Health and sanitation:			
Environmental health and quality	64,639	64,757	56,220
Health and human services agency - drug and alcohol abuse services	200,791	212,179	205,564
Health and human services agency - health	422,163	427,267	306,485
Health and human services agency - health administration	2,353	2,352	1,660
Health and human services agency - medical care	78,661	78,662	73,637
Health and human services agency - mental health	792,110	777,223	717,117
Public works, general - sanitation	1,595	1,595	
Total health and sanitation	1,562,312	1,564,035	1,360,683

Continued on next page

See note to the required supplementary information

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	Original Budget	Final Budget	Actual
Public assistance:			
Health and human services agency - medical services	5,464	4,750	4,823
Health and human services agency - other assistance	691,706	709,576	450,416
Health and human services agency - social administration	1,156,883	1,171,390	1,143,522
Health and human services agency - veterans' services	15,852	15,912	15,104
Probation - care of court wards	14,242	10,617	6,991
Total public assistance	1,884,147	1,912,245	1,620,856
Education:			
Agriculture, weights and measures	1,059	1,059	1,073
Total education	1,059	1,059	1,073
Recreation and cultural:			
Parks and recreation	81,642	84,486	61,887
Total recreation and cultural	81,642	84,486	61,887
Capital outlay	144,642	130,290	125,582
Debt service:			
Principal	68,730	68,431	68,095
Interest	14,546	14,456	14,456
Total expenditures	6,901,437	6,985,684	5,829,480
Excess (deficiency) of revenues over (under) expenditures	(781,802)	(798,264)	(12,251)
Other financing sources (uses):			
Sale of capital assets			228
Issuance and modifications of leases:			
Leases	366	366	45,498
Issuance of subscriptions:			
Subscriptions	3,099	3,099	3,099
Transfers in	543,054	543,056	465,592
Transfers out	(754,097)	(774,153)	(310,980)
Total other financing sources (uses)	(207,578)	(227,632)	203,437
Net change in fund balances	(989,380)	(1,025,896)	191,186
Fund balances at the beginning of year	2,817,915	2,817,915	2,817,915
Increase (decrease) in nonspendable inventories		(9,351)	(9,351)
Fund balances at end of year	$ 1,828,535	1,782,668	2,999,750

See note to the required supplementary information

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC SAFETY FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Revenue from use of money and property	$			1,111
Aid from other governmental agencies:				
State		386,235	386,235	382,340
Total revenues		386,235	386,235	383,451
Expenditures:				
Current:				
Public protection:				
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures		386,235	386,235	383,451
Other financing sources (uses):				
Transfers out		(504,662)	(504,662)	(433,464)
Total other financing sources (uses)		(504,662)	(504,662)	(433,464)
Net change in fund balances		(118,427)	(118,427)	(50,013)
Fund balances at beginning of year		158,053	158,053	158,053
Fund balances at end of year	$	39,626	39,626	108,040

See note to the required supplementary information

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TOBACCO ENDOWMENT FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Revenue from use of money and property	$	1,900	1,900	4,503
Total revenues		1,900	1,900	4,503
Expenditures:				
Current:				
General government:				
Tobacco settlement		200	200	133
Total general government		200	200	133
Total expenditures		200	200	133
Excess (deficiency) of revenues over (under) expenditures		1,700	1,700	4,370
Other financing sources (uses):				
Transfers out		(15,113)	(15,113)	(15,113)
Total other financing sources (uses)		(15,113)	(15,113)	(15,113)
Net change in fund balances		(13,413)	(13,413)	(10,743)
Fund balances at beginning of year		248,066	248,066	248,066
Fund balances at end of year	$	234,653	234,653	237,323

See note to the required supplementary information

Budgetary Information

General Budget Policies

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 expenditures within departments. Annual budgets are not required to be adopted for the Tobacco Securitization Joint Special Revenue Fund; and the Debt Service and Capital Projects Funds (other governmental funds). 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.

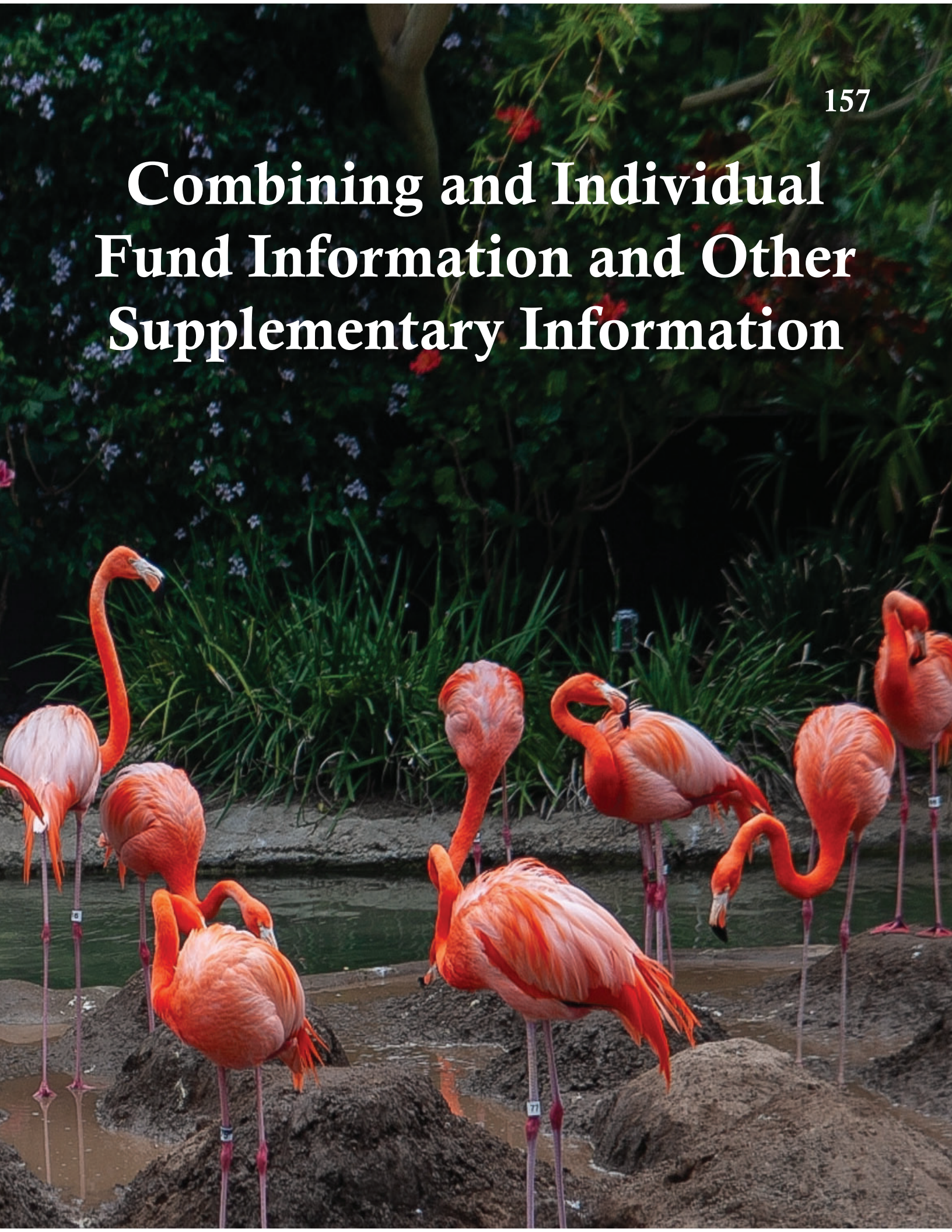
Appropriations may also be adjusted during the year with the approval of the Board of Supervisors. Additionally, the County Budget Act authorizes the Chief Administrative Officer (CAO) and/or Auditor and Controller to approve transfers within a department as long as overall appropriations of the department are not increased. Such adjustments are reflected in the final budgetary data. Accordingly, the legal level of budgetary control by the Board of Supervisors is the department level.

The schedule of revenues, expenditures, and changes in fund balance - budget and actual for the General Fund, Public Safety Fund and the Tobacco Endowment Fund that is presented as Required Supplementary Information was prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

The Original Budget consists of the adopted budget plus the budget carried forward from the prior fiscal year. Accordingly, encumbrances that are subject to automatic re-appropriation are included as part of the original budget. The County adopts its budget by June 30 of the prior fiscal year. The final budget includes the original budget plus amended budget changes occurring during the fiscal year.

The Actual column represents the actual amounts of revenue, expenditures, and other financing sources and uses reported on a GAAP basis which is the same basis that is used to present the aforementioned original and final budget.

Combining and Individual Fund Information and Other Supplementary Information



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Asset Forfeiture Program Fund

This fund was established to account for the proceeds of assets that were seized and forfeited by federal and state agencies participating in asset forfeiture programs. These programs are law enforcement initiatives that recover assets used in criminal activities and redirects such assets and the investment income derived therefrom to the support of crime victims and local law enforcement initiatives. This fund is restricted for law enforcement.

Community Facilities District Funds - Other

These funds were established to provide services such as fire protection and suppression, emergency response, operation and maintenance of the facilities, and flood control to citizens residing within that specific district. CFDs are funded by special taxes levied on citizens residing within the district. These funds are restricted for fire protection and suppression, emergency response, operation and maintenance of facilities, and flood control.

County Library Fund

This fund was established to provide library services for the unincorporated area as well as 11 of the incorporated cities within the county. Property taxes provide most of the fund's revenues; aid from other governmental agencies, grants and revenues from library services provide the remaining principal revenues. This fund is restricted for library services.

County Low and Moderate Income Housing Asset Fund

Pursuant to Health and Safety Code 34176, the County elected to assume the housing functions of the housing assets of the former San Diego County Redevelopment Agency, along with the related rights, powers, liabilities, duties and obligations. As a result, this fund was created on February 1, 2012, and the use of this fund is restricted for housing activities.

County Service District Funds

These special district funds were established to provide authorized services such as road, park, lighting maintenance, fire protection or ambulance service to specific areas in the county. They are financed by ad valorem property taxes in the area benefited or by special assessments levied on specific properties. They also derive revenue from cities and from services provided to property owners. This fund is restricted for road, park lighting maintenance, fire protection and ambulance services.

Edgemoor Development Fund

This fund was established pursuant to Board Policy F-38, which provides guidelines for the use, development and disposition of the County's 326 acres of property located in the City of Santee, known as the Edgemoor Property. Revenues are derived from the sale or lease of land within the Edgemoor property, and these revenues are to be used for the reconstruction of the Edgemoor Skilled Nursing Facility. A portion of these reconstruction costs include an annual transfer to reimburse the General Fund for annual lease payments associated with the 2014 Edgemoor Refunding COPs, which refunded the 2005 and 2006 Edgemoor COPs. Those COPs were used to fund the redevelopment of the Edgemoor Skilled Nursing Facility, which was completed in 2009. The federal reimbursements with the SB 1128 program are also deposited into this fund. This fund is restricted for Edgemoor development.

Flood Control District Fund

This fund was established to account for revenues and expenditures related to providing flood control in the county. It is financed primarily by ad valorem property taxes. This fund is restricted for flood control future drainage improvements.

Harmony Grove Community Facilities District Fund

This fund was established to account for services provided such as fire protection, emergency response, street improvements, flood control, street lighting, and

the maintenance and operation of parks for the citizens of Harmony Grove Village. It is financed by special taxes levied on the citizens residing within the district. This fund is restricted for the maintenance and operation of parks and recreation services, fire protection services, emergency response, street improvements, street lighting, and flood control service.

Housing Authority - Low and Moderate Income Housing Asset Fund

Pursuant to Health and Safety Code 34176 (b) and (b)(2), the City of Santee elected to transfer the housing functions of the Successor Agency to the Community Development Commission of the City of Santee, to the County of San Diego Housing Authority (Housing Authority). This fund was created in fiscal year 2013-14 and the use of this fund is restricted for housing activities.

Housing Authority - Other Fund

This fund was established to account for revenues and expenditures of programs administered by the Housing Authority. These programs assist individuals and families to reside in decent, safe, and sanitary housing. The U.S. Department of Housing and Urban Development (HUD) provides the majority of the funding for the Housing Authority's program expenditures.

In Home Supportive Services Public Authority Fund (IHSSPA)

This authority was established for the administration of the IHSSPA registry, investigation of the qualifications and background of potential registry personnel, referral of registry personnel to IHSSPA recipients and the provision for training of providers and recipients. IHSSPA is funded by the State's social services realignment fund, federal and state programs. The monies are initially deposited into the County's General Fund, and transferred to the IHSSPA fund. This fund is restricted for in home supportive services.

Inactive Wastesites Fund

This fund was established to receive one-time homeowner association deposits and residual funds from the sale of the County's Solid Waste System. Expenditures include repairs, maintenance and care for the County's inactive landfill sites in accordance with all applicable governmental regulations, laws and guidelines. This fund is committed to landfill postclosure and inactive landfill maintenance.

Incarcerated Peoples and Ward Welfare Program Fund

This fund was established to receive telephone and other vending proceeds from stores operated in connection with the County jails and juvenile facilities. This fund is restricted by law, primarily for the benefit, education, and welfare of wards and incarcerated persons.

Lighting Maintenance District Fund

This fund was established to provide street and road lighting services to specified areas of the county. Revenue sources include ad valorem taxes, benefit fees, state funding and charges to property owners. This fund is restricted for street and road lighting maintenance.

Other Special Revenue Funds

These funds were established to receive user fees, land lease revenues and fines. The activities (expenditures) of these funds are restricted for retracement or remonument surveys, improvements for grazing lands, wildlife propagation and aviation purposes, capital improvements and repairs, contracts administration, data collection, analysis and reporting, recycling sustainability improvements, and responding to complaints regarding trash and trash haulers in unincorporated areas.

Park Land Dedication Fund

This fund was established to receive and expend special park land dedication fees from developers of land as a condition for approval of any development. The fees may be used for the purchase of land and the development of land for active park or recreational facilities. These facilities serve the future residents of such developments and the greater county at large. In lieu of the payment of these fees, the developer may dedicate land for active park or recreational facilities. This fund is restricted, as per the Park Land Dedication Ordinance, to developing new or rehabilitating existing neighborhood or community park or recreational facilities.

Road Fund

This fund was established to provide for maintenance and construction of roadways and for specialized engineering services to other governmental units and the public. Revenues consist primarily of the County's share of state highway user taxes and are supplemented by federal funds, vehicle code fines, and fees and reimbursements for engineering services provided. This fund is restricted for future road improvements.

SANCAL Non-Capital Fund

This fund received proceeds from the sale of the Certificates of Participation, Series 2023. It was established to provide for non-capital project costs for the County Public Health Lab project and is restricted to this purpose.

Tobacco Securitization Joint Special Revenue Fund

The Tobacco Securitization Joint Special Revenue Fund accounts for the transactions of the San Diego County Tobacco Asset Securitization Corporation and Tobacco Securitization Authority of Southern California, two component units, that are blended into the County's financial statements. This fund is funded by restricted tobacco settlement revenues.

DEBT SERVICE FUNDS

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated.

Pension Obligation Bonds Fund

This fund receives payments from the County and other agencies for payment of principal and interest due on taxable pension obligation bonds. The debt issue was used to satisfy the County's requirement to amortize the unfunded actuarial accrued liability with respect to retirement benefits accruing to members of the San Diego County Employees Retirement Association. This fund is restricted for debt service.

San Diego Regional Building Authority Fund

This fund receives interest on monies invested in permissible investments as directed by each San Diego Regional Building Authority (SDRBA) financing's Trust indenture. Debt service payments made in this fund also include payments not accounted for in the County's General Fund related to SDRBA debt issuances; and are secured by interest earnings on the aforementioned permissible investments. This fund is restricted for debt service.

SANCAL Fund

This fund receives interest on monies invested in permissible investments as directed by each San Diego County Capital Asset Leasing Corporation (SANCAL) financing's Trust indenture. Debt service payments made in this fund are secured by the aforementioned interest earnings and represent payments not accounted for in the County's General Fund related to SANCAL debt issuances. This fund is restricted for debt service.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Capital Outlay Fund

This fund is used exclusively to finance the acquisition, construction and completion of permanent public improvements, including public buildings; and for the costs of acquiring land and permanent improvements. Revenues are obtained from grants; and contributions from other funds when approved by the Board of Supervisors. This fund is committed to capital projects.

Harmony Grove Community Facilities District Fund

This fund is used to account for expenditures of the Harmony Grove Village Special Tax A revenues and the proceeds from the sale of special tax bonds of the

Harmony Grove Community Facilities District No. 2008-01. The monies are used to reimburse the developer for the construction of facilities in the Harmony Grove Community Facilities District Improvement Areas 1 and 2. The fund is restricted for capital projects per the debt covenant.

SANCAL Fund

This fund is used to account for the expenditures of the proceeds from the sale of certificates of participation of the San Diego Capital Asset Leasing Corporation (SANCAL) used to pay construction costs for the County's Youth Transition Campus. This fund is restricted for capital projects per various debt covenants.

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024
(In Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Pooled cash and investments	$ 520,463	5,793	39,422	565,678
Receivables, net	186,691	70	17,259	204,020
Lease receivables	9,432			9,432
Property taxes receivables, net	1,106			1,106
Due from other funds	11,519	503	28,132	40,154
Inventories	1,477			1,477
Deposits with others	8			8
Prepaid items	432			432
Restricted assets:				
Cash with fiscal agents	246		1,444	1,690
Investments with fiscal agents	51,821	25,560	96,405	173,786
Total assets	783,195	31,926	182,662	997,783
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	33,414	455	53,738	87,607
Accrued payroll	3,358			3,358
Due to other funds	20,375	29	31,194	51,598
Unearned revenue	9,742		1,746	11,488
Total liabilities	66,889	484	86,678	154,051
DEFERRED INFLOW OF RESOURCES				
Non-pension:				
Leases	9,251			9,251
Property taxes received in advance	985			985
Unavailable revenue	152,417			152,417
Total deferred inflows of resources	162,653			162,653
FUND BALANCES				
Nonspendable:				
Not in spendable form:				
Loans, due from other funds and prepaids	432			432
Inventories and deposits with others	1,485			1,485
Restricted for:				
Creditors - Debt service	34,152	31,442		65,594
Creditors - Capital projects			95,984	95,984
Grantors - Housing assistance	11,623			11,623
Laws or regulations of other governments:				
Future road improvements	293,347			293,347
Fund purpose	143,506			143,506
Other purposes	30,755			30,755
Committed to:				
Landfill closure, postclosure and landfill maintenance	38,353			38,353
Total fund balances	553,653	31,442	95,984	681,079
Total liabilities, deferred inflows of resources and fund balances	$ 783,195	31,926	182,662	997,783

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
June 30, 2024
(In Thousands)

		Asset Forfeiture Program Fund	Community Facilities District Funds - Other	County Library Fund	County Low and Moderate Income Housing Asset Fund
ASSETS					
Pooled cash and investments	$	16,428	7,619	16,942	486
Receivables, net		193	109	1,415	5,082
Lease receivables					
Property taxes receivables, net				731	
Due from other funds			10	11	328
Inventories		145		66	
Deposits with others					
Prepaid items					3
Restricted assets:					
Cash with fiscal agents					
Investments with fiscal agents					
Total assets		16,766	7,738	19,165	5,899
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable		38	7	1,674	
Accrued payroll				1,159	
Due to other funds			1,354	1,423	
Unearned revenue			572	37	
Total liabilities		38	1,933	4,293	
DEFERRED INFLOWS OF RESOURCES					
Non-pension:					
Leases					
Property taxes received in advance				665	
Unavailable revenue				676	1,190
Total deferred inflows of resources				1,341	1,190
FUND BALANCES					
Nonspendable:					
Not in spendable form:					
Loans, due from other funds and prepaids					3
Inventories and deposits with others		145		66	
Restricted for:					
Creditors - Debt service					
Grantors - Housing assistance					
Laws or regulations of other governments:					
Future road improvements					
Fund purpose		16,583	5,805	13,465	4,706
Other purposes					
Committed to:					
Landfill postclosure and landfill maintenance					
Total fund balances		16,728	5,805	13,531	4,709
Total liabilities, deferred inflows of resources and fund balances	$	16,766	7,738	19,165	5,899

Continued on next page

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
June 30, 2024
(In Thousands)

(Continued)		County Service District Funds	Edgemoor Development Fund	Flood Control District Fund	Harmony Grove Community Facilities District Fund	Housing Authority - Low and Moderate Income Housing Asset Fund
ASSETS						
Pooled cash and investments	$	34,176	2,535	33,699	1,989	663
Receivables, net		4,181	15,405	432	26	20,356
Lease receivables		705	8,498			
Property taxes receivables, net		264		89		
Due from other funds		5,948		43		
Inventories		81		2		
Deposits with others						
Prepaid items						
Restricted assets:						
Cash with fiscal agents						
Investments with fiscal agents					6	
Total assets		45,355	26,438	34,265	2,021	21,019
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable		6,430		2,395		
Accrued payroll						
Due to other funds		5,991	14	457	1	
Unearned revenue				490		559
Total liabilities		12,421	14	3,342	1	559
DEFERRED INFLOWS OF RESOURCES						
Non-pension:						
Leases		705	8,327			
Property taxes received in advance		206		92		
Unavailable revenue		216	14,604	75		20,349
Total deferred inflows of resources		1,127	22,931	167		20,349
FUND BALANCES						
Nonspendable:						
Not in spendable form:						
Loans, due from other funds and prepaids						
Inventories and deposits with others		81		2		
Restricted for:						
Creditors - Debt service						
Grantors - Housing assistance						
Laws or regulations of other governments:						
Future road improvements						
Fund purpose		31,726	3,493		2,020	111
Other purposes				30,754		
Committed to:						
Landfill postclosure and landfill maintenance						
Total fund balances		31,807	3,493	30,756	2,020	111
Total liabilities, deferred inflows of resources and fund balances	$	45,355	26,438	34,265	2,021	21,019

Continued on next page

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
June 30, 2024
(In Thousands)

(Continued)	Housing Authority - Other Fund	In Home Supportive Services Public Authority Fund	Inactive Wastesites Fund	Incarcerated Peoples and Ward Welfare Program	Lighting Maintenance District Fund
ASSETS					
Pooled cash and investments	$ 7,404	3,962	38,772	15,806	5,490
Receivables, net	8,177	90	495	195	66
Lease receivables			229		
Property taxes receivables, net					22
Due from other funds	1,313	698	11	1,517	
Inventories				286	3
Deposits with others	8				
Prepaid items	7				
Restricted assets:					
Cash with fiscal agents	246				
Investments with fiscal agents					
Total assets	17,155	4,750	39,507	17,804	5,581
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	980	215	732	1,679	28
Accrued payroll		236	54		
Due to other funds	1,567	4,254	149	1,160	18
Unearned revenue	1,210				
Total liabilities	3,757	4,705	935	2,839	46
DEFERRED INFLOWS OF RESOURCES					
Non-pension:					
Leases			219		
Property taxes received in advance					22
Unavailable revenue	1,639				18
Total deferred inflows of resources	1,639		219		40
FUND BALANCES					
Nonspendable:					
Not in spendable form:					
Loans, due from other funds and prepaids	7				
Inventories and deposits with others	8			286	3
Restricted for:					
Creditors - Debt service	120				
Grantors - Housing assistance	11,623				
Laws or regulations of other governments:					
Future road improvements					
Fund purpose		45		14,679	5,492
Other purposes	1				
Committed to:					
Landfill postclosure and landfill maintenance			38,353		
Total fund balances	11,759	45	38,353	14,965	5,495
Total liabilities, deferred inflows of resources and fund balances	$ 17,155	4,750	39,507	17,804	5,581

Continued on next page

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
June 30, 2024
(In Thousands)

(Continued)	Other Special Revenue Funds	Park Land Dedication Fund	Road Fund	SANCAL Non-Capital Fund	Tobacco Securitization Joint Special Revenue Fund	Total Special Revenue Funds
ASSETS						
Pooled cash and investments	$ 9,249	35,625	289,618			520,463
Receivables, net	2,073	442	113,599		14,355	186,691
Lease receivables						9,432
Property taxes receivables, net						1,106
Due from other funds	26	14	1,600			11,519
Inventories			894			1,477
Deposits with others						8
Prepaid items			422			432
Restricted assets:						
Cash with fiscal agents						246
Investments with fiscal agents				17,929	33,886	51,821
Total assets	11,348	36,081	406,133	17,929	48,241	783,195
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	388	617	18,018	210	3	33,414
Accrued payroll	56		1,853			3,358
Due to other funds	111	875	3,001			20,375
Unearned revenue	1		6,873			9,742
Total liabilities	556	1,492	29,745	210	3	66,889
DEFERRED INFLOWS OF RESOURCES						
Non-pension:						
Leases						9,251
Property taxes received in advance						985
Unavailable revenue			99,444		14,206	152,417
Total deferred inflows of resources			99,444		14,206	162,653
FUND BALANCES						
Nonspendable:						
Not in spendable form:						
Loans, due from other funds and prepaids			422			432
Inventories and deposits with others			894			1,485
Restricted for:						
Creditors - Debt service					34,032	34,152
Grantors - Housing assistance						11,623
Laws or regulations of other governments:						
Future road improvements			275,628	17,719		293,347
Fund purpose	10,792	34,589				143,506
Other purposes						30,755
Committed to:						
Landfill postclosure and landfill maintenance						38,353
Total fund balances	10,792	34,589	276,944	17,719	34,032	553,653
Total liabilities, deferred inflows of resources and fund balances	$ 11,348	36,081	406,133	17,929	48,241	783,195

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS
June 30, 2024
(In Thousands)

	Pension Obligation Bonds Fund	San Diego Regional Building Authority Fund	SANCAL Fund	Total Debt Service Funds
ASSETS				
Pooled cash and investments	$ 727	4,753	313	5,793
Receivables, net	8	55	7	70
Due from other funds	503			503
Restricted assets:				
Investments with fiscal agents	669	361	24,530	25,560
Total assets	1,907	5,169	24,850	31,926
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable		455		455
Due to other funds	29			29
Total liabilities	29	455		484
FUND BALANCES				
Restricted for:				
Creditors - Debt service	1,878	4,714	24,850	31,442
Total Fund Balance	1,878	4,714	24,850	31,442
Total liabilities, deferred inflows of resources and fund balances	$ 1,907	5,169	24,850	31,926

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
June 30, 2024
(In Thousands)

	Capital Outlay Fund	SANCAL Fund	Total Capital Projects Funds
ASSETS			
Pooled cash and investments	$ 39,402	20	39,422
Receivables, net	17,259		17,259
Due from other funds	28,132		28,132
Restricted Assets:			
Cash with fiscal agents	1,444		1,444
Investment with fiscal agents		96,405	96,405
Total assets	86,237	96,425	182,662
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	53,297	441	53,738
Due to other funds	31,194		31,194
Unearned revenue	1,746		1,746
Total liabilities	86,237	441	86,678
FUND BALANCES			
Restricted for:			
Creditors - Capital projects		95,984	95,984
Total fund balances		95,984	95,984
Total liabilities, deferred inflows of resources and fund balances	$ 86,237	96,425	182,662

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	$ 85,403			85,403
Licenses, permits and franchise fees	17,657			17,657
Fines, forfeitures and penalties	2,348			2,348
Revenue from use of money and property	30,156	7,924	1,319	39,399
Aid from other governmental agencies:				
State	138,413		13,011	151,424
Federal	242,003		7,461	249,464
Other	14,783		16,735	31,518
Charges for current services	50,704		5,990	56,694
Other	42,412	4,969	395	47,776
Total revenues	623,879	12,893	44,911	681,683
Expenditures:				
Current:				
General government	5,957	5,943	3,458	15,358
Public protection	34,300			34,300
Public ways and facilities	108,326		230	108,556
Health and sanitation	44,971			44,971
Public assistance	290,627			290,627
Education	62,978			62,978
Recreation and cultural	4,134			4,134
Capital outlay	58,759		258,239	316,998
Debt service:				
Principal	18,001	66,765		84,766
Interest	15,638	17,504		33,142
Bond issuance costs		993		993
Total expenditures	643,691	91,205	261,927	996,823
Excess (deficiency) of revenues over (under) expenditures	(19,812)	(78,312)	(217,016)	(315,140)
Other financing sources (uses):				
Sale of capital assets	5,010			5,010
Face value of loans issued	1,718			1,718
Face value of bonds issued	22,811	3,420	134,679	160,910
Premium on issuance of bonds		18,781		18,781
Transfers in	59,055	75,773	178,155	312,983
Transfers out	(23,996)			(23,996)
Total other financing sources (uses)	64,598	97,974	312,834	475,406
Net change in fund balances	44,786	19,662	95,818	160,266
Fund balances at beginning of year	508,830	11,780	166	520,776
Increase (decrease) in nonspendable inventories	37			37
Fund balances at end of year	$ 553,653	31,442	95,984	681,079

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024
(In thousands)

	Asset Forfeiture Program Fund	Community Facilities District Funds Other	County Library Fund	County Low and Moderate Income Housing Asset Fund
Revenues:				
Taxes	$	3,981	50,547	
Licenses, permits and franchise fees				
Fines, forfeitures and penalties	1,825	9		
Revenue from use of money and property	699	395	787	39
Aid from other governmental agencies:				
State			433	
Federal	2,425		1,359	
Other			9,650	
Charges for current services			227	
Other			151	476
Total revenues	4,949	4,385	63,154	515
Expenditures:				
Current:				
General government				
Public protection	536	2,490		
Public ways and facilities				
Health and sanitation				
Public assistance				16
Education			62,978	
Recreation and cultural		596		
Capital outlay	57		326	
Debt service:				
Principal			647	
Interest			21	
Total expenditures	593	3,086	63,972	16
Excess (deficiency) of revenues over (under) expenditures	4,356	1,299	(818)	499
Other financing sources (uses):				
Sale of capital assets				
Face value of loans issued				
Face value of bonds issued				
Transfers in			3,014	
Transfers out	(33)	(1,320)	(1,471)	
Total other financing sources (uses)	(33)	(1,320)	1,543	
Net change in fund balances	4,323	(21)	725	499
Fund balances at beginning of year	12,419	5,826	12,805	4,210
Increase (decrease) in nonspendable inventories	(14)		1	
Fund balances at end of year	$ 16,728	5,805	13,531	4,709

Continued on next page

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024
(In thousands)

(Continued)		County Service District Funds	Edgemoor Development Fund	Flood Control District Fund	Harmony Grove Community Facilities District Fund	Housing Authority - Low and Moderate Income Housing Asset Fund
Revenues:						
Taxes	$	21,339		6,921	933	
Licenses, permits and franchise fees						
Fines, forfeitures and penalties					1	
Revenue from use of money and property		1,896	2,012	1,562	129	36
Aid from other governmental agencies:						
State		64		32		
Federal			809	14		
Other		53		48		
Charges for current services		18,019		1,138		
Other		3,117		150	60	
Total revenues		44,488	2,821	9,865	1,123	36
Expenditures:						
Current:						
General government		257	137			
Public protection		14,840		11,741		
Public ways and facilities		2,945			3,094	
Health and sanitation		23,164				
Public assistance						6
Education						
Recreation and cultural		2,820				
Capital outlay				4,847		
Debt service:						
Principal		66		36		
Interest		76				
Total expenditures		44,168	137	16,624	3,094	6
Excess (deficiency) of revenues over (under) expenditures		320	2,684	(6,759)	(1,971)	30
Other financing sources (uses):						
Sale of capital assets			5,010			
Face value of loans issued		1,718				
Face value of bonds issued						
Transfers in		7,412		20		
Transfers out		(5,271)	(8,511)			
Total other financing sources (uses)		3,859	(3,501)	20		
Net change in fund balances		4,179	(817)	(6,739)	(1,971)	30
Fund balances at beginning of year		27,627	4,310	37,497	3,991	81
Increase (decrease) in nonspendable inventories		1		(2)		
Fund balances at end of year	$	31,807	3,493	30,756	2,020	111

Continued on next page

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024
(In thousands)

(Continued)	Housing Authority - Other Fund	In Home Supportive Services Public Authority Fund	Inactive Wastesites Fund	Incarcerated Peoples and Ward Welfare Program Fund	Lighting Maintenance District Fund
Revenues:					
Taxes	$				1,682
Licenses, permits and franchise fees					
Fines, forfeitures and penalties					
Revenue from use of money and property	1,797	350	2,756	866	275
Aid from other governmental agencies:					
State					8
Federal	234,027		13		
Other	5,031				1
Charges for current services	5,915	2,372			299
Other	213		9,063	50	
Total revenues	246,983	2,722	11,832	916	2,265
Expenditures:					
Current:					
General government					
Public protection				4,644	
Public ways and facilities					1,767
Health and sanitation			17,694		
Public assistance	245,392	45,213			
Education					
Recreation and cultural					
Capital outlay				70	
Debt service:					
Principal	158	197			18
Interest	7	4			
Total expenditures	245,557	45,414	17,694	4,714	1,785
Excess (deficiency) of revenues over (under) expenditures	1,426	(42,692)	(5,862)	(3,798)	480
Other financing sources (uses):					
Sale of capital assets					
Face value of loans issued					
Face value of bonds issued					
Transfers in		42,724		4,501	
Transfers out	(143)		(173)	(972)	
Total other financing sources (uses)	(143)	42,724	(173)	3,529	
Net change in fund balances	1,283	32	(6,035)	(269)	480
Fund balances at beginning of year	10,476	13	44,388	15,174	5,087
Increase (decrease) in nonspendable inventories				60	(72)
Fund balances at end of year	$ 11,759	45	38,353	14,965	5,495

Continued on next page

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024
(In thousands)

(Continued)	Other Special Revenue Funds	Park Land Dedication Fund	Road Fund	SANCAL Non-Capital Fund	Tobacco Securitization Joint Special Revenue Fund	Total Special Revenue Funds
Revenues:						
Taxes	$					85,403
Licenses, permits and franchise fees		4,381	13,276			17,657
Fines, forfeitures and penalties	513					2,348
Revenue from use of money and property	358	1,894	12,235	247	1,823	30,156
Aid from other governmental agencies:						
State	1,009		136,867			138,413
Federal	13		3,343			242,003
Other						14,783
Charges for current services	4,861		17,873			50,704
Other			434		28,698	42,412
Total revenues	6,754	6,275	184,028	247	30,521	623,879
Expenditures:						
Current:						
General government				5,339	224	5,957
Public protection	49					34,300
Public ways and facilities			100,520			108,326
Health and sanitation	4,113					44,971
Public assistance						290,627
Education						62,978
Recreation and cultural		718				4,134
Capital outlay	38		53,421			58,759
Debt service:						
Principal			99		16,780	18,001
Interest			1		15,529	15,638
Total expenditures	4,200	718	154,041	5,339	32,533	643,691
Excess (deficiency) of revenues over (under) expenditures	2,554	5,557	29,987	(5,092)	(2,012)	(19,812)
Other financing sources (uses):						
Sale of capital assets						5,010
Face value of loans issued						1,718
Face value of bonds issued				22,811		22,811
Transfers in	14		1,370			59,055
Transfers out	(93)	(4,562)	(1,447)			(23,996)
Total other financing sources (uses)	(79)	(4,562)	(77)	22,811		64,598
Net change in fund balances	2,475	995	29,910	17,719	(2,012)	44,786
Fund balances at beginning of year	8,317	33,594	246,971		36,044	508,830
Increase (decrease) in nonspendable inventories			63			37
Fund balances at end of year	$ 10,792	34,589	276,944	17,719	34,032	553,653

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Pension Obligation Bonds Fund	San Diego Regional Building Authority Fund	SANCAL Fund	Total Debt Service Funds
Revenues:				
Revenue from use of money and property	$ 702	6,324	898	7,924
Other	4,969			4,969
Total revenues	5,671	6,324	898	12,893
Expenditures:				
Current:				
General government		5,916	27	5,943
Debt service:				
Principal	66,765			66,765
Interest	14,685	67	2,752	17,504
Bond issuance costs			993	993
Total expenditures	81,450	5,983	3,772	91,205
Excess (deficiency) of revenues over (under) expenditures	(75,779)	341	(2,874)	(78,312)
Other financing sources (uses):				
Face value of bonds issued			3,420	3,420
Premium on issuance of bonds			18,781	18,781
Transfers in	75,763	10		75,773
Total other financing sources (uses)	75,763	10	22,201	97,974
Net change in fund balances	(16)	351	19,327	19,662
Fund balances at beginning of year	1,894	4,363	5,523	11,780
Fund balances at end of year	$ 1,878	4,714	24,850	31,442

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Capital Outlay Fund	Harmony Grove Community Facilities District Fund	SANCAL Fund	Total Capital Projects Funds
Revenues:				
Revenue from use of money and property	$	9	1,310	1,319
Aid from other governmental agencies:				
State	13,011			13,011
Federal	7,461			7,461
Other	16,735			16,735
Charges for current services	5,628	362		5,990
Other	314	54	27	395
Total revenues	43,149	425	1,337	44,911
Expenditures:				
Current:				
General government	3,458			3,458
Public Ways and Facilities		230		230
Capital outlay	217,846	361	40,032	258,239
Total expenditures	221,304	591	40,032	261,927
Excess (deficiency) of revenues over (under) expenditures	(178,155)	(166)	(38,695)	(217,016)
Other financing sources (uses):				
Face value of bonds issued			134,679	134,679
Transfers in	178,155			178,155
Total other financing sources (uses)	178,155		134,679	312,834
Net change in fund balances		(166)	95,984	95,818
Fund balances at beginning of year		166		166
Fund balances at end of year	$		95,984	95,984

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET FORFEITURE PROGRAM FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Fines, forfeitures and penalties	$			1,825
Revenue from use of money and property				699
Aid from other governmental agencies:				
Federal				2,425
Total revenues				4,949
Expenditures:				
Current:				
Public protection:				
District attorney asset forfeiture program - federal		928	928	38
District attorney asset forfeiture program - state		100	100	36
District attorney asset forfeiture program - US Treasury		50	50	
Probation asset forfeiture program		100	100	
Sheriff's asset forfeiture program		1,368	1,368	90
Sheriff's asset forfeiture State		100	100	97
Sheriff's asset forfeiture US Treasury		1,000	963	275
Total public protection		3,646	3,609	536
Capital outlay		270	307	57
Total expenditures		3,916	3,916	593
Excess (deficiency) of revenues over (under) expenditures		(3,916)	(3,916)	4,356
Other financing sources (uses):				
Transfers out		(150)	(150)	(33)
Total other financing sources (uses)		(150)	(150)	(33)
Net change in fund balances		(4,066)	(4,066)	4,323
Fund balances at beginning of year		12,419	12,419	12,419
Increase (decrease) in nonspendable inventories			(14)	(14)
Fund balances at end of year	$	8,353	8,339	16,728

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY FACILITIES DISTRICT FUNDS - OTHER
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Taxes	$	4,030	4,029	3,981
Fines, forfeitures and penalties		4	4	9
Revenue from use of money and property		60	60	395
Aid from other governmental agencies:				
Other		425	425	
Total revenues		4,519	4,518	4,385
Expenditures:				
Current:				
Public protection:				
Horse Creek Ridge CFD 13-01 Special Tax C		368	397	15
Hillside Meadows Maint CFD17-01		68	69	
SDCFPD CFD 04-01 Special Tax A		5	5	
SDCFPD EOM CFD 09-01 Special Tax B		2,482	2,482	2,475
Total public protection		2,923	2,953	2,490
Recreation and cultural:				
Horse Creek Ridge CFD 13-01 Interim		574	574	220
Horse Creek Ridge CFD 13-01 Special Tax A		131	131	35
Sweetwater pl maint CFD 19-02 Special Tax		320	565	330
Piper Otay CFD 22-01 Tax A		41	41	11
Total recreation and cultural		1,066	1,311	596
Total expenditures		3,989	4,264	3,086
Excess (deficiency) of revenues over (under) expenditures		530	254	1,299
Other financing sources (uses):				
Transfers out		(1,666)	(1,667)	(1,320)
Total other financing sources (uses)		(1,666)	(1,667)	(1,320)
Net change in fund balances		(1,136)	(1,413)	(21)
Fund balances at beginning of year		5,826	5,826	5,826
Fund balances at end of year	$	4,690	4,413	5,805

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY LIBRARY FUND
For the Year Ended June 30, 2024
(In Thousands)

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	$ 46,726	46,726	50,547
Revenue from use of money and property	105	105	787
Aid from other governmental agencies:			
State	267	267	433
Federal	1,317	1,317	1,359
Other	7,010	7,010	9,650
Charges for current services	238	238	227
Other	294	294	151
Total revenues	55,957	55,957	63,154
Expenditures:			
Current:			
Education:			
County library	67,340	67,835	62,978
Total education	67,340	67,835	62,978
Capital outlay	615	365	326
Debt service:			
Principal	647	647	647
Interest	21	21	21
Total expenditures	68,623	68,868	63,972
Excess (deficiency) of revenues over (under) expenditures	(12,666)	(12,911)	(818)
Other financing sources (uses):			
Transfer In	2,827	3,014	3,014
Transfers out	(4,638)	(4,580)	(1,471)
Total other financing sources (uses)	(1,811)	(1,566)	1,543
Net change in fund balances	(14,477)	(14,477)	725
Fund balances at beginning of year	12,806	12,805	12,805
Increase (decrease) in nonspendable inventories		1	1
Fund balances at end of year	$ (1,671)	(1,671)	13,531

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY LOW AND MODERATE INCOME HOUSING ASSET FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Revenue from use of money and property	$	5	5	39
Aid from other governmental agencies:				
Other		22	22	476
Total revenues		27	27	515
Expenditures:				
Current:				
Public assistance:				
CSHAF Gillespie housing		25	25	15
CSHAF USDRIP housing		4	4	1
Total public assistance		29	29	16
Total expenditures		29	29	16
Excess (deficiency) of revenues over (under) expenditures		(2)	(2)	499
Net change in fund balances		(2)	(2)	499
Fund balances at beginning of year		4,210	4,210	4,210
Fund balances at end of year	$	4,208	4,208	4,709

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY SERVICE DISTRICT FUNDS
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Taxes	$	16,713	16,713	21,339
Revenue from use of money and property		394	394	1,896
Aid from other governmental agencies:				
State		14	14	64
Other		35	35	53
Charges for current services		10,039	17,159	18,019
Other		131	131	3,117
Total revenues		27,326	34,446	44,488
Expenditures:				
Current:				
General government:				
CSA 135 Zone B Del Mar Regional Communication System		48	48	38
CSA 135 Zone F Poway Regional Communication System		166	165	161
CSA 135 Zone H Solana Beach Regional Communication System		50	50	50
CSA 135 Zone K Borrego Springs Regional Communication System		9	9	8
Total general government		273	272	257
Public protection:				
San Diego County Fire Protection District		10,103	10,059	11,283
SDCFPD Mt Laguna		23	23	20
SDCFPD Palomar		75	75	75
SDCFPD Descanso		66	66	60
SDCFPD Dulzura		13	13	13
SDCFPD Tecate		12	12	12
SDCFPD Potrero		16	16	16
SDCFPD Jacumba		20	20	20
SDCFPD Ramona		2,600	2,600	2,600
SDCFPD Rural West		590	590	577
SDCFPD Yuima		55	55	54
SDCFPD Julian		118	118	110
Total public protection	$	13,691	13,647	14,840

Continued on next page

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY SERVICE DISTRICT FUNDS
For the Year Ended June 30, 2024
(In Thousands)
(Continued)

		Original Budget	Final Budget	Actual
Public ways and facilities:				
PRD 6 Pauma Valley	$	243	383	247
PRD 8 Magee RD-PALA		365	414	374
PRD 9 B Santa Fe		210	210	9
PRD 10 Davis Dr		37	37	5
PRD 11 A Bernardo RD		89	89	7
PRD 11 C Bernardo RD		8	8	3
PRD 11 D Bernardo RD		39	39	4
PRD 12 Lomair		114	114	4
PRD 13 A Pala Mesa		690	690	288
PRD 13 B Stewart Canyon		115	115	6
PRD 16 Wynola		131	132	10
PRD 18 Harrison Park		108	108	37
PRD 20 Daily Road		242	320	151
PRD 21 Pauma Heights		1,096	1,096	369
PRD 22 W Dougherty St		4	4	3
PRD 23 Rock Terrace RD		50	50	39
PRD 24 MT Whitney RD		87	87	3
PRD 30 Royal Oaks-Carroll		53	53	7
PRD 38 Gay Rio Terrace		77	77	7
PRD 45 Rincon Springs		42	54	22
PRD 46 Rocoso Road		185	185	6
PRD 49 Sunset Knolls Road		64	64	6
PRD 50 Knoll Park Lane		46	46	3
PRD 53 Knoll Park Lane EX		175	175	3
PRD 54 Mt Helix		117	117	6
PRD 55 Rainbow Crest		319	345	32
PRD 60 River Drive		91	91	3
PRD 61 Green Meadow Way		261	261	19
PRD 63 Hillview Road		655	655	2
PRD 70 El Camino Corto		46	46	23
PRD 75 A Gay Rio Drive		87	87	7
PRD 75 B Gay Rio Drive		114	114	93
PRD 76 Kingford Ct		35	35	2
PRD 77 Montiel Truck Trail		200	200	15
PRD 78 Gardena Way		92	117	13
PRD 80 Harris Truck Trail		256	294	129
PRD 88 East Fifth St		38	38	3
PRD 90 South Cordoba	$	54	54	4

Continued on next page

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY SERVICE DISTRICT FUNDS
For the Year Ended June 30, 2024
(In Thousands)
(Continued)

		Original Budget	Final Budget	Actual
PRD 94 Roble Grande Road	$	223	224	4
PRD 95 Valle Del Sol		380	380	11
PRD 99 Via Allondra Del Corvo		95	95	3
PRD 101 A Hi Ridge Rd		98	175	8
PRD 101 Johnson Lake		101	101	5
PRD 102 Mtn Meadow		328	328	163
PRD 103 Alto Drive		163	163	4
PRD 104 Artesian Rd		35	35	25
PRD 105 A Alta Loma Dr		105	146	14
PRD 105 Alta Loma Dr		99	164	14
PRD 106 Garrison Way ET AL		59	59	12
PRD 117 Legend Rock		614	614	344
PRD 123 Mizpah Lane		56	56	3
PRD 125 Wrightwood Road		40	40	4
PRD 126 Sandhurst Way		15	15	4
PRD 127 Singing Trails Dr		36	35	6
PRD 130 Wilkes Road		284	284	227
PRD 133 Ranch Creek Road		180	192	17
PRD 134 Kenora Lane		27	27	3
PRD 1003 Alamo Way		20	20	14
PRD 1005 Eden Valley Lane		107	107	8
PRD 1008 Canter		16	16	4
PRD 1010 Alpine Highlands		107	107	8
PRD 1011 La Cuesta		97	97	3
PRD 1012 Millar		88	88	7
PRD 1013 Singing Trails		73	73	12
PRD 1014 Lavender Pt Lane		30	30	2
PRD 1015 Landavo Drive ET AL		78	78	6
PRD 1016 El Sereno Way		137	137	29
PRD 1017 Kalbaugh-Haley-Toub St		40	40	17
Total public ways and facilities		10,366	10,930	2,945
Health and sanitation:				
CSA 17 San Dieguito Ambulance		7,849	7,819	7,502
CSA 69 Heartland Paramedics		756	1,956	1,625
PRD 122 Otay Mesa East		7	7	
PRD 136 Sundance Detention Basin		24	24	13
SDCFPD Ambulance Service Area			14,380	14,024
Total health and sanitation	$	8,636	24,186	23,164

Continued on next page

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY SERVICE DISTRICT FUNDS
For the Year Ended June 30, 2024
(In Thousands)
(Continued)

		Original Budget	Final Budget	Actual
Recreation and cultural:				
CSA 26 LMD Zone 2 Julian	$	55	57	52
CSA 26 Rancho San Diego		258	257	176
CSA 26 San Diego landscape maintenance		140	140	134
CSA 81 Fallbrook Park		273	483	479
CSA 83 San Dieguito Local Park		736	736	365
CSA 83A 4S Ranch Park		682	682	530
CSA 128 San Miguel Park		460	680	531
CSA 138 Valley Center Park		327	327	285
PRD 26 A Cottonwood Village		324	324	148
PRD 26 B Monte Vista		163	213	120
Total recreation and cultural		3,418	3,899	2,820
Debt service:				
Principal		13	99	66
Interest			81	76
Total expenditures		36,397	53,114	44,168
Excess (deficiency) of revenues over (under) expenditures		(9,071)	(18,668)	320
Other financing sources (uses):				
Face value of loans issued				1,718
Transfer In		15	7,415	7,412
Transfers out		(8,502)	(8,340)	(5,271)
Total other financing sources (uses)		(8,487)	(925)	3,859
Net change in fund balances		(17,558)	(19,593)	4,179
Fund balances at beginning of year		27,628	27,627	27,627
Increase (decrease) in nonspendable inventories			1	1
Fund balances at end of year	$	10,070	8,035	31,807

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EDGEMOOR DEVELOPMENT FUND
For the Year Ended June 30, 2024
(In Thousands)

	Original Budget	Final Budget	Actual
Revenues:			
Revenue from use of money and property	$ 389	389	2,012
Aid from other governmental agencies:			
Federal	798	798	809
Total revenues	1,187	1,187	2,821
Expenditures:			
Current:			
General government:			
Edgemoor development fund	311	311	137
Total general government	311	311	137
Total expenditures	311	311	137
Excess (deficiency) of revenues over (under) expenditures	876	876	2,684
Other financing sources (uses):			
Sale of capital assets	6,422	6,422	5,010
Transfers out	(8,521)	(8,521)	(8,511)
Total other financing sources (uses)	(2,099)	(2,099)	(3,501)
Net change in fund balances	(1,223)	(1,223)	(817)
Fund balances at beginning of year	4,310	4,310	4,310
Fund balances at end of year	$ 3,087	3,087	3,493

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FLOOD CONTROL DISTRICT FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Taxes	$	6,184	6,184	6,921
Revenue from use of money and property		113	113	1,562
Aid from other governmental agencies:				
State				32
Federal				14
Other		160	160	48
Charges for current services		275	276	1,138
Other				150
Total revenues		6,732	6,733	9,865
Expenditures:				
Current:				
Public protection:				
Flood control district		11,306	18,058	11,644
Stormwater maintenance, Blackwolf		13	13	1
Stormwater maintenance, Lake Rancho Viejo		192	191	95
Stormwater maintenance, Ponderosa Estates		13	13	1
Total public protection		11,524	18,275	11,741
Capital outlay		4,847	4,847	4,847
Debt service:				
Principal		36	36	36
Total expenditures		16,407	23,158	16,624
Excess (deficiency) of revenues over (under) expenditures		(9,675)	(16,425)	(6,759)
Other financing sources (uses):				
Transfer In		2,140	2,140	20
Total other financing sources (uses)		2,140	2,140	20
Net change in fund balances		(7,535)	(14,285)	(6,739)
Fund balances at beginning of year		37,497	37,497	37,497
Increase (decrease) in nonspendable inventories			(2)	(2)
Fund balances at end of year	$	29,962	23,210	30,756

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HARMONY GROVE COMMUNITY FACILITIES DISTRICT FUND
For the Year Ended June 30, 2024
(In Thousands)

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	$ 916	930	933
Fines, forfeitures and penalties			1
Revenue from use of money and property	13	52	129
Aid from other governmental agencies:			
Other		60	60
Total revenues	929	1,042	1,123
Expenditures:			
Current:			
Public protection:			
Harmony Grove CFD 08-01 flood control spec tax B	237	237	
Total public protection	237	237	
Public ways and facilities:			
Harmony Grove CFD 08-01 oth svcs spec tax B	385	385	64
Harmony Grove CFD 08-01 fire protection	474	492	489
Harmony Grove CFD 08-01 improvement	2,329	2,546	2,541
Total public ways and facilities	3,188	3,423	3,094
Total expenditures	3,425	3,660	3,094
Excess (deficiency) of revenues over (under) expenditures	(2,496)	(2,618)	(1,971)
Net change in fund balances	(2,496)	(2,618)	(1,971)
Fund balance at beginning of year	3,991	3,991	3,991
Fund balances at end of year	$ 1,495	1,373	2,020

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOUSING AUTHORITY - LOW AND MODERATE INCOME HOUSING ASSET FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Revenue from use of money and property	$	15	15	36
Aid from other governmental agencies:				
Other		11	11	
Total revenues		26	26	36
Expenditures:				
Current:				
Public assistance:				
Other assistance - other budgetary entity		26	26	6
Total public assistance		26	26	6
Total expenditures		26	26	6
Excess (deficiency) of revenues over (under) expenditures				30
Net change in fund balances				30
Fund balances at beginning of year		81	81	81
Fund balances at end of year	$	81	81	111

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOUSING AUTHORITY - OTHER FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Revenue from use of money and property	$	1,300	1,441	1,797
Aid from other governmental agencies:				
Federal		222,285	233,857	234,027
Other		5,189	5,404	5,031
Charges for current services		6,539	6,539	5,915
Other		2,521	2,521	213
Total revenues		237,834	249,762	246,983
Expenditures:				
Current:				
Public assistance:				
Other assistance - other budgetary entity		238,556	249,834	245,392
Total public assistance		238,556	249,834	245,392
Debt service:				
Principal		165	165	158
Interest		16	16	7
Total expenditures		238,737	250,015	245,557
Excess (deficiency) of revenues over (under) expenditures		(903)	(253)	1,426
Other financing sources (uses):				
Transfers out		(50)	(450)	(143)
Total other financing sources (uses)		(50)	(450)	(143)
Net change in fund balances		(953)	(703)	1,283
Fund balances at beginning of year		10,476	10,476	10,476
Fund balances at end of year	$	9,523	9,773	11,759

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IN HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Revenue from use of money and property	$			350
Aid from other governmental agencies:				
Charges for current services		2,053	2,053	2,372
Total revenues		2,053	2,053	2,722
Expenditures:				
Current:				
Public assistance:				
IHSS public authority		48,709	48,709	45,213
Total public assistance		48,709	48,709	45,213
Debt service:				
Principal		197	197	197
Interest		4	4	4
Total expenditures		48,910	48,910	45,414
Excess (deficiency) of revenues over (under) expenditures		(46,857)	(46,857)	(42,692)
Other financing sources (uses):				
Transfer In		46,852	46,852	42,724
Total other financing sources (uses)		46,852	46,852	42,724
Net change in fund balances		(5)	(5)	32
Fund balances at beginning of year		13	13	13
Fund balances at end of year	$	8	8	45

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INACTIVE WASTESITES FUND
For the Year Ended June 30, 2024
(In Thousands)

	Original Budget	Final Budget	Actual
Revenues:			
Revenue from use of money and property	$ 283	283	2,756
Aid from other governmental agencies:			
Federal			13
Other	11,037	18,419	9,063
Total revenues	11,320	18,702	11,832
Expenditures:			
Current:			
Health and sanitation:			
Duck pond landfill cleanup	15	15	
Inactive waste site management	10,312	17,694	17,694
Total health and sanitation	10,327	17,709	17,694
Total expenditures	10,327	17,709	17,694
Excess (deficiency) of revenues over (under) expenditures	993	993	(5,862)
Other financing sources (uses):			
Transfers out	(174)	(174)	(173)
Total other financing sources (uses)	(174)	(174)	(173)
Net change in fund balances	819	819	(6,035)
Fund balances at beginning of year	44,388	44,388	44,388
Fund balances at end of year	$ 45,207	45,207	38,353

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Incarcerated Peoples and Ward Welfare Program Fund
For the Year Ended June 30, 2024
(In Thousands)

	Original Budget	Final Budget	Actual
Revenues:			
Revenue from use of money and property	$ 150	150	866
Aid from other governmental agencies:			
Other	30	30	50
Total revenues	180	180	916
Expenditures:			
Current:			
Public protection:			
Probation inmate welfare	2	2	
Sheriff's inmate welfare - adult detention	5,895	8,532	4,644
Total public protection	5,897	8,534	4,644
Capital outlay		70	70
Total expenditures	5,897	8,604	4,714
Excess (deficiency) of revenues over (under) expenditures	(5,717)	(8,424)	(3,798)
Other financing sources (uses):			
Transfer In	2,800	5,507	4,501
Transfers out	(1,290)	(1,290)	(972)
Total other financing sources (uses)	1,510	4,217	3,529
Net change in fund balances	(4,207)	(4,207)	(269)
Fund balances at beginning of year	15,174	15,174	15,174
Increase (decrease) in nonspendable inventories		60	60
Fund balances at end of year	$ 10,967	11,027	14,965

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LIGHTING MAINTENANCE DISTRICT FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Taxes	$	1,385	1,385	1,682
Revenue from use of money and property		50	50	275
Aid from other governmental agencies:				
State		8	8	8
Other				1
Charges for current services		281	281	299
Total revenues		1,724	1,724	2,265
Expenditures:				
Current:				
Public ways and facilities:				
San Diego lighting maintenance		2,654	2,654	1,767
Total public ways and facilities		2,654	2,654	1,767
Debt service:				
Principal		18	18	18
Total expenditures		2,672	2,672	1,785
Excess (deficiency) of revenues over (under) expenditures		(948)	(948)	480
Net change in fund balances		(948)	(948)	480
Fund balances at beginning of year		5,087	5,087	5,087
Increase (decrease) in nonspendable inventories			(72)	(72)
Fund balances at end of year	$	4,139	4,067	5,495

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Original Budget	Final Budget	Actual
Revenues:			
Fines, forfeitures and penalties	$ 96	96	513
Revenue from use of money and property			358
Aid from other governmental agencies:			
State	262	262	1,009
Federal	100	100	13
Charges for current services	4,988	4,988	4,861
Total revenues	5,446	5,446	6,754
Expenditures:			
Current:			
Public protection:			
Agriculture, weights and measures - fish and game	28	46	42
Public works, survey	270	270	7
Total public protection	298	316	49
Health and sanitation:			
Sanitation - waste planning and recycling	6,674	6,650	4,113
Total health and sanitation	6,674	6,650	4,113
Capital outlay		38	38
Total expenditures	6,972	7,004	4,200
Excess (deficiency) of revenues over (under) expenditures	(1,526)	(1,558)	2,554
Other financing sources (uses):			
Transfers in		14	14
Transfers out	(95)	(95)	(93)
Total other financing sources (uses)	(95)	(81)	(79)
Net change in fund balances	(1,621)	(1,639)	2,475
Fund balances at beginning of year	8,317	8,317	8,317
Fund balances at end of year	$ 6,696	6,678	10,792

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARK LAND DEDICATION FUN
For the Year Ended June 30, 2024
(In Thousands)

	Original Budget	Final Budget	Actual
Revenues:			
Licenses, permits and franchise fees	$ 2,500	2,500	4,381
Revenue from use of money and property	301	301	1,894
Aid from other governmental agencies:			
Total revenues	2,801	2,801	6,275
Expenditures:			
Current:			
Recreation and cultural:			
PLD administrative fee	751	751	46
Local Park Planning Area 4 Lincoln Acres	2,014	2,014	
Local Park Planning Area 15 Sweetwater	2	2	
Local Park Planning Area 20 Spring Valley	1	1	
Local Park Planning Area 25 Lakeside	5	5	
Local Park Planning Area 26 Crest	1	1	
Local Park Planning Area 27 Alpine	4	4	
Local Park Planning Area 28 Ramona	12	912	669
Local Park Planning Area 29 Escondido	1	1	
Local Park Planning Area 30 San Marcos	2	2	
Local Park Planning Area 31 San Dieguito	2	2	
Local Park Planning Area 32 Carlsbad	2	2	
Local Park Planning Area 35 Fallbrook	11	11	
Local Park Planning Area 36 Bonsall	4	4	
Local Park Planning Area 37 Vista	1	1	
Local Park Planning Area 38 Valley Center	40	40	2
Local Park Planning Area 39 Pauma	1	1	
Local Park Planning Area 40 Palomar-Julian	332	332	
Local Park Planning Area 41 Mount Empire	1	1	
Local Park Planning Area 42 Anza-Borrego	1	1	1
Local Park Planning Area 45 Valle de Oro	1	1	
Total recreation and cultural	3,189	4,089	718
Total expenditures	3,189	4,089	718
Excess (deficiency) of revenues over (under) expenditures	(388)	(1,288)	5,557
Other financing sources (uses):			
Transfers out	(13,305)	(16,735)	(4,562)
Total other financing sources (uses)	(13,305)	(16,735)	(4,562)
Net change in fund balances	(13,693)	(18,023)	995
Fund balances at beginning of year	33,594	33,594	33,594
Fund balances at end of year	$ 19,901	15,571	34,589

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Licenses, permits and franchise fees	$	6,000	6,000	13,276
Revenue from use of money and property		1,565	1,565	12,235
Aid from other governmental agencies:				
State		166,808	166,809	136,867
Federal		21,402	23,476	3,343
Charges for current services		16,872	16,872	17,873
Other		269	269	434
Total revenues		212,916	214,991	184,028
Expenditures:				
Current:				
Public ways and facilities:				
Public works, road		314,806	324,252	100,520
Total public ways and facilities		314,806	324,252	100,520
Capital outlay		52,932	53,547	53,421
Debt Service:				
Principal				99
Interest				1
Total expenditures		367,738	377,799	154,041
Excess (deficiency) of revenues over (under) expenditures		(154,822)	(162,808)	29,987
Other financing sources (uses):				
Transfer In		7,966	8,238	1,370
Transfers out		(1,453)	(1,453)	(1,447)
Total other financing sources (uses)		6,513	6,785	(77)
Net change in fund balances		(148,309)	(156,023)	29,910
Fund Balances at the beginning of year		246,971	246,971	246,971
Increase (decrease) in nonspendable inventories			63	63
Fund balances at end of year	$	98,662	91,011	276,944

NONMAJOR ENTERPRISE FUNDS

Jail Stores Commissary Fund

This fund was established to provide for the financing of a Sheriff's commissary store allowing persons incarcerated at various County detention facilities to purchase a variety of goods, including food, snacks, stationery, personal care items and telephone time.

San Diego County Sanitation District Fund

This fund was established to provide sewer service to customers in the unincorporated county. The County Board of Supervisors serves as the District's Board of Directors for governance matters.

Sanitation District - Other Fund

This fund was established to provide water and sewer service, maintenance, and repairs of water and wastewater infrastructure to customers in the unincorporated county. The County Board of Supervisors serves as the District's Board of Directors for governance matters.

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2024
(In Thousands)

	Jail Stores Commissary Fund	San Diego County Sanitation District Fund	Sanitation District - Other Fund	Total Enterprise Funds
ASSETS				
Current assets:				
Pooled cash and investments	$ 1,086	73,131	8,528	82,745
Receivables, net	894	1,386	146	2,426
Due from other funds	166	23	339	528
Inventories	311		1	312
Total current assets	2,457	74,540	9,014	86,011
Noncurrent assets:				
Capital assets:				
Land		1,069	171	1,240
Construction in progress		7,559	2,466	10,025
Buildings and improvements		18,527	721	19,248
Equipment	155	3,731	673	4,559
Sewer infrastructure		115,891		115,891
Subscription Assets		342		342
Accumulated depreciation/amortization	(155)	(67,471)	(928)	(68,554)
Total noncurrent assets		79,648	3,103	82,751
Total assets	2,457	154,188	12,117	168,762
DEFERRED OUTFLOWS OF RESOURCES				
Pension:				
Contributions to the pension plan subsequent to the measurement date			1,562	1,562
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions			49	49
Changes of assumptions or other inputs			1,248	1,248
Net difference between projected and actual earnings on pension plan investments			748	748
Difference between expected and actual experience in the total pension liability			686	686
OPEB:				
Contributions to OPEB subsequent to the measurement date			51	51
Total deferred outflows of resources	$		4,344	4,344

Continued on next page

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2024
(In Thousands)

(Continued)	Jail Stores Commissary Fund	San Diego County Sanitation District Fund	Sanitation District - Other Fund	Total Enterprise Funds
LIABILITIES				
Current liabilities:				
Accounts payable	$ 366	1,351	314	2,031
Accrued payroll			234	234
Due to other funds	1,816	377	316	2,509
Subscription payable		89		89
Compensated absences			125	125
Total current liabilities	2,182	1,817	989	4,988
Noncurrent liabilities:				
Subscription payable		95		95
Compensated absences			198	198
Net pension liability			11,228	11,228
Net OPEB liability			134	134
Total noncurrent liabilities		95	11,560	11,655
Total liabilities	2,182	1,912	12,549	16,643
DEFERRED INFLOWS OF RESOURCES				
Pension:				
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions			11	11
Differences between expected and actual experience in the total pension liability			196	196
OPEB:				
Net difference between projected and actual earnings on OPEB investments			3	3
Total deferred inflows of resources			210	210
NET POSITION				
Net investment in capital assets		79,117	2,949	82,066
Unrestricted net position	275	73,159	753	74,187
Total net position	$ 275	152,276	3,702	156,253

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Jail Stores Commissary Fund	San Diego County Sanitation District Fund	Sanitation District - Other Fund	Total Enterprise Funds
Operating revenues:				
Charges for current services	$ 7,869	30,804	10,024	48,697
Total operating revenues	7,869	30,804	10,024	48,697
Operating expenses:				
Salaries and employee benefits			7,286	7,286
Repairs and maintenance	15	5,413	763	6,191
Equipment rental	6		1,205	1,211
Sewage processing		19,786		19,786
Contracted services	395		981	1,376
Depreciation		2,880	64	2,944
Amortization		70		70
Utilities			42	42
Cost of material	3,363			3,363
Fuel	10			10
Other	187	2,198	779	3,164
Total operating expenses	3,976	30,347	11,120	45,443
Operating income (loss)	3,893	457	(1,096)	3,254
Nonoperating revenues (expenses):				
Grants			53	53
Investment earnings	72	3,680	655	4,407
Gain (loss) on disposal of assets	1		(6)	(5)
Total nonoperating revenues (expenses)	73	3,680	702	4,455
Income (loss) before capital contributions and transfers	3,966	4,137	(394)	7,709
Transfers in		99	759	858
Transfers out	(5,358)		(156)	(5,514)
Change in net position	(1,392)	4,236	209	3,053
Net position (deficits) at beginning of year	1,667	148,040	3,493	153,200
Net position (deficits) at end of year	$ 275	152,276	3,702	156,253

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUND
For the Year Ended June 30, 2024
(In Thousands)

	Jail Stores Commissary Fund	San Diego County Sanitation District Fund	Sanitation District - Other Funds	Total Other Enterprise Funds
Cash flows from operating activities:				
Cash received from customers	$ 7,431	31,842	435	39,708
Cash received from other funds			9,561	9,561
Cash payments to suppliers	(2,327)	(26,376)	(2,385)	(31,088)
Cash payments to employees			(6,770)	(6,770)
Cash payments to other funds	(198)	(272)	(1,415)	(1,885)
Net cash provided (used) by operating activities	4,906	5,194	(574)	9,526
Cash flows from noncapital financing activities:				
Operating grants			53	53
Transfers from other funds		99	759	858
Transfers to other funds	(5,358)		(156)	(5,514)
Net cash provided (used) by noncapital financing activities	(5,358)	99	656	(4,603)
Cash flows from capital and related financing activities:				
Acquisition of capital assets		(2,718)	(1,432)	(4,150)
Principal paid on subscription		(83)		(83)
Proceeds from sale of assets	1			1
Net cash provided (used) by capital and related financing activities	1	(2,801)	(1,432)	(4,232)
Cash flows from investing activities:				
Investment earnings	69	3,419	633	4,121
Net increase (decrease) in cash and cash equivalents	(382)	5,911	(717)	4,812
Cash and cash equivalents - beginning of year	1,468	67,220	9,245	77,933
Cash and cash equivalents - end of year	1,086	73,131	8,528	82,745
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	3,893	457	(1,096)	3,254
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Decrease (increase) in accounts receivable	(438)	1,039	(11)	590
Decrease (increase) in due from other funds	(166)	(1)	(17)	(184)
Decrease (increase) in inventory	(22)			(22)
Increase (decrease) in accounts payable	34	721	(67)	688
Increase (decrease) in accrued payroll			47	47
Increase (decrease) in due to other funds	1,605	28	37	1,670
Increase (decrease) in compensated absences			10	10
Pension expense			514	514
OPEB expense			(55)	(55)
Depreciation / amortization		2,950	64	3,014
Total adjustments	1,013	4,737	522	6,272
Net cash provided (used) by operating activities	4,906	5,194	(574)	9,526
Non-cash investing and capital financing activities:				
Capital acquisitions included in accounts payable	$	347	154	501

INTERNAL SERVICE FUNDS

Internal service funds are established to account for services furnished to other County departments and are financed primarily by these service charges. Because they are exempt from budgetary control, they are free to employ commercial accounting techniques, and are often used in situations where a more accurate determination of operating results is desired.

Employee Benefits Fund

This fund was established to account for workers' compensation and unemployment insurance. Specifically, for workers' compensation the fund includes: claims payment, the actuarial liability, insurance costs and contributions by various departments.

Facilities Management Fund

This fund was established to account for the financing of facilities maintenance, public service utilities, property management, project management, architectural and engineering services, real estate acquisition and leasing, and mail services provided to County departments on a cost reimbursement basis.

Fleet Services Fund

This fund was established to account for the maintenance, repair, fuel, and financing of Fleet vehicles provided to County departments on a cost reimbursement basis.

Information Technology Fund

This fund was established to account for telecommunications services provided to County departments on a cost reimbursement basis.

Public Liability Insurance Fund

This fund was established to account for all of the County's public liability claims and related expenses in compliance with the applicable provisions of the law.

Purchasing Fund

This fund was established to account for the procurement of services, materials, and supplies provided to County departments and provides record storage services; all on a cost reimbursement basis.

Road and Communication Equipment Fund

This fund was established to account for the financing of Public Works' road and communication equipment provided to the following funds: Road, Airport, and Inactive Wastesites; on a cost reimbursement basis.

Special District Loans Fund

This fund was established to provide financing for start up services for new and existing County Service Districts on a cost reimbursement basis.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2024
(In Thousands)

	Employee Benefits Fund	Facilities Management Fund	Fleet Services Fund	Information Technology Fund
ASSETS				
Current assets:				
Pooled cash and investments	$ 228,267	23,272	51,334	38,718
Receivables, net	2,787	719	858	28
Lease receivables		587		
Due from other funds	1,900	14,060	4,452	16,867
Inventories		852	1,528	
Total current assets	232,954	39,490	58,172	55,613
Noncurrent assets:				
Lease receivables		2,185		
Due from other funds				
Capital assets:				
Construction in progress				
Buildings and improvements			2,963	
Equipment		6,623	158,002	
Software		448	213	9,594
Accumulated depreciation/amortization		(4,197)	(101,236)	(9,326)
Total noncurrent assets		5,059	59,942	268
Total assets	232,954	44,549	118,114	55,881
DEFERRED OUTFLOW OF RESOURCES				
Pension:				
Contributions to the pension plan subsequent to the measurement date		12,663	2,168	
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions		378	68	
Changes of assumptions or other inputs		9,713	2,026	
Net difference between projected and actual earnings on pension plan investments		6,603	1,867	
Difference between expected and actual experience in the total pension liability		5,091	855	
OPEB:				
Contributions to OPEB subsequent to the measurement date		394	67	
Total deferred outflow of resources	$	34,842	7,051	

Continued on next page

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2024
(In Thousands)

(Continued)	Employee Benefits Fund	Facilities Management Fund	Fleet Services Fund	Information Technology Fund
LIABILITIES				
Current liabilities:				
Accounts payable	$ 7,378	19,657	5,665	48,556
Accrued payroll		1,733	274	
Due to other funds	1,769	1,864	659	105
Unearned revenue		907		
Loans payable		84		
Compensated absences		1,249	151	
Claims and judgments	28,723			
Total current liabilities	37,870	25,494	6,749	48,661
Noncurrent liabilities:				
Loans payable		184		
Compensated absences		1,972	238	
Claims and judgments	174,677			
Net pension liability		82,411	15,976	
Net OPEB liability		749	173	
Total noncurrent liabilities	174,677	85,316	16,387	
Total liabilities	212,547	110,810	23,136	48,661
DEFERRED INFLOWS OF RESOURCES				
Leases		2,714		
Pension:				
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions		88	19	
Differences between expected and actual experience in the total pension liability		1,459	364	
OPEB:				
Net difference between projected and actual earnings on OPEB investments		30	5	
Total deferred inflows of resources		4,291	388	
NET POSITION				
Net investment in capital assets		2,874	58,262	268
Unrestricted net position	20,407	(38,584)	43,379	6,952
Total net position (deficits)	$ 20,407	(35,710)	101,641	7,220

Continued on next page

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2024
(In Thousands)

(Continued)	Public Liability Insurance Fund	Purchasing Fund	Road and Communication Equipment Fund	Special District Loans Fund	Total Internal Service Funds
ASSETS					
Current assets:					
Pooled cash and investments	$ 107,419	8,737	30,167	256	488,170
Receivables, net	1,302	98	365		6,157
Lease receivables					587
Due from other funds		1,844	889	84	40,096
Inventories		6			2,386
Total current assets	108,721	10,685	31,421	340	537,396
Noncurrent assets:					
Lease receivables					2,185
Due from other funds				157	157
Capital assets:					
Construction in progress		939			939
Buildings and improvements					2,963
Equipment			51,187		215,812
Software		4,173	14		14,442
Accumulated depreciation/amortization		(3,194)	(32,564)		(150,517)
Total noncurrent assets		1,918	18,637	157	85,981
Total assets	108,721	12,603	50,058	497	623,377
DEFERRED OUTFLOW OF RESOURCES					
Pension:					
Contributions to the pension plan subsequent to the measurement date		3,009			17,840
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions		78			524
Changes of assumptions or other inputs		2,347			14,086
Net difference between projected and actual earnings on pension plan investments		1,812			10,282
Difference between expected and actual experience in the total pension liability		1,232			7,178
OPEB:					
Contributions to OPEB subsequent to the measurement date		92			553
Total deferred outflow of resources	$	8,570			50,463

Continued on next page

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2024
(In Thousands)

(Continued)	Public Liability Insurance Fund	Purchasing Fund	Road and Communication Equipment Fund	Special District Loans Fund	Total Internal Service Funds
LIABILITIES					
Current liabilities:					
Accounts payable	$ 1,730	151	948		84,085
Accrued payroll		391			2,398
Due to other funds	3,038	675	467		8,577
Unearned revenue					907
Loans payable					84
Compensated absences		415			1,815
Claims and judgments	31,850				60,573
Total current liabilities	36,618	1,632	1,415		158,439
Noncurrent liabilities:					
Loans payable					184
Compensated absences		658			2,868
Claims and judgments	74,890				249,567
Net pension liability		19,013			117,400
Net OPEB liability		154			1,076
Total noncurrent liabilities	74,890	19,825			371,095
Total liabilities	111,508	21,457	1,415		529,534
DEFERRED INFLOWS OF RESOURCES					
Leases					2,714
Pension:					
Changes in proportionate share and differences between employer's contributions and proportionate share of contributions		22			129
Differences between expected and actual experience in the total pension liability		376			2,199
OPEB:					
Net difference between projected and actual earnings on OPEB investments		7			42
Total deferred inflows of resources		405			5,084
NET POSITION					
Net investment in capital assets		1,918	17,691		81,013
Unrestricted net position	(2,787)	(2,607)	30,952	497	58,209
Total net position (deficits)	$ (2,787)	(689)	48,643	497	139,222

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Employee Benefits Fund	Facilities Management Fund	Fleet Services Fund	Information Technology Fund
Operating revenues:				
Charges for current services	$ 53,006	215,041	53,453	207,108
Other	2,330	1,829	887	
Total operating revenues	55,336	216,870	54,340	207,108
Operating expenses:				
Salaries and employee benefits		58,344	9,412	
Repairs and maintenance		50,877	12,508	
Equipment rental		214	3	
Contracted services	18,731	68,051	3,024	213,246
Depreciation		219	12,870	3,177
Utilities		36,571	546	
Cost of material		6,150	253	
Claims and judgments	35,040			
Fuel		479	12,387	
Other		6,407	2,301	
Total operating expenses	53,771	227,312	53,304	216,423
Operating income (loss)	1,565	(10,442)	1,036	(9,315)
Nonoperating revenues (expenses):				
Grants	3	5,998	60	
Investment earnings	11,835	249	2,992	
Gain (loss) on disposal of assets		3	1,171	(32)
Total nonoperating revenues (expenses)	11,838	6,250	4,223	(32)
Income (loss) before capital contributions and transfers	13,403	(4,192)	5,259	(9,347)
Capital contributions			1,467	
Transfers in	50	3,964	403	7,159
Transfers out		(1,514)	(212)	
Change in net position	13,453	(1,742)	6,917	(2,188)
Net position (deficits) at beginning of year	6,954	(33,968)	94,724	9,408
Net position (deficits) at end of year	$ 20,407	(35,710)	101,641	7,220

Continued on next page

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	Public Liability Insurance Fund	Purchasing Fund	Road and Communication Equipment Fund	Special District Loans Fund	Total Internal Service Funds
Operating revenues:					
Charges for current services	$ 73,645	19,155	10,502		631,910
Other	1,687	994			7,727
Total operating revenues	75,332	20,149	10,502		639,637
Operating expenses:					
Salaries and employee benefits		12,912			80,668
Repairs and maintenance		88	4,313		67,786
Equipment rental		8			225
Contracted services	31,113	2,322	426		336,913
Depreciation		755	3,592		20,613
Utilities		93			37,210
Cost of material			83		6,486
Claims and judgments	(23,557)				11,483
Fuel			1,709		14,575
Other	1	2,321			11,030
Total operating expenses	7,557	18,499	10,123		586,989
Operating income (loss)	67,775	1,650	379		52,648
Nonoperating revenues (expenses):					
Grants		34			6,095
Investment earnings	4,010	336	1,549	9	20,980
Gain (loss) on disposal of assets			83		1,225
Total nonoperating revenues (expenses)	4,010	370	1,632	9	28,300
Income (loss) before capital contributions and transfers	71,785	2,020	2,011	9	80,948
Capital contributions					1,467
Transfers in			135		11,711
Transfers out		(297)			(2,023)
Change in net position	71,785	1,723	2,146	9	92,103
Net position (deficits) at beginning of year	(74,572)	(2,412)	46,497	488	47,119
Net position (deficits) at end of year	$ (2,787)	(689)	48,643	497	139,222

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

	Employee Benefits Fund	Facilities Management Fund	Fleet Services Fund	Information Technology Fund
Cash flows from operating activities:				
Cash received from customers	$ 2,483	7,285	2,171	2,395
Cash received from other funds	52,944	204,590	51,391	209,154
Cash payments to suppliers	(5,567)	(158,553)	(24,933)	(217,355)
Cash payments to employees		(54,356)	(8,802)	
Cash payments to other funds	(13,692)	(5,524)	(4,880)	(3,825)
Cash paid for claims and judgments	(35,453)			
Net cash provided (used) by operating activities	715	(6,558)	14,947	(9,631)
Cash flows from noncapital financing activities:				
Operating grants	3	6,361	60	
Transfers from other funds	50	3,964	403	7,159
Transfer to other funds		(1,514)	(212)	
Principal paid on long-term debt		(102)		
Other noncapital (decreases)				
Net cash provided (used) by noncapital financing activities	53	8,709	251	7,159
Cash flows from capital and related financing activities:				
Capital contributions			1,465	
Acquisition of capital assets			(23,921)	
Lease payments received		1,474		
Proceeds from sale of assets		3	1,530	
Net cash provided (used) by capital and related financing activities		1,477	(20,926)	
Cash flows from investing activities:				
Investment earnings	10,966	249	2,799	
Net increase (decrease) in cash and cash equivalents	11,734	3,877	(2,929)	(2,472)
Cash and cash equivalents - beginning of year	216,533	19,395	54,263	41,190
Cash and cash equivalents - end of year	$ 228,267	23,272	51,334	38,718

Continued on next page

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	Employee Benefits Fund	Facilities Management Fund	Fleet Services Fund	Information Technology Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 1,565	(10,442)	1,036	(9,315)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Decrease (increase) in accounts receivable		(1,531)	(64)	(4)
Decrease (increase) in due from other funds	91	(3,258)	(713)	4,445
Decrease (increase) in inventory		72	(96)	
Increase (decrease) in accounts payable	(973)	3,975	892	(4,194)
Increase (decrease) in accrued payroll		147	8	
Increase (decrease) in due to other funds	445	563	409	(3,740)
Increase (decrease) in unearned revenue		(206)	(1)	
Increase (decrease) in compensated absences		212	(13)	
Increase (decrease) in claims and judgments	(413)			
Pension expense		4,144	693	
OPEB expense		(453)	(74)	
Depreciation / amortization		219	12,870	3,177
Total adjustments	(850)	3,884	13,911	(316)
Net cash provided (used) by operating activities	$ 715	(6,558)	14,947	(9,631)
Non-cash investing and capital financing activities:				
Capital acquisitions included in accounts payable			1,680	
Governmental contributions capital assets	$		2	

Continued on next page

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	Public Liability Insurance Fund	Purchasing Fund	Road and Communication Equipment Fund	Special District Loans Funds	Total Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	$ 1,687	1,017			17,038
Cash received from other funds	73,645	18,335	10,536		620,595
Cash payments to suppliers	(21,088)	(440)	(544)		(428,480)
Cash payments to employees		(11,892)			(75,050)
Cash payments to other funds	(11,486)	(4,018)	(6,424)		(49,849)
Cash paid for claims and judgments	(6,992)				(42,445)
Net cash provided (used) by operating activities	35,766	3,002	3,568		41,809
Cash flows from noncapital financing activities:					
Operating grants		34			6,458
Transfers from other funds			135		11,711
Transfer to other funds		(297)			(2,023)
Principal paid on long-term debt					(102)
Other noncapital (decreases)				(107)	(107)
Net cash provided (used) by noncapital financing activities		(263)	135	(107)	15,937
Cash flows from capital and related financing activities:					
Capital contributions					1,465
Acquisition of capital assets		(450)	(3,221)		(27,592)
Lease payments received					1,474
Proceeds from sale of assets			99		1,632
Net cash provided (used) by capital and related financing activities		(450)	(3,122)		(23,021)
Cash flows from investing activities:					
Investment earnings	3,362	294	1,420	(75)	19,015
Net increase (decrease) in cash and cash equivalents	39,128	2,583	2,001	(182)	53,740
Cash and cash equivalents - beginning of year	68,291	6,154	28,166	438	434,430
Cash and cash equivalents - end of year	$ 107,419	8,737	30,167	256	488,170

Continued on next page

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2024
(In Thousands)

(Continued)	Public Liability Insurance Fund	Purchasing Fund	Road and Communication Equipment Fund	Special District Loans Funds	Total Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	$ 67,775	1,650	379		52,648
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Decrease (increase) in accounts receivable					(1,599)
Decrease (increase) in due from other funds		(797)	34		(198)
Decrease (increase) in inventory					(24)
Increase (decrease) in accounts payable	(1,706)	30	(417)		(2,393)
Increase (decrease) in accrued payroll		30			185
Increase (decrease) in due to other funds	246	314	(20)		(1,783)
Increase (decrease) in unearned revenue					(207)
Increase (decrease) in compensated absences		129			328
Increase (decrease) in claims and judgments	(30,549)				(30,962)
Pension expense		996			5,833
OPEB expense		(105)			(632)
Depreciation / amortization		755	3,592		20,613
Total adjustments	(32,009)	1,352	3,189		(10,839)
Net cash provided (used) by operating activities	$ 35,766	3,002	3,568		41,809
Non-cash investing and capital financing activities:					
Capital acquisitions included in accounts payable			946		2,626
Governmental contributions capital assets	$				2

FIDUCIARY FUNDS

Fiduciary funds include the activities of the San Diego County Employees Retirement Association, a fiduciary component unit of the County; and funds which account for resources that are held by the County as a trustee or custodian for outside parties and cannot be used to support the County's programs.

PENSION AND OTHER POSTEMPLOYENT BENEFITS TRUST FUNDS

San Diego County Employees Retirement Association (SDCERA) Pension Trust Fund

The Pension Trust Fund is used to account for financial activities of the Pension Plan administered by SDCERA.

San Diego County Employees Retirement Association (SDCERA) Other Postemployment Benefits (OPEB) Trust Fund

The SDCERA OPEB Trust Fund is used to account for the financial activities of the OPEB trust for the purpose of holding and investing assets to fund the Retiree Health Program administered by SDCERA.

CUSTODIAL FUNDS

Property Tax Collection Funds

These funds are used for recording the collection and distribution of property taxes.

Other Custodial Funds

The Other Custodial funds account for the receipt, temporary investment, and remittance to individuals, private organizations, or other governments.

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OTHER POST EMPLOYMENT BENEFITS
For the Year Ended June 30, 2024
(In Thousands)

		San Diego County Employees Retirement Association Pension Trust Fund	San Diego County Employees Retirement Association Other Postemployment Benefits Trust Fund	Total San Diego County Employees Retirement Association Pension (and Other Postemployment Benefits) Trust Fund
ASSETS				
Pooled cash and investments	$	1,229		1,229
Cash with fiscal agents		2,300,442	8,541	2,308,983
Securities lending cash collateral		122,489	455	122,944
Receivables:				
Contributions		10,498		10,498
Accrued interest and dividends		52,602	195	52,797
Settlement of investments sold		1,488,468	5,563	1,494,031
Investments at fair value:				
Domestic equity securities		3,564,496	13,228	3,577,724
International equity securities		809,981	3,006	812,987
Fixed income securities		9,111,863	33,814	9,145,677
Cash and securities for swaps		25,183	93	25,276
Private Equity		370,088	1,373	371,461
Private real estates		355,747	1,320	357,067
Real Estate		1,191,650	4,422	1,196,072
Capital assets, net		2,364	9	2,373
Total assets		19,407,100	72,019	19,479,119
LIABILITIES				
Collateral payable for securities lending		122,489	455	122,944
Settlement of investments purchased		1,628,310	6,043	1,634,353
Professional services		14,508	54	14,562
Death benefits		2,178		2,178
Retirement and health benefits		1,897		1,897
Refunds to members		2,099		2,099
County advance contribution		1,911	7	1,918
Other liabilities		14,344	76	14,420
Total liabilities		1,787,736	6,635	1,794,371
NET POSITION				
Restricted for:				
Pension		17,619,364		17,619,364
OPEB			65,384	65,384
Total net position	$	17,619,364	65,384	17,684,748

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION AND OTHER POST EMPLOYMENT BENEFITS
For the Year Ended June 30, 2024
(In Thousands)

	San Diego County Employees Retirement Association Pension Trust Fund	San Diego County Employees Retirement Association Other Postemployment Benefits Trust Fund	Total San Diego County Employees Retirement Association Pension (and Other Postemployment Benefits) Trust Fund
ADDITIONS			
Contributions:			
Employer contributions	$ 864,558	20,626	885,184
Plan member contributions	201,782		201,782
Total contributions	1,066,340	20,626	1,086,966
Investment earnings:			
Net appreciation/(depreciation) in fair value of investments:			
Equity securities	869,015	2,963	871,978
Fixed income	225,829	770	226,599
Foreign currency	21,460	73	21,533
Real estate & private equity	(248,536)	(847)	(249,383)
Private real assets	(17,836)	(61)	(17,897)
Futures	112,469	383	112,852
Swaps	511,885	1,745	513,630
Net increase (decrease) in fair value of investments	1,474,286	5,026	1,479,312
Interest Income:			
Fixed income	165,284	564	165,848
Cash	11,114	38	11,152
Total interest income	176,398	602	177,000
Other Additions:			
Dividends	81,073	276	81,349
Real estate income	74,539	254	74,793
Private equity income	3,830	13	3,843
Private real assets income	24,566	84	24,650
Total Other	184,008	627	184,635
Less: Investment expenses	(23,476)	(80)	(23,556)
Net investment income, before securities lending	1,811,216	6,175	1,817,391
Securities lending income	7,935	27	7,962
Securities lending rebates and bank charges	(5,942)	(20)	(5,962)
Net securities lending	1,993	7	2,000
Total investment earnings	1,813,209	6,182	1,819,391
Total additions	2,879,549	26,808	2,906,357
DEDUCTIONS			
Benefits:			
Retirement benefits	1,001,331		1,001,331
Death benefits	2,012		2,012
Health benefits		9,108	9,108
Total Benefits	1,003,343	9,108	1,012,451
Member refunds	8,904		8,904
Administrative expenses	19,271	273	19,544
Total deductions	1,031,518	9,381	1,040,899
Change in net position	1,848,031	17,427	1,865,458
Net position at beginning of year	15,771,333	47,957	15,819,290
Net position (deficit) at end of year	$ 17,619,364	65,384	17,684,748

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended June 30, 2024
(In Thousands)

		Property Tax Collection Funds	Other Custodial Fund	Total Custodial Funds
ASSETS				
Pooled cash and investments	$	138,721	305,548	444,269
Cash with fiscal agents			8,539	8,539
Investments with fiscal agents			6,561	6,561
Receivables:				
Accounts receivable			4,276	4,276
Investment earnings receivable		10,198	181,321	191,519
Taxes receivable, net		106,444		106,444
Other receivables			287	287
Total assets		255,363	506,532	761,895
LIABILITIES				
Accounts payable		43,706	242,397	286,103
Warrants outstanding			6,642	6,642
Accrued payroll			859	859
Noncurrent liabilities:				
Due to other governments		106,444	83,234	189,678
Total liabilities		150,150	333,132	483,282
NET POSITION				
Restricted for:				
Individuals, organizations and other governments		105,213	173,400	278,613
Total net position	$	105,213	173,400	278,613

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended June 30, 2024
(In Thousands)

		Property Tax Collection Funds	Other Custodial Fund	Total Custodial Funds
ADDITIONS				
Contributions:				
Property taxes collected for other governments	$	15,422,552		15,422,552
Contributions to Investments			3,578,562	3,578,562
Total contributions		15,422,552	3,578,562	19,001,114
Investment earnings:				
Investment earnings		34,036	12,778	46,814
Total additions		15,456,588	3,591,340	19,047,928
DEDUCTIONS				
Distributions from investments			3,564,368	3,564,368
Property taxes distributed to other governments		15,475,996		15,475,996
Total deductions		15,475,996	3,564,368	19,040,364
Change in net position		(19,408)	26,972	7,564
Net position at beginning of year		124,621	146,428	271,049
Net position (deficit) at end of year	$	105,213	173,400	278,613

Statistical Section

Introduction

Government Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section (an amendment of NCGA Statement 1)* requires that certain detailed statistical information be presented in this section, typically in ten-year trends, to assist users in utilizing the basic financial statements, notes to the financial statements, and required supplementary information in order to assess the economic condition of the County. Provisions of this Statement require that governments preparing this statistical section are encouraged but not required, to report all years of information retroactively.

In this regard, when available, ten year trend information has been provided. When accounting data or other information is unavailable, statistical tables are footnoted to indicate as such. Generally, information was unavailable because non-accounting trend data called for by Statement No. 44 which was significantly different than data reported in previous fiscal years' statistical tables was either not available from external sources in the format required or was not available in internal archived data.

Financial Trends 222

These Tables contain information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity 230

These Tables contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity 234

These Tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information 238

These Tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information 240

These Tables contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources:

Unless otherwise noted, the information in the following tables is derived from the annual comprehensive financial reports for the relevant year.

Table 1
County of San Diego
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(In Thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Net position					
Governmental activities					
Net investment in capital assets	$ 3,042,782	3,124,804	3,130,429	3,229,874	3,336,893
Restricted	619,565	604,917	596,862	666,597	1,012,829
Unrestricted (1)	(1,268,029)	(1,090,381)	(1,151,817)	(1,250,068)	(1,380,605)
Total governmental activities net position	2,394,318	2,639,340	2,575,474	2,646,403	2,969,117
Business-type activities					
Net investment in capital assets	167,453	167,282	174,044	176,909	174,226
Restricted					
Unrestricted (1)	67,948	68,586	71,119	60,216	62,247
Total business-type activities net position	235,401	235,868	245,163	237,125	236,473
Primary government					
Net investment in capital assets	3,210,235	3,292,086	3,304,473	3,406,783	3,511,119
Restricted	619,565	604,917	596,862	666,597	1,012,829
Unrestricted (1)	(1,200,081)	(1,021,795)	(1,080,698)	(1,189,852)	(1,318,358)
Total primary government net position	$ 2,629,719	2,875,208	2,820,637	2,883,528	3,205,590

	Fiscal Year				
	2020	2021	2022	2023	2024
Net position					
Governmental activities					
Net investment in capital assets	$ 3,477,320	3,643,504	3,695,884	3,797,631	3,971,462
Restricted	1,158,944	1,404,546	1,281,257	1,804,904	2,160,973
Unrestricted (1)	(1,551,714)	(1,924,481)	(1,186,927)	(1,483,193)	(1,548,450)
Total governmental activities net position	3,084,550	3,123,569	3,790,214	4,119,342	4,583,985
Business-type activities					
Net investment in capital assets	183,553	188,831	187,343	185,874	186,621
Restricted					
Unrestricted (1)	66,551	66,629	87,711	102,969	109,897
Total business-type activities net position	250,104	255,460	275,054	288,843	296,518
Primary government					
Net investment in capital assets	3,660,873	3,832,335	3,883,227	3,983,505	4,158,083
Restricted	1,158,944	1,404,546	1,281,257	1,804,905	2,160,973
Unrestricted (1)	(1,485,163)	(1,857,852)	(1,099,216)	(1,380,224)	(1,438,553)
Total primary government net position	$ 3,334,654	3,379,029	4,065,268	4,408,186	4,880,503

(1) Beginning in 2015, these amounts reflect the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27. Beginning in 2018 these amounts reflect the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefit Other Than Pensions.

Table 2
County of San Diego
Changes in Net Position
For the Last Ten Fiscal Years
(Accrual Basis of Accounting)
(In Thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Expenses					
Governmental activities					
General government $	258,169	257,887	637,532	621,987	709,150
Public protection	1,309,087	1,359,423	1,455,462	1,435,847	1,479,542
Public ways and facilities	161,341	140,245	140,366	160,615	149,776
Health and sanitation	640,020	675,077	723,508	777,383	835,771
Public assistance	1,327,664	1,421,851	1,179,180	1,158,563	1,187,343
Education	37,686	41,086	38,477	39,107	40,020
Recreation and cultural	42,748	44,883	37,727	38,081	43,701
Interest on long-term debt	86,816	81,665	79,152	78,217	74,355
Total governmental activities expenses	3,863,531	4,022,117	4,291,404	4,309,800	4,519,658
Business-type activities					
Airport	14,664	14,439	14,518	18,399	15,178
Wastewater management					
Sanitation district	30,745	28,693	25,185	32,660	32,335
Sanitation district - Other					
Jail Stores Commissary	4,506	5,362	6,007	6,050	5,836
Total business-type activities expenses	49,915	48,494	45,710	57,109	53,349
Total primary government expenses	3,913,446	4,070,611	4,337,114	4,366,909	4,573,007
Program revenues					
Governmental activities					
Charges for services:					
General government	92,109	99,531	111,389	105,676	108,724
Public protection	250,054	252,303	270,345	257,797	252,906
Other activities	162,578	164,721	165,846	189,520	182,793
Operating grants and contributions	2,467,817	2,543,749	2,407,522	2,589,141	2,716,354
Capital grants and contributions	39,224	12,947	16,296	9,360	121,425
Total governmental activities program revenues	3,011,782	3,073,251	2,971,398	3,151,494	3,382,202
Business-type activities					
Charges for services:					
Airport	11,984	12,044	14,302	13,783	14,281
Wastewater management					
Sanitation district	26,831	26,719	29,063	28,475	32,382
Sanitation district - Other					
Jail Stores Commissary	4,538		7,141	7,426	6,978
Operating grants and contributions	702	3,513	5,659	329	20
Capital grants and contributions					
Total business-type program revenues	44,055	42,276	56,165	50,013	53,661
Total primary government program revenues	3,055,837	3,115,527	3,027,563	3,201,507	3,435,863
Net (Expense) Revenue					
Governmental activities	(851,749)	(948,866)	(1,320,006)	(1,158,306)	(1,137,456)
Business-type activities	(5,860)	(6,218)	10,455	(7,096)	312
Total primary government net (expense) revenue $	(857,609)	(955,084)	(1,309,551)	(1,165,402)	(1,137,144)

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Table 2
County of San Diego
Changes in Net Position
For the Last Ten Fiscal Years
(Accrual Basis of Accounting)
(In Thousands)
(Continued)

	Fiscal Year				
	2020	2021	2022	2023	2024
Expenses					
Governmental activities					
General government	$ 788,228	465,464	414,187	549,078	493,388
Public protection	1,677,645	1,823,535	1,586,324	2,075,386	2,358,743
Public ways and facilities	199,679	163,809	164,262	175,511	196,395
Health and sanitation	964,251	1,363,772	1,167,816	1,314,789	1,455,094
Public assistance	1,378,281	1,838,270	1,785,733	1,838,733	1,987,689
Education	41,124	56,272	55,787	64,249	70,743
Recreation and cultural	49,543	57,617	60,611	74,036	79,134
Principal	0	0	0	0	
Interest	47,689	57,386	53,971	50,694	51,257
Total governmental activities expenses	5,146,440	5,826,125	5,288,691	6,142,476	6,692,443
Business-type activities					
Airport	14,889	15,586	15,545	17,183	17,576
Wastewater management					
Sanitation district	28,385	31,716	25,035	23,591	30,225
Sanitation district - Other	9,504	10,923	8,712	10,452	10,928
Jail Stores Commissary	5,776	5,222	3,010	3,409	3,959
Total business-type activities expenses	58,554	63,447	52,302	54,635	62,688
Total primary government expenses	5,204,994	5,889,572	5,340,993	6,197,111	6,755,131
Program revenues					
Governmental activities					
Charges for services:					
General government	116,282	119,713	128,540	139,251	153,652
Public protection	247,887	252,958	288,901	245,233	263,608
Other activities	225,893	201,777	202,358	226,785	303,729
Operating grants and contributions	3,062,586	3,751,844	3,736,703	3,812,579	4,301,033
Capital grants and contributions	28,608	21,142	109,343	33,948	46,821
Total governmental activities program revenues	3,681,256	4,347,434	4,465,845	4,457,796	5,068,843
Business-type activities					
Charges for services:					
Airport	13,903	14,243	14,200	14,794	14,318
Wastewater management					
Sanitation district	25,672	26,625	29,367	30,046	30,804
Sanitation district - Other	10,188	10,089	8,119	8,489	10,024
Jail Stores Commissary	7,019	5,412	6,476	7,377	7,869
Operating grants and contributions	4,018	6,679	1,295	1,439	2,380
Capital grants and contributions	1,220	3,100	0	151	
Total business-type program revenues	62,020	66,148	59,457	62,296	65,395
Total primary government program revenues	3,743,276	4,413,582	4,525,302	4,520,092	5,134,238
Net (Expense) Revenue					
Governmental activities	(1,465,184)	(1,478,691)	(822,846)	(1,684,680)	(1,623,600)
Business-type activities	3,466	2,701	7,155	7,661	2,707
Total primary government net (expense) revenue	$ (1,461,718)	(1,475,990)	(815,691)	(1,677,019)	(1,620,893)

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Table 2
County of San Diego
Changes in Net Position
For the Last Ten Fiscal Years
(Accrual Basis of Accounting)
(In Thousands)
(Continued)

	Fiscal Year				
	2015	2016	2017	2018	2019
General revenues and other changes in net position					
Governmental activities					
Taxes:					
Property taxes	$ 648,974	680,434	720,645	758,427	797,838
Other taxes					
Transient occupancy tax	4,166	4,128	4,889	5,105	5,785
Real property transfer tax	21,049	24,589	23,960	25,910	26,521
Miscellaneous taxes	15	38	10	6	6
Property taxes in lieu of VLF	332,928	351,524	371,105	393,824	417,601
Sales and use taxes	27,847	28,898	27,779	30,744	32,332
Investment earnings	12,250	17,818	15,315	38,057	84,335
Other general revenues	93,889	82,745	88,038	93,604	90,041
Total governmental general revenues	1,141,118	1,190,174	1,251,741	1,345,677	1,454,459
Transfers	2,693	3,714	4,399	4,421	5,711
Total governmental activities	1,143,811	1,193,888	1,256,140	1,350,098	1,460,170
Business-type activities					
Investment earnings	336	1,622	523	1,159	2,013
Other general revenues	3,055	8,777	2,716	2,892	2,734
Total business-type general revenues	3,391	10,399	3,239	4,051	4,747
Transfers	(2,693)	(3,714)	(4,399)	(4,421)	(5,711)
Total business-type activities	698	6,685	(1,160)	(370)	(964)
Total primary government	1,144,509	1,200,573	1,254,980	1,349,728	1,459,206
Change in net position					
Governmental activities	292,062	245,022	(63,866)	191,792	322,714
Business-type activities	(5,162)	467	9,295	(7,466)	(652)
Total change in net position	$ 286,900	245,489	(54,571)	184,326	322,062

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Table 2
County of San Diego
Changes in Net Position
For the Last Ten Fiscal Years
(Accrual Basis of Accounting)
(In Thousands)
(Continued)

	Fiscal Year				
	2020	2021	2022	2023	2024
General revenues and other changes in net position					
Governmental activities					
Taxes:					
Property taxes	$ 851,473	881,605	928,022	1,014,193	1,077,968
Transient occupancy tax	4,173	5,386	7,225	7,472	7,285
Real property transfer tax	25,138	35,608	43,635	28,653	26,170
Miscellaneous taxes	3	8	5	5	120
Property taxes in lieu of VLF	441,609	465,076	481,289	521,678	558,665
Sales and use taxes	30,967	37,810	43,268	56,626	67,133
Investment earnings	102,116	(2,922)	(96,987)	82,390	185,999
Other general revenues	102,310	95,224	94,015	302,605	160,192
Total governmental general revenues	1,557,789	1,517,795	1,500,472	2,013,622	2,083,532
Transfers	(5,172)	(85)	(10,981)	187	4,710
Total governmental activities	1,552,617	1,517,710	1,489,491	2,013,809	2,088,242
Business-type activities					
Investment earnings	2,565	(76)	1,307	6,144	9,546
Other general revenues	2,428	2,646	151	171	132
Total business-type general revenues	4,993	2,570	1,458	6,315	9,678
Transfers	5,172	85	10,981	(187)	(4,710)
Total business-type activities	10,165	2,655	12,439	6,128	4,968
Total primary government	1,562,782	1,520,365	1,501,930	2,019,937	2,093,210
Change in net position					
Governmental activities	115,443	39,019	666,645	329,129	464,642
Business-type activities	13,631	5,356	19,594	13,789	7,675
Total change in net position	$ 129,074	44,375	686,239	342,918	472,317

Table 3
County of San Diego
Fund Balances Governmental Funds
Last Ten Fiscal Years
(In Thousands)

		Fiscal Year				
		2015	2016	2017	2018	2019
General Fund						
Nonspendable	$	13,379	13,489	19,894	22,747	47,019
Restricted		269,294	272,500	266,904	319,782	608,729
Committed		478,980	591,941	677,058	796,086	637,450
Assigned		328,588	381,202	483,464	480,063	418,718
Unassigned		798,135	747,277	697,293	688,449	712,149
Total general fund		1,888,376	2,006,409	2,144,613	2,307,127	2,424,065
All Other Governmental Funds						
Nonspendable		5,149	5,981	6,062	5,993	5,634
Restricted		427,703	398,385	396,063	413,626	471,464
Committed		379,711	371,622	376,179	367,515	365,450
Assigned		228	917	1,478	2,066	2,865
Total other governmental funds	$	812,791	776,905	779,782	789,200	845,413

		Fiscal Year				
		2020	2021	2022	2023	2024
General Fund						
Nonspendable	$	23,244	22,900	48,415	59,839	50,711
Restricted		696,261	692,270	674,465	928,457	1,051,899
Committed		626,470	500,256	617,159	616,549	570,514
Assigned		414,650	405,739	393,493	415,618	634,858
Unassigned		707,871	661,270	616,477	797,452	691,768
Total general fund		2,468,496	2,282,435	2,350,009	2,817,915	2,999,750
All Other Governmental Funds						
Nonspendable		5,759	5,513	1,500	5,656	1,917
Restricted		496,757	544,367	656,606	621,384	748,849
Committed		395,784	367,294	318,415	299,855	275,676
Assigned		3,672	-	-	-	-
Total other governmental funds	$	901,972	917,174	976,521	926,895	1,026,442

Table 4
County of San Diego
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(In Thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Revenues:					
Taxes	$ 1,038,552	1,090,722	1,148,655	1,214,066	1,276,584
Licenses, permits and franchise fees	54,181	57,375	57,066	62,189	62,951
Fines, forfeitures and penalties	49,200	46,295	44,146	42,417	43,589
Revenue from use of money and property	23,033	28,396	23,079	43,407	87,604
Aid from other governmental agencies:					
State	1,490,603	1,487,655	1,482,536	1,644,254	1,631,528
Federal	917,901	959,399	796,594	828,693	909,211
Other	106,691	110,816	122,767	132,652	142,822
Charges for current services	387,788	398,705	411,488	433,325	424,365
Other	91,903	75,264	77,429	79,977	78,501
Total revenues	4,159,852	4,254,627	4,163,760	4,480,980	4,657,155
Expenditures:					
General government	237,875	233,180	260,005	270,469	282,021
Public protection	1,353,710	1,343,281	1,434,323	1,486,679	1,569,507
Public ways and facilities	73,991	70,946	75,901	100,322	89,184
Health and sanitation	644,865	670,871	731,034	801,370	875,337
Public assistance	1,346,078	1,426,134	1,184,697	1,195,090	1,263,184
Education	37,095	39,592	39,687	41,238	45,707
Recreation and cultural	36,838	37,800	39,325	39,668	42,856
Total governmental functions	3,730,452	3,821,804	3,764,972	3,934,836	4,167,796
Capital outlay	160,474	185,065	120,509	267,685	183,654
Debt service:					
Principal	67,542	65,929	66,284	76,181	82,766
Interest	85,673	88,502	75,153	73,637	69,381
Bond issuance costs	583	761			
Payment to refunded bond escrow agent	8,461	12,481			
Total expenditures	4,053,185	4,174,542	4,026,918	4,352,339	4,503,597
Excess (deficiency) of revenues over (under) expenditures	106,667	80,085	136,842	128,641	153,558
Other financing sources (uses)					
Sale of capital assets	984	2,319	240	126	25,213
Issuance of leases:					
Leases					
Issuance of bonds, loans, capital lease, and financed purchases:					
Face value of financed purchases					
Face value of bonds issued	732				
Face value of loans issued		690			
Face value of capital lease			6,122	45,495	
Premium on issuance of bonds	15,070	22,163			
Refunding bonds issued:	93,750	105,330			
Payment to refunded bond escrow agent	(103,771)	(122,533)			
Transfers in	434,541	470,175	474,286	527,620	527,914
Transfers (out)	(439,657)	(476,484)	(478,540)	(532,605)	(533,891)
Total other financing sources (uses)	1,649	1,660	2,108	40,636	19,236
Net change in fund balances	$ 108,316	81,745	138,950	169,277	172,794
Debt service as a percentage of noncapital expenditures	3.94%	3.87%	3.62%	3.67%	3.52%

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Table 4
County of San Diego
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(In Thousands)
(Continued)

	Fiscal Year				
	2020	2021	2022	2023	2024
Revenues:					
Taxes	$ 1,344,469	1,427,167	1,498,315	1,620,010	1,733,960
Licenses, permits and franchise fees	59,663	58,792	54,977	66,439	71,780
Fines, forfeitures and penalties	44,409	40,248	80,033	40,780	50,219
Revenue from use of money and property	97,867	6,097	(77,354)	83,456	176,356
Aid from other governmental agencies:					
State	1,894,281	1,820,507	1,951,675	2,226,959	2,383,935
Federal	1,029,342	1,527,626	1,584,959	1,429,763	1,583,990
Other	157,984	188,112	182,046	209,071	242,095
Charges for current services	462,718	463,591	468,669	489,610	523,801
Other	85,613	79,189	78,164	282,592	120,730
Total revenues	5,176,346	5,611,329	5,821,484	6,448,680	6,886,866
Expenditures:					
General government	353,496	388,139	413,950	391,390	459,595
Public protection	1,652,858	1,633,731	1,730,017	1,885,685	2,160,691
Public ways and facilities	136,703	83,436	96,316	94,718	114,909
Health and sanitation	973,884	1,304,255	1,199,308	1,265,372	1,405,654
Public assistance	1,424,290	1,782,216	1,770,939	1,764,328	1,911,483
Education	46,571	50,551	56,464	57,781	64,051
Recreation and cultural	46,081	44,751	52,646	59,941	66,021
Total governmental functions	4,633,883	5,287,079	5,319,640	5,519,215	6,182,404
Capital outlay	272,524	387,163	253,330	329,993	442,580
Debt service:					
Principal	98,544	91,999	139,176	143,494	152,861
Interest	72,761	56,728	52,089	49,188	47,598
Bond issuance costs	3,415	807	588		993
Payment to refunded bond escrow agent	30,543	6,036			
Total expenditures	5,111,670	5,829,812	5,764,823	6,041,890	6,826,436
Excess (deficiency) of revenues over (under) expenditures	64,676	(218,483)	56,661	406,790	60,430
Other financing sources (uses)					
Sale of capital assets	11,557	235	198	1,306	5,238
Issuance and modifications of leases:					
Leases			1,171	2,553	45,498
Issuance of subscriptions:					
Subscriptions			1,171	12,330	3,099
Issuance of bonds, loans, capital lease, and financed purchases:					
Face value of financed purchases			1,331		
Face value of bonds issued		57,554	49,060		160,910
Face value of loans issued					1,718
Face value of capital lease	217				
Premium on issuance of bonds	66,047	3,432	14,831		18,781
Refunding bonds issued	425,414	45,725			
Payment to refunded bond escrow agent	(450,127)	(48,344)			
Transfers in	578,503	643,479	616,739	663,738	778,575
Transfers (out)	(595,710)	(654,122)	(638,354)	(675,216)	(783,553)
Total other financing sources (uses)	35,901	47,959	44,976	4,711	230,266
Net change in fund balances	$ 100,577	(170,524)	101,637	411,501	290,696
Debt service as a percentage of noncapital expenditures	3.54%	2.73%	3.47%	3.37%	3.14%

Table 5
County of San Diego
Assessed Value of Taxable Property
Last Ten Fiscal Years (1)
(In Thousands)

	Real Property		Personal Property		Less: Tax Exempt			
Fiscal Year	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Total Taxable Assessed Value	Total Direct Tax Rate
2015	$ 424,400,547	3,837,190	3,708,390	11,638,652	12,531,830	1,812,206	429,240,743	1.00000
2016	449,303,851	3,695,989	3,567,927	11,923,467	13,374,474	1,801,251	453,315,509	1.00000
2017	473,696,673	3,733,123	3,527,495	12,797,155	14,227,380	1,875,970	477,651,096	1.00000
2018	502,995,352	3,839,661	3,954,578	12,853,406	14,954,254	1,862,561	506,826,182	1.00000
2019	533,571,034	3,970,087	4,073,291	13,691,328	16,390,213	2,026,718	536,888,809	1.00000
2020	563,905,066	4,408,141	3,978,117	14,496,090	17,360,610	2,231,365	567,195,439	1.00000
2021	594,177,079	4,983,017	4,284,537	14,654,279	17,856,045	1,987,395	598,255,472	1.00000
2022	618,617,563	4,515,314	3,989,147	13,315,174	19,654,928	2,235,803	618,546,467	1.00000
2023	666,724,585	5,930,234	4,471,825	16,015,491	20,645,815	2,256,612	670,239,708	1.00000
2024	$ 712,744,127	6,625,322	4,597,421	18,327,058	22,201,182	2,432,952	717,659,794	1.00000

(1) Due to the passage of Proposition 13 (Prop 13) in 1978, the County does not track the estimated actual value of real and personal properties; therefore, assessed value as a percentage of actual value is not applicable. Under Prop 13, property is assessed at the 1978 market value with an annual increase limited to the lesser of 2% or the CPI on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase price) and the value of any new construction is added to the existing base value.

Source: County of San Diego, Auditor and Controller, Property Tax Services Division

Table 6
County of San Diego
Property Tax Rates - Direct and Overlapping Governments
(Per $100 of Assessed Value)
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Direct Rates (1)										
County of San Diego	0.140	0.139	0.139	0.139	0.138	0.138	0.138	0.138	0.138	0.137
Cities (3)	0.233	0.235	0.238	0.238	0.242	0.242	0.245	0.247	0.247	0.248
Schools (4)	0.593	0.592	0.590	0.590	0.587	0.587	0.585	0.583	0.583	0.582
Special Districts	0.034	0.034	0.033	0.033	0.033	0.033	0.032	0.032	0.032	0.033
Total Direct Rates	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Overlapping Rates (2)										
Cities (3)	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004
Schools	0.102	0.105	0.103	0.109	0.110	0.140	0.139	0.141	0.134	0.135
Special Districts	0.009	0.009	0.009	0.009	0.009	0.011	0.012	0.013	0.012	0.012
Total Overlapping Rates	0.115	0.118	0.116	0.122	0.123	0.155	0.155	0.158	0.15	0.151
Total Direct and Overlapping Rates	1.115	1.118	1.116	1.122	1.123	1.155	1.155	1.158	1.150	1.151

(1) The $1.00 per $100 of Assessed Value (Proposition 13) tax rate beginning in Fiscal Year 1978-79 is distributed according to State Law on a percentage basis to each of the eligible taxing agencies in the County.
(2) Overlapping rates for cities, schools and special districts are chargeable to property owners within their respective tax rate areas (TRA). Overlapping rates do not apply to all property owners (e.g. the rates for special districts apply only to property owners whose property is located within the geographic boundary (TRA) of the special district.)
(3) Includes property tax revenue that is distributed in the Redevelopment Property Tax Trust Fund (RPTTF) starting fiscal year 2012 (Redevelopment Agencies' dissolution was February 1, 2012) to present. Prior to dissolution, property tax revenue was distributed to the redevelopment agencies.
(4) Includes property tax revenue that is distributed in the Educational Revenue Augmentation Fund (ERAF).
Source: County of San Diego, Auditor and Controller, Property Tax Services Division

Table 7
County of San Diego
Principal Property Taxpayers
Current Year and Nine Years Ago
(In Thousands)

	2024			2015		
Taxpayer	Secured Taxable Assessed Value	Rank	Percentage of Total Secured Taxable Assessed Value	Secured Taxable Assessed Value	Rank	Percentage of Total Secured Taxable Assessed Value
San Diego Gas & Electric Company	$ 12,590,619	1	1.81%	$ 6,736,977	1	1.62%
Qualcomm Inc	2,738,517	2	0.39%	2,002,918	2	0.48%
U T C Venture LLC	895,863	3	0.13%			
Host Hotels and Resorts LP	862,963	4	0.12%	781,292	6	0.19%
Kilroy Reality LP	840,402	5	0.12%	1,280,663	5	0.31%
Apple Inc	795,167	6	0.11%			
B S K Del Partners LLC	770,700	7	0.11%	587,672	9	0.14%
Irvine Co LLC	674,220	8	0.10%	1,720,791	3	0.41%
Sorrento West Properties Inc	673,342	9	0.10%			
IQHQ Pacifiq I LLC	608,292	10	0.09%			
Southern California Edison Company				1,587,999	4	0.38%
Pacific Bell Telephone Company				728,065	7	0.18%
O C/S D Holdings LLC				612,096	8	0.15%
La Mirage Apartments LLC				496,808	10	0.12%
Totals	$ 21,450,085		3.08%	$ 16,535,281		3.98%

Source: County of San Diego, Auditor and Controller, Property Tax Services Division

Table 8
County of San Diego
Property Tax Levies and Collections
Last Ten Fiscal Years
(In Thousands)

	Collections within the Fiscal Year of the Levy				Total Collections to Date	
Fiscal Year	Total Tax Levy for Fiscal Year (1)	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2015	$ 4,292,407	4,241,271	98.81%	32,730	4,274,001	99.57%
2016	4,533,155	4,489,098	99.03%	30,024	4,519,122	99.69%
2017	4,776,510	4,738,515	99.20%	32,372	4,770,887	99.88%
2018	5,068,261	5,019,394	99.04%	33,751	5,053,145	99.70%
2019	5,368,888	5,318,210	99.06%	37,812	5,356,022	99.76%
2020	5,671,954	5,590,625	98.57%	64,838	5,655,463	99.71%
2021	5,982,555	5,903,354	98.68%	46,565	5,949,919	99.45%
2022	6,185,465	6,118,910	98.92%	38,368	6,157,278	99.54%
2023	6,702,397	6,635,293	99.00%	42,692	6,677,985	99.64%
2024	$ 7,176,598	7,095,448	98.87%	NA	7,095,448	98.87%

(1) Includes secured, unsecured and unitary tax levy for the County and school districts, cities and special districts under the supervision of independent governing boards.

Source: County of San Diego, Auditor and Controller, Property Tax Services Division

Table 9
County of San Diego
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(In Thousands, Except Per Capita Amount)

	Fiscal Year				
	2015	2016	2017	2018	2019
Governmental Activities:					
Certificates of Participation & Lease Revenue Bonds	$ 376,955	351,179	330,956	309,388	$ 287,889
Tobacco Settlement Asset-Backed Bonds	542,883	546,110	548,832	546,113	544,069
Pension Obligation Bonds	692,338	649,860	605,520	558,525	508,765
Capital and Retrofit loans	5,188	6,020	5,249	4,282	3,610
Capitalized Leases	84	51	6,084	47,691	43,593
Leases (2)					
Financed Purchases (2)					
Business-type Activities:					
Capital Loans	475	171			
Total Primary Government	$ 1,617,923	$1,553,391	$1,496,641	$1,465,999	$1,387,926
Percentage of Personal Income (1)	0.90%	0.83%	0.78%	0.75%	0.72%
Per Capita (1)	$ 501	472	451	439	$ 414

	Fiscal Year				
	2020	2021	2022	2023	2024
Governmental Activities:					
Certificates of Participation & Lease Revenue Bonds	$ 260,352	241,030	286,568	267,729	427,936
Tobacco Settlement Asset-Backed Bonds	533,851	520,925	506,574	495,883	483,994
Pension Obligation Bonds	456,040	400,125	340,825	277,990	211,225
Capital and Retrofit loans	3,201	2,551	1,700	1,154	2,544
Capitalized Leases (2)	39,300	90,595			
Leases (2)			256,124	243,958	243,936
Financed Purchases (2)			13,599	11,158	8,727
Subscriptions				15,544	13,079
Business-type Activities:					
Capital Loans					
Subscriptions				266	184
Total Primary Government	$ 1,292,744	$1,255,226	$1,405,390	1,313,682	1,391,625
Percentage of Personal Income (1)	0.75%	0.76%	0.84%	0.55%	0.57%
Per Capita (1)	$ 387	379	428	402	423

(1) See Table 13 Demographic and Economic Statistics
(2) Effective fiscal year 2021-2022 capital leases no longer apply pursuant to GASB 87, Leases.

Table 10
County of San Diego
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(In Thousands, Except Per Capita Amount)

		Fiscal Year				
		2015	2016	2017	2018	2019
Certificates of Participation & Lease Revenue Bonds	$	376,955	351,179	330,956	309,388	287,889
Less: Amounts Available in Debt Service Fund		28,798	20,107	19,992	20,455	20,634
Net Certificates of Participation & Lease Revenue Bonds		348,157	331,072	310,964	288,933	267,255
Pension Obligation Bonds		692,338	649,860	605,520	558,525	508,765
Less: Amounts Available in Debt Service Fund		877	375	574	993	1,526
Net Pension Obligation Bonds		691,461	649,485	604,946	557,532	507,239
Total Net Bonded Debt	$	1,039,618	980,557	915,910	846,465	774,494
Percentage of Actual Taxable Value of Property (1)		0.24%	0.22%	0.19%	0.17%	0.14%
Per Capita (2)		322	298	$ 276	254	231

		Fiscal Year				
		2020	2021	2022	2023	2024
Certificates of Participation & Lease Revenue Bonds	$	260,352	241,030	286,568	267,729	427,936
Less: Amounts Available in Debt Service Fund		13,773	9,143			29,564
Net Certificates of Participation & Lease Revenue Bonds		246,579	231,887	286,568	267,729	398,372
Pension Obligation Bonds		456,040	400,125	340,825	277,990	211,225
Less: Amounts Available in Debt Service Fund		1,345	724			1,878
Net Pension Obligation Bonds		454,695	399,401	340,825	277,990	209,347
Total Net Bonded Debt	$	701,274	631,288	627,393	545,719	607,719
Percentage of Actual Taxable Value of Property (1)		0.12%	0.11%	0.10%	0.08%	0.08%
Per Capita (2)	$	212	190	191	167	185

(1) See Table 5 Assessed Value of Taxable Property - Total Assessed Value
(2) See Table 13 Demographic and Economic Statistics - Population Data

Table 11
County of San Diego
Legal Debt Margin Information
Last Ten Fiscal Years
(In Thousands)

Fiscal Year		Debt Limit	Total Net Debt Applicable to Limit (1)	Legal Debt Margin	Legal Debt Margin/ Debt Limit
2015	$	5,365,509		5,365,509	100%
2016		5,666,444		5,666,444	100%
2017		5,970,639		5,970,639	100%
2018		6,335,327		6,335,327	100%
2019		6,711,110		6,711,110	100%
2020		7,089,943		7,089,943	100%
2021		7,478,193		7,478,193	100%
2022		7,731,831		7,731,831	100%
2023		8,377,996		8,377,996	100%
2024	$	8,970,747		8,970,747	100%

Legal Debt Margin Calculation for Fiscal Year 2023		
Assessed value	$	717,659,794
Debt limit (1.25% of total assessed value) (2)		8,970,747
Debt applicable to limit:		
General obligation bonds		
Less: Amount set aside for repayment of general obligation debt		
Total net debt applicable to limit		
Legal debt margin	$	8,970,747

(1) For the fiscal years presented, the County had no debt that qualified as indebtedness subject to the bonded debt limit under the California Constitution.
(2) Under California State law, the total amount of bonded indebtedness shall not at any time exceed 1.25% of the taxable property of the County as shown by the last equalized assessment roll.

Table 12
County of San Diego
Pledged-Revenue Coverage
Last Ten Fiscal Years
(In Thousands)

	Tobacco Settlement Asset-Backed Bonds					
Fiscal Year	Tobacco Settlement Revenues	Less: Operating Expenses (1)	Net Available Revenue	Principal (2)	Interest	Coverage
2015	$ 26,982	190	26,792	14,760	24,181	0.69
2016	26,680	130	26,550	3,355	23,480	0.99
2017	27,440	120	27,320	4,265	23,321	0.99
2018	32,759	232	32,527	10,145	23,118	0.98
2019	31,754	171	31,583	9,930	22,636	0.97
2020	30,444	203	30,241	28,479	30,827	0.51
2021	34,364	226	34,138	16,425	17,890	0.99
2022	35,470	228	35,242	18,285	17,244	0.99
2023	32,180	227	31,953	15,090	16,330	1.02
2024	$ 28,698	224	28,474	16,780	15,529	0.88

(1) Operating expenses do not include interest.
(2) Tobacco Principal Debt Service requirements include Turbo Principal payments.

Table 13
County of San Diego
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (in dollars) (5)	School Enrollment (3)	Unemployment Rate (4)
2015	3,227,496	$ 179,800,000	55,709	503,848	5.3
2016	3,288,612	186,900,000	56,832	504,561	4.9
2017	3,316,192	192,107,000	57,930	505,310	4.2
2018	3,337,456	194,633,000	58,318	508,169	3.7
2019	3,351,786	191,558,000	57,151	506,260	3.3
2020	3,343,355	173,279,000	51,828	502,785	13.8
2021	3,315,404	164,786,000	49,703	490,068	7.0
2022	3,287,306	167,801,000	51,045	481,102	3.2
2023	3,269,755	237,505,000	72,637	476,760	4.0
2024	3,291,101	$ 242,163,000	73,581	478,175	4.5

Sources:
(1) California Department of Finance
(2) County of COSD Estimate Worksheet
(3) California Department of Education
(4) U.S. Department of Labor, Bureau of Labor Statistics
(5) U.S. Department of Commerce, Bureau of Economic Analysis, 2022

Table 14
County of San Diego
Principal Employers
Current Year and Nine Years Ago

	2024				2015		
Employer	Employees		Rank	Percentage of Total County Employment (2)	Employees	Rank	Percentage of Total County Employment (3)
U.C. San Diego	35,802	(1)	1	2.37%	29,287	1	1.97%
Sharp Healthcare	19,468	(1)	2	1.29%	16,896	3	1.14%
County Of San Diego	17,954	(1)	3	1.19%	17,044	2	1.15%
City Of San Diego	11,820	(1)	4	0.78%	N/A	N/A	N/A
General Atomics (and affiliated companies)	6,745	(1)	5	0.45%	5,088	10	0.34%
San Diego State University	6,454	(1)	6	0.43%	N/A	N/A	N/A
Rady Children's Hospital-San Diego	5,711	(1)	7	0.38%	5,122	9	0.34%
San Diego Community College District	5,400	(1)	8	0.36%	N/A	N/A	N/A
Sempra Energy	5,063	(1)	9	0.34%	N/A	N/A	N/A
YMCA of San Diego County	5,057	(1)	10	0.33%	5,487	8	0.37%
Total	119,474			7.92%	78,924		5.31%

Sources:
(1) Adopted Operational Plan Fiscal Years 2022–23 and 2023–24, page 25.
Note: The Naval Base San Diego was excluded. 2021 San Diego County's Largest Employers List was discontinued by the San Diego Business Journal.
(2) California Labor Market Info (www.labormarketinfo.edd.ca.gov)
Percentage is calculated by dividing employees by total county employment of 1,510,700 as of June 2024
(3) Fiscal Year 2014-2015 ACFR Table 14

Table 15
County of San Diego
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year 2015	2016	2017	2018	2019
General	1,485	1,529	1,515	1,531	1,552
Public protection	7,923	7,882	7,942	7,899	7,917
Public ways and facilities	356	370	388	385	391
Health and sanitation	1,994	1,987	2,059	2,092	2,194
Public assistance	4,368	4,462	4,552	4,583	4,660
Education	259	267	269	271	268
Recreation and cultural	166	171	172	177	190
Total	16,551	16,668	16,897	16,938	17,172

Function	Fiscal Year 2020	2021	2022	2023	2024
General	1,553	1,571	1,614	1,722	1,794
Public protection	7,883	7,595	7,484	7,722	8,007
Public ways and facilities	374	377	387	413	431
Health and sanitation	2,311	2,227	2,359	2,657	2,864
Public assistance	4,817	4,873	4,847	5,033	5,399
Education	262	254	264	271	282
Recreation and cultural	224	226	240	263	283
Total	17,424	17,123	17,195	18,081	19,060

Source: County of San Diego Auditor and Controller, Central Payroll Administration

Table 16
County of San Diego
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year 2015	2016	2017	2018	2019
General					
Registrar of Voters: Percent of total mail ballots tallied by the Monday after Election Day	98.00%	75.00%	59.00%	93.00%	71.00%
Assessor/Recorder/County Clerk: Percent of mandated assessments completed by close of annual tax roll	100.00%	100.00%	100.00%	100.00%	100.00%
Treasurer-Tax Collector: Secured taxes collected (% of total)	99.10%	99.30%	99.20%	98.50%	99.20%
Public protection					
Child Support Services: Percent of current support collected (federal performance measure #3)	71.00%	72.00%	73.00%	72.00%	71.00%
Sheriff: Number of jail "A" (or unduplicated) bookings	82,702	81,975	80,177	81,412	80,257
Sheriff: Calls for service	289,631	288,975	228,036	239,998	226,935
District Attorney: Felony defendants received	22,302	21,281	21,656	20,676	21,308
District Attorney: Misdemeanor defendants received	31,242	31,684	30,101	32,383	33,220
Planning and Development Services: Percent of building inspections completed next day	98.00%	-100.00%	(1)	(1)	(1)
Planning and Development Services: Average permit center counter wait time (in minutes)	25	25	23	23	21
Animal Services: Percent of euthanized animals that were treatable	12.80%	0.00%	0.00%	0.00%	0.00%
Public ways and facilities					
Public Works: Protect water quality through Department of Public Works roads/drainage waste debris removal (cubic yards removed)	27,010	22,152	20,586	19,290	24,636
Health and sanitation					
Regional Operations: Children age 0-4 years receive age-appropriate vaccines	(1)	(1)	(1)	(1)	(1)
Regional Operations: Children age 11-18 years receive age-appropriate vaccines	(1)	(1)	(1)	(1)	(1)
Regional Operations: Children age 0-18 years receive age-appropriate vaccines	99.00%	100.00%	100.00%	99.00%	100.00%
Behavioral Health Services: Wait time for children's mental health outpatient treatment	-1	(1)	(1)	(1)	(1)
Public assistance					
Aging & Independence Services: Face-to-face adult protective services investigations within 10 days	97.00%	96.00%	96.00%	97.00%	98.00%
Child Welfare Services: Foster children in 12th grade who achieve high school completion (diploma, certificate or equivalent)	-100.00%	(1)	(1)	(1)	(1)
Child Welfare Services: Family participation in joint case planning and meetings quarterly	1	77.00%	76.00%	79.00%	80.00%
Self-Sufficiency Services: CalWORKs applications processed timely to help eligible families become more self-sufficient	1	97.00%	97.00%	97.00%	98.00%
Education					
County Library: Annual average circulation per item	7.47	7.82	7.82	7.51	7.74
Recreation and cultural					
Parks and Recreation: Number of parkland acres owned and effectively managed	48,098	48,565	48,836	49,800	51,721
Parks and Recreation: Number of miles of trails managed in the County trails program	359	363	363	364	368

(1) Trend data not available
Source: Various County departments

Continued on next page

Table 16
County of San Diego
Operating Indicators by Function
Last Ten Fiscal Years
(Continued)

Function	Fiscal Year 2020	2021	2022	2023	2024
General					
Registrar of Voters: Percent of total mail ballots tallied by the Monday after Election Day	97.00%	99.00%	92.00%	100.00%	99.00%
Assessor/Recorder/County Clerk: Percent of mandated assessments completed by close of annual tax roll	100.00%	100.00%	100.00%	100.00%	(1)
Treasurer-Tax Collector: Secured taxes collected (% of total)	98.70%	99.00%	98.50%	98.90%	98.90%
Public protection					
Child Support Services: Percent of current support collected (federal performance measure #3)	71.00%	71.00%	67.00%	66.00%	66.00%
Sheriff: Number of jail "A" (or unduplicated) bookings	63,728	45,186	50,944	50,705	51,152
Sheriff: Calls for service	223,562	224,478	222,358	210,871	200,758
District Attorney: Felony defendants received	19,193	21,219	23,464	21,171	21,824
District Attorney: Misdemeanor defendants received	27,120	26,950	29,178	24,446	25,630
Planning and Development Services: Percent of building inspections completed next day	(1)	(1)	(1)	(1)	(1)
Planning and Development Services: Average permit center counter wait time (in minutes)	22	(1)	23	26	26
Animal Services: Percent of euthanized animals that were treatable	0.00%	0.00%	0.00%	0.00%	0.00%
Public ways and facilities					
Public Works: Protect water quality through Department of Public Works roads/ drainage waste debris removal (cubic yards removed)	22,150	18,790	17,512	28,101	27,335
Health and sanitation					
Regional Operations: Children age 0-4 years receive age-appropriate vaccines	(1)	(1)	(1)	(1)	(1)
Regional Operations: Children age 11-18 years receive age-appropriate vaccines	(1)	(1)	(1)	(1)	(1)
Regional Operations: Children age 0-18 years receive age-appropriate vaccines	100.00%	100.00%	100.00%	99.70%	99.90%
Behavioral Health Services: Wait time for children's mental health outpatient treatment	(1)	(1)	(1)	(1)	(1)
Public assistance					
Aging & Independence Services: Face-to-face adult protective services investigations within 10 days	97.00%	98.00%	99.00%	99.00%	97.00%
Child Welfare Services: Foster children in 12th grade who achieve high school completion (diploma, certificate or equivalent)	(1)	(1)	(1)	(1)	(1)
Child Welfare Services: Family participation in joint case planning and meetings quarterly	-100.00%	-100.00%	(1)	(1)	(1)
Self-Sufficiency Services: CalWORKs applications processed timely to help eligible families become more self-sufficient	97.00%	99.00%	99.00%	96.00%	97.00%
Education					
County Library: Annual average circulation per item	8.10	4.20	6.03	6.69	6.73
Recreation and cultural					
Parks and Recreation: Number of parkland acres owned and effectively managed	53,475	56,131	56,956	57,518	58,459
Parks and Recreation: Number of miles of trails managed in the County trails program	375	380	384	385	389

(1) Trend data not available
Source: Various County departments

Table 17
County of San Diego
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
Function	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
General government										
Fleet vehicles	1,825	1,814	1,801	2,010	1,919	1,758	1,728	1,681	1,826	1,862
Buildings	1,114	1,123	1,153	1,092	1,069	1,092	1,114	1,120	1,130	1,172
Land	1,136	1,146	1,177	1,290	1,330	1,362	1,393	1,416	1,439	1,445
Public protection										
Building - sub stations	16	16	16	16	17	16	16	14	7	7
Patrol units	1,448	1,520	1,511	1,604	1,837	1,620	1,628	1,699	1,749	1,881
Detention facilities	10	10	11	9	9	9	9	9	9	9
Public ways and facilities										
Road miles	1,940.48	1,953.71	1,941.91	1,942.98	1,942.59	1,944.25	1,945.50	1,945.46	1,947.10	1,947.44
Bridges	201	201	204	208	208	208	208	208	208	208
Airports	7	7	7	7	7	7	7	7	7	7
Road stations	13	13	13	13	13	13	13	13	13	13
Health and sanitation										
Inactive landfills	23	23	23	23	23	23	23	23	23	22
Sewer lines miles	432.00	432.00	432.00	432.00	432.00	432.00	432.00	432.00	432.00	432.00
Water pollution control facilities	1	1	1	1	1	1	1	1	1	1
Wastewater treatment plants	3	3	3	3	3	3	3	3	3	3
Wastewater pump stations	8	8	8	8	8	8	8	8	8	8
Public assistance										
Administration building	1	1	1	1	1	1	1	1	1	1
Housing facilities	6	5	5	5	5	5	5	5	5	5
Education										
Libraries	20	20	21	21	22	22	22	22	22	22
Recreation and cultural										
Parks/open space area	109	109	109	118	125	130	152	156	156	157
Campgrounds	8	8	8	8	8	8	9	9	9	9

Source: Various County departments

Photo credits:

Pg IV: Burning Sunset, San Elijo State Beach Encinitas, CA/Marcel Fuentes, Shutterstock.com.
Pgs 46-47: Aerial of Coronado Golf course during sunset with a view of Coronado beach and Pacific ocean/Creative Family, Shutterstock.com.
Pg 70: This is the San Diego River in the Mission Trails Regional Park, Santee, California. The picture was taken in Summer./Gary L. Quay, Shutterstock.com.
Pgs 146-147: Aerial view of San Diego's skyline featuring high rise buildings, the Marriott Marquis, Manchester Grand Hyatt, a marina, and San Diego Bay./Aerial Film Studio, Shutterstock.com.
Pg 157: A group of flamingos near lake/Ozan Alkan, Shutterstock.com.
Pg 196: Desert Wildflowers blooming in the Anza Borrego Desert, the largest state park in California/Rachel Blaser, Shutterstock.com.
Pg 202: San Diego, California, USA park and square./Sean Pavone, Shutterstock.com.
Pg 214: Wave cliffs in San Diego at Point Loma Tidepools/Denys Akulov, Shutterstock.com.
Pg 220: The historic Mission Alcala located in San Diego/RCPPHOTO, Shutterstock.com.
Pg 244: Sailboat at sunset in San Diego/Urban Bark Collective, Shutterstock.com.
Back Cover: San Diego, California, USA park and square./Sean Pavone, Shutterstock.com.

County of San Diego, California

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County of San Diego

KIMBERLY GIARDINA, DSW, MSW
DEPUTY CHIEF ADMINISTRATIVE OFFICER

HEALTH AND HUMAN SERVICES AGENCY
600 PACIFIC HIGHWAY, SUITE 206, MAIL STOP P-501
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PATTY KAY DANON
CHIEF OPERATIONS OFFICER

December 27, 2024

TO: Supervisor Nora Vargas, Chair
Supervisor Terra Lawson-Remer, Vice Chair
Supervisor Joel Anderson
Supervisor Monica Montgomery Steppe
Supervisor Jim Desmond

FROM: Kimberly Giardina, DSW, MSW, Deputy Chief Administrative Officer
Health and Human Services Agency

SB 341 COMPLIANCE REPORT FOR THE COUNTY OF SAN DIEGO HOUSING SUCCESSOR AGENCY TO THE FORMER SAN DIEGO COUNTY REDEVELOPMENT AGENCY

On January 24, 2012, the County of San Diego was designated as the Successor Agency to the Redevelopment Agency of the County of San Diego (Redevelopment Agency). The Redevelopment Agency was subsequently dissolved on February 1, 2012.

The Successor Agency is required to oversee the closeout of the former Redevelopment Agency's operations, following the steps established by the Dissolution Laws. Designation of the Successor Agency was necessary to retain and preserve assets, fulfill legally binding commitments, oversee the termination of activities, and return resources expeditiously to the affected taxing entities. Since the designation, and as required by the Dissolution Law, staff has ensured all appropriate actions have been taken to remain in compliance with legislation and State of California Department of Finance and State Controller procedures.

In accordance with Health and Safety Code Section 34176.1(f) of Senate Bill 341, Attachment A, is a status update of the assets of the two redevelopment areas, known as Gillespie and the Upper San Diego River Improvement Project (USDRIP). The USDRIP area contains two housing assets of the former Redevelopment Agency: Villa Lakeshore Apartments and Silversage Apartments. These assets are affordable housing developments that serve the community of Lakeside. The County of San Diego Housing and Community Development Services (HCDS) has the responsibility of monitoring these developments annually and tracking the Low- and Moderate-

Income Housing Asset Fund, including program income. The fiscal year 2023-24 asset balances are identified in Attachment B.

Please refer to the Annual Consolidated Financial Report for the County of San Diego, pages 163, 170, and 179 which outlines the financial activity for the Low- and Moderate-Income Housing Asset Fund, as required by law.

This report will be filed with the Clerk of the Board.

If you have any questions, please contact David Estrella, Director at (858) 694-8750, or via email at David.Estrella@sdcounty.ca.gov.

Respectfully,

Kimberly Giardina, DSW, MSW
Deputy Chief Administrative Officer
Health and Human Services Agency

c: Ebony Shelton, Chief Administrative Officer
Andrew Potter, Clerk of the Board

Attachment A - SB 341 Compliance Report – County of San Diego Housing Successor to the Former San Diego County Redevelopment Agency
Attachment B - Balance Sheet – Gillespie and Upper San Diego River Improvement Project Areas

ATTACHMENT A

SB 341 Compliance Report - County of San Diego Housing Successor to the former San Diego County Redevelopment Agency

	Questions:	Answers
1	The amount the city, county, or city and county received pursuant to subparagraph (a) of paragraph (3) of subdivision (b) of Section 34191.4	There were no receipts received pursuant to subparagraph (a) of paragraph (3) of subdivision (b) of Section 34191.4
2	The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing between amounts deposited pursuant to subparagraphs (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4, amounts deposited for other items listed on the Recognized Obligation Payment Schedule, and other amounts deposited.	The total deposit made to these funds in FY 2023-24 is $67,130.40 ($62,248.59 was deposited in the Gillespie Fund 12020 and $4,881.81 was deposited in the USDRIP Fund 12022.)
3	A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the Recognized Obligation Payment Schedule from other amounts.	The cash balances as of 6/30/24 are as follows: Gillespie Fund 12020 balance is $453,755.25 and USDRIP Fund 12022 balance is $42,537.20. No funds are being held for items listed on the Recognized Obligation Payment Schedule.
4	A description of expenditures from the fund by category, including, but not limited to, expenditures (A) for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a), (B) for homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a), and (C) for the development of housing pursuant to paragraph (3) of subdivision (a).	The FY 2023-24 expenditure for administration, monitoring, and preserving the long-term affordability of units was $16,389.79 (Gillespie Fund 12020 $15,287.15 and USDRIP Fund 12022 is $1,102.64). No other expenditures from the fund were accrued.
5	As described in paragraph (1) of subdivision (a), the statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.	The Housing Successor does not own any real property. The total loans receivable as of 6/30/2024 from Villa Lakeshore and SilverSage is $3,884,718. Villa Lakeshore's portion is $1,467,645 ($843,896 from Gillespie and $623,749 from USDRIP). SilverSage's portion is $2,417,073 ($1,891,449 from Gillespie and $525,624 from USDRIP).

SB 341 Compliance Report - County of San Diego Housing Successor to the former San Diego County Redevelopment Agency

	Questions:	Answers
6	A description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.	N/A. The Housing Successor did not enter into any agreements to transfer funds during FY 2023-24
7	A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.	The Housing Successor did not receive or hold any property tax revenue during FY 2023-24
8	For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.	N/A. No interests in real property were acquired on or after 2/1/12.
9	A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its Internet Web site the implementation plans of the former redevelopment agency.	N/A. The Housing Successor has no unmet relocation or displacement obligations.
10	The information required by subparagraph (B) of paragraph (3) of subdivision (a).	N/A. The Housing Successor expends all funds pursuant to 34176.1(a)(1).
11	The percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.	There are no units of deed-restricted rental housing restricted to seniors. Therefore the percentage of units is 0%.
12	The amount of any excess surplus, the amount of time that the successor agency has had excess surplus, and the housing successor's plan for eliminating the excess surplus.	The amount of excess surplus at the end of FY 2023-24 is as follows: Fund 12020 Gillespie $453,928.54 and Fund 12022 USDRIP $42,537.20 The Housing Successor plans to use this surplus for administration, monitoring, and preserving the long-term affordability of units pursuant to 34176.1(a)(1).

ATTACHMENT B

SB 341 Compliance Report - County of San Diego Housing Successor to the former San Diego County Redevelopment Agency

Trial Balance
Report Date: 8/27/2024 10:25

Parameters	
Ledger/Ledger Set:	COSD
Ledger Currency:	USD
Currency Type:	Total
Entered Currency:	N/A
Pagebreak Segment:	FUND
Pagebreak Segment Low:	12020
Pagebreak Segment High:	12022
Period:	ADJ-24
Amount Type:	Year to Date

FUND: 12020 CSHAF GILLESPIE HOUSING

ACCOUNT	Description	Beginning Balance	Debits	Credits	Ending Balance
10100	CASH IN TREASURY	$401,627.10	$62,248.59	$15,365.01	$448,510.68
10750	DUE FROM / DUE TO - INTEREST AP	$3,442.09	$16,060.73	$14,084.96	$5,417.86
10901	ADVANCES-LOANS FROM OTHER FUNDS	$282,268.94	$0.00	$43,374.74	$238,894.20
11039	INTEREST RECEIVABLE	$1,070,504.57	$101,555.42	$268,896.00	$903,163.99
12310	NOTES RECEIVABLE	$2,466,449.00	$268,896.00	$0.00	$2,735,345.00
14200	PREPAID EXPENSE	$2,634.81	$0.00	$0.00	$2,634.81
24766	MTB-T_DART DUE TO OTHER FUNDS	($251.15)	$251.15	$173.29	($173.29)
26573	DEF INFL (REV) INTEREST	($1,070,504.57)	$268,896.00	$101,555.42	($903,163.99)
31223	NONSPENDABLE PREPAID	($2,634.81)	$0.00	$0.00	($2,634.81)
31243	NONSPEND REDEV LOANS	($2,466,449.00)	$0.00	$268,896.00	($2,735,345.00)
33100	NONSPEND ADVANCE OTHER FND	($282,268.94)	$43,374.74	$0.00	($238,894.20)
34100	FUND BALANCE AVAILABLE - ACTUAL	($404,818.04)	$225,521.26	$0.00	($179,296.78)
37100	FUND BALANCE-OTHER	$0.00	$268,896.00	$268,896.00	$0.00
44105	INTEREST ON DEPOSITS&INV	$0.00	$16,060.73	$32,121.46	($16,060.73)
47540	OTHER MISCELLANEOUS	$0.00	$0.00	$4,788.89	($4,788.89)
47549	REPAYMENT OF HOUSING LOANS	$0.00	$0.00	$268,896.00	($268,896.00)
52304	MISCELLANEOUS EXPENSE	$0.00	$15,287.15	$0.00	$15,287.15
		$0.00	$1,287,047.77	$1,287,047.77	$0.00

FUND: 12022 CSHAF USDRIP HOUSING

ACCOUNT	Description	Beginning Balance	Debits	Credits	Ending Balance
10100	CASH IN TREASURY	$38,248.20	$4,881.81	$1,103.52	$42,026.49
10750	DUE FROM / DUE TO - INTEREST AP	$313.64	$1,539.27	$1,342.20	$510.71
11039	INTEREST RECEIVABLE	$437,564.24	$48,890.41	$198,749.00	$287,705.65
12310	NOTES RECEIVABLE	$950,624.00	$198,749.00	$0.00	$1,149,373.00
24766	MTB-T_DART DUE TO OTHER FUNDS	($2.81)	$2.81	$1.93	($1.93)
26573	DEF INFL (REV) INTEREST	($437,564.24)	$198,749.00	$48,890.41	($287,705.65)
31243	NONSPEND REDEV LOANS	($950,624.00)	$0.00	$198,749.00	($1,149,373.00)
34100	FUND BALANCE AVAILABLE - ACTUAL	($38,559.03)	$198,749.00	$0.00	$160,189.97
37100	FUND BALANCE-OTHER	$0.00	$198,749.00	$198,749.00	$0.00
44105	INTEREST ON DEPOSITS&INV	$0.00	$1,539.27	$3,078.54	($1,539.27)
47540	OTHER MISCELLANEOUS	$0.00	$0.00	$3,539.61	($3,539.61)
47549	REPAYMENT OF HOUSING LOANS	$0.00	$0.00	$198,749.00	($198,749.00)
52304	MISCELLANEOUS EXPENSE	$0.00	$1,102.64	$0.00	$1,102.64
		$0.00	$852,952.21	$852,952.21	$0.00

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
June 30, 2024
(In Thousands)

		Asset Forfeiture Program Fund	Community Facilities District Funds - Other	County Library Fund	County Low and Moderate Income Housing Asset Fund
ASSETS					
Pooled cash and investments	$	16,428	7,619	16,942	486
Receivables, net		193	109	1,415	5,082
Lease receivables					
Property taxes receivables, net				731	
Due from other funds			10	11	328
Inventories		145		66	
Deposits with others					
Prepaid items					3
Restricted assets:					
Cash with fiscal agents					
Investments with fiscal agents					
Total assets		16,766	7,738	19,165	5,899
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable		38	7	1,674	
Accrued payroll				1,159	
Due to other funds			1,354	1,423	
Unearned revenue			572	37	
Total liabilities		38	1,933	4,293	
DEFERRED INFLOWS OF RESOURCES					
Non-pension:					
Leases					
Property taxes received in advance				665	
Unavailable revenue				676	1,190
Total deferred inflows of resources				1,341	1,190
FUND BALANCES					
Nonspendable:					
Not in spendable form:					
Loans, due from other funds and prepaids					3
Inventories and deposits with others		145		66	
Restricted for:					
Creditors - Debt service					
Grantors - Housing assistance					
Laws or regulations of other governments:					
Future road improvements					
Fund purpose		16,583	5,805	13,465	4,706
Other purposes					
Committed to:					
Landfill postclosure and landfill maintenance					
Total fund balances		16,728	5,805	13,531	4,709
Total liabilities, deferred inflows of resources and fund balances	$	16,766	7,738	19,165	5,899

Continued on next page

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024
(In thousands)

	Asset Forfeiture Program Fund	Community Facilities District Funds Other	County Library Fund	County Low and Moderate Income Housing Asset Fund
Revenues:				
Taxes	$	3,981	50,547	
Licenses, permits and franchise fees				
Fines, forfeitures and penalties	1,825	9		
Revenue from use of money and property	699	395	787	39
Aid from other governmental agencies:				
State			433	
Federal	2,425		1,359	
Other			9,650	
Charges for current services			227	
Other			151	476
Total revenues	4,949	4,385	63,154	515
Expenditures:				
Current:				
General government				
Public protection	536	2,490		
Public ways and facilities				
Health and sanitation				
Public assistance				16
Education			62,978	
Recreation and cultural		596		
Capital outlay	57		326	
Debt service:				
Principal			647	
Interest			21	
Total expenditures	593	3,086	63,972	16
Excess (deficiency) of revenues over (under) expenditures	4,356	1,299	(818)	499
Other financing sources (uses):				
Sale of capital assets				
Face value of loans issued				
Face value of bonds issued				
Transfers in			3,014	
Transfers out	(33)	(1,320)	(1,471)	
Total other financing sources (uses)	(33)	(1,320)	1,543	
Net change in fund balances	4,323	(21)	725	499
Fund balances at beginning of year	12,419	5,826	12,805	4,210
Increase (decrease) in nonspendable inventories	(14)		1	
Fund balances at end of year	$ 16,728	5,805	13,531	4,709

Continued on next page

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY LOW AND MODERATE INCOME HOUSING ASSET FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Revenue from use of money and property	$	5	5	39
Aid from other governmental agencies:				
Other		22	22	476
Total revenues		27	27	515
Expenditures:				
Current:				
Public assistance:				
CSHAF Gillespie housing		25	25	15
CSHAF USDRIP housing		4	4	1
Total public assistance		29	29	16
Total expenditures		29	29	16
Excess (deficiency) of revenues over (under) expenditures		(2)	(2)	499
Net change in fund balances		(2)	(2)	499
Fund balances at beginning of year		4,210	4,210	4,210
Fund balances at end of year	$	4,208	4,208	4,709

County of San Diego

KIMBERLY GIARDINA, DSW, MSW
DEPUTY CHIEF ADMINISTRATIVE OFFICER

HEALTH AND HUMAN SERVICES AGENCY
600 PACIFIC HIGHWAY, SUITE 206, MAIL STOP P-501
SAN DIEGO, CA 92101-2417
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PATTY KAY DANON
CHIEF OPERATIONS OFFICER

December 27, 2024

TO: Supervisor Nora Vargas, Chair
Supervisor Terra Lawson-Remer, Vice Chair
Supervisor Joel Anderson
Supervisor Monica Montgomery Steppe
Supervisor Jim Desmond

FROM: Kimberly Giardina, DSW, MSW, Executive Director
Housing Authority of the County of San Diego

SB 341 COMPLIANCE REPORT FOR THE HOUSING AUTHORITY OF THE COUNTY OF SAN DIEGO SUCCESSOR HOUSING AGENCY TO THE FORMER SANTEE COMMUNITY DEVELOPMENT COMMISSION

California Assembly Bills XI 26 (AB XI 26) and 1484 (AB 1484), commonly referred to as the Dissolution Laws, were enacted on June 28, 2011, and June 27, 2012, respectively. The Dissolution Law dissolved redevelopment agencies and required that the sponsoring agency, city, or county, of the former redevelopment agency either elect to retain the non-cash housing assets and functions of the former redevelopment agency or select a local housing authority as the agency responsible to assume the non-cash housing assets and functions.

On January 25, 2012, the Santee City Council designated the Housing Authority of the County of San Diego (HACSD) as the agency to assume the non-cash housing assets and functions of the Santee Community Development Commission, the former redevelopment agency of the City of Santee. In November and December 2013, the Santee Successor Housing Agency (SSHA) and the Santee Oversight Board took actions to authorize the transfer of the housing assets and functions to the HACSD.

On May 21, 2014, the Board of Commissioners of the HACSD authorized the Executive Director to accept four assets from the SSHA contingent on: 1) the SSHA providing the case files for each of the listed assets; and 2) total remittance of the housing administrative cost allowance as required by law, which equates to $600,000 paid by the SSHA to the HACSD over a period of four years.

The SSHA provided the HACSD asset case files on August 15, 2014. On January 26, 2015, the HACSD received an initial check in the amount of $150,000, representing the housing administrative cost allowance for fiscal year 2014-15. On January 25, 2018, the HACSD received payment of $75,000, which represented the final payment from the SSHA of the $600,000 housing administrative cost allowance required by law.

In accordance with Health and Safety Code Section 34176.1(f) of Senate Bill 341, Attachment A, is a status update concerning the three assets assumed from the SSHA portfolio: Cedar Creek, Forester Square, and Shadow Hill. These assets are affordable housing developments that serve the community of Santee. The HACSD has the responsibility of monitoring these developments annually and tracking the Low- and Moderate-Income Housing Asset Fund, including program income. The fiscal year 2023-24 asset balances are identified in Attachment B.

Please refer to the Annual Consolidated Financial Report for the County of San Diego, pages 164, 171, and 187 which outlines the financial activity for the Low- and Moderate-Income Housing Asset Fund, as required by law.

This report will be filed with the Clerk of the Board.

If you have any questions, please contact David Estrella, Director at (858) 694-8750, or via email at David.Estrella@sdcounty.ca.gov.

Respectfully,

Kimberly Giardina, DSW, MSW
Executive Director
Housing of the Authority County of San Diego

c: Ebony Shelton, Chief Administrative Officer
Andrew Potter, Clerk of the Board

Attachment A - SB 341 Compliance Report – Housing Authority of the County of San Diego Successor Housing Agency
Attachment B - Balance Sheet – Housing Authority of the County of San Diego Successor Housing Agency

ATTACHMENT A

SB341 Compliance Report - Housing Authority of the County of San Diego Successor Housing Agency

	Questions:	Answers
1	The amount the city, county, or city and county received pursuant to subparagraph (a) of paragraph (3) of subdivision (b) of Section 34191.4	There were no receipts received pursuant to subparagraph (a) of paragraph (3) of subdivision (b) of Section 34191.4
2	The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing between amounts deposited pursuant to subparagraphs (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4, amounts deposited for other items listed on the Recognized Obligation Payment Schedule, and other amounts deposited.	The Santee Housing Successor Agency has one Housing Asset Fund, Fund 15354. The total deposit made to this fund in FY 2023-24 is $22,607.55.
3	A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the Recognized Obligation Payment Schedule from other amounts.	The Santee Successor Housing Agency Fund 15354 cash balance as of 6/30/24 is $677,490.80.
4	A description of expenditures from the fund by category, including, but not limited to, expenditures (A) for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a), (B) for homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a), and (C) for the development of housing pursuant to paragraph (3) of subdivision (a).	The FY 2023-24 actual expenditure for administration, monitoring and preserving the long-term affordability of units was $5,707.28.
5	As described in paragraph (1) of subdivision (a), the statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.	The Housing Successor does not own any real property. As of 6/30/24, the total value of the loans receivable are $13,786,248 and include the following: Cedar Creek - $5,276,000, Forester Square - $5,494,000, and Shadow Hill - $3,016,248.
6	A description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.	N/A - The Housing Successor did not enter into any agreements to transfer any funds during FY 2023-24.
7	A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.	The Housing Successor did not recieve or hold any propert tax revenue during FY 2023-24.

SB341 Compliance Report - Housing Authority of the County of San Diego Successor Housing Agency

	Questions:	Answers
8	For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.	N/A - No interests in real property were acquired on or after 2/1/2012.
9	A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its Internet Web site the implementation plans of the former redevelopment agency.	N/A - The Housing Successor has no unmet relocation or displacement obligations.
10	The information required by subparagraph (B) of paragraph (3) of subdivision (a).	N/A. The Housing Successor is only expending the funds pursuant to 34176.1(a)(1).
11	The percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.	There are no units of deed-restricted rental housing restricted to seniors. Therefore the percentage of units is 0%.
12	The amount of any excess surplus, the amount of time that the successor agency has had excess surplus, and the housing successor's plan for eliminating the excess surplus.	The amount of excess surplus at the end of FY 2023-24 is $677,504.49. The Housing Successor plans to use this surplus for administration, monitoring, and preserving the long term affordability of units.

SB341 Compliance Report - Housing Authority of the County of San Diego Successor Housing Agency

	Questions:	Answers
13	An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund pursuant to subdivision (f) of Section 33334.3. This inventory shall include all of the following information: (A) The number of those units (B) In the first report pursuant to this subdivision, the number of units lost to the portfolio in the last fiscal year and the reason for those losses (C) Any funds returned to the housing successor as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund (D) Whether the housing successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.	N/A - The Housing Successor has no homeownership units.

Attachment B

SB341 Compliance Report - Housing Authority of the County of San Diego Successor Housing Agency

Trial Balance
Report Date: 8/27/2024 10:26

Parameters	
Ledger/Ledger Set:	COSD
Ledger Currency:	USD
Currency Type:	Total
Entered Currency:	N/A
Pagebreak Segment:	FUND
Pagebreak Segment Low:	15354
Pagebreak Segment High:	15354
Period:	ADJ-24
Amount Type:	Year to Date

FUND: 15354 HA SANTEE SUCCESS HOUSING AGCY

ACCOUNT	Description	Beginning Balance	Debits	Credits	Ending Balance
10100	CASH IN TREASURY	$652,483.52	$22,607.55	$5,713.43	$669,377.64
10750	DUE FROM / DUE TO - INTEREST AP	$5,626.05	$25,108.35	$22,607.55	$8,126.85
11039	INTEREST RECEIVABLE	$6,148,338.43	$413,587.44	$0.00	$6,561,925.87
12310	NOTES RECEIVABLE	$13,786,248.00	$0.00	$0.00	$13,786,248.00
24766	MTB-T_DART DUE TO OTHER FUNDS	($19.84)	$19.84	$13.69	($13.69)
26573	DEF INFL (REV) INTEREST	($6,148,338.43)	$0.00	$413,587.44	($6,561,925.87)
26574	DEF INFL (REV) OTHER	($13,786,248.00)	$0.00	$0.00	($13,786,248.00)
26601	UNEARNED REVENUE	($559,389.24)	$0.00	$0.00	($559,389.24)
34100	FUND BALANCE AVAILABLE - ACTUAL	($98,700.49)	$0.00	$0.00	($98,700.49)
44105	INTEREST ON DEPOSITS&INV	$0.00	$25,108.35	$50,216.70	($25,108.35)
52305	HACOSD ADMINISTRATIVE COSTS	$0.00	$5,707.28	$0.00	$5,707.28
		$0.00	$492,138.81	$492,138.81	($0.00)

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
June 30, 2024
(In Thousands)

(Continued)		County Service District Funds	Edgemoor Development Fund	Flood Control District Fund	Harmony Grove Community Facilities District Fund	Housing Authority - Low and Moderate Income Housing Asset Fund
ASSETS						
Pooled cash and investments	$	34,176	2,535	33,699	1,989	663
Receivables, net		4,181	15,405	432	26	20,356
Lease receivables		705	8,498			
Property taxes receivables, net		264		89		
Due from other funds		5,948		43		
Inventories		81		2		
Deposits with others						
Prepaid items						
Restricted assets:						
Cash with fiscal agents						
Investments with fiscal agents					6	
Total assets		45,355	26,438	34,265	2,021	21,019
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable		6,430		2,395		
Accrued payroll						
Due to other funds		5,991	14	457	1	
Unearned revenue				490		559
Total liabilities		12,421	14	3,342	1	559
DEFERRED INFLOWS OF RESOURCES						
Non-pension:						
Leases		705	8,327			
Property taxes received in advance		206		92		
Unavailable revenue		216	14,604	75		20,349
Total deferred inflows of resources		1,127	22,931	167		20,349
FUND BALANCES						
Nonspendable:						
Not in spendable form:						
Loans, due from other funds and prepaids						
Inventories and deposits with others		81		2		
Restricted for:						
Creditors - Debt service						
Grantors - Housing assistance						
Laws or regulations of other governments:						
Future road improvements						
Fund purpose		31,726	3,493		2,020	111
Other purposes				30,754		
Committed to:						
Landfill postclosure and landfill maintenance						
Total fund balances		31,807	3,493	30,756	2,020	111
Total liabilities, deferred inflows of resources and fund balances	$	45,355	26,438	34,265	2,021	21,019

Continued on next page

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024
(In thousands)

(Continued)		County Service District Funds	Edgemoor Development Fund	Flood Control District Fund	Harmony Grove Community Facilities District Fund	Housing Authority - Low and Moderate Income Housing Asset Fund
Revenues:						
Taxes	$	21,339		6,921	933	
Licenses, permits and franchise fees						
Fines, forfeitures and penalties					1	
Revenue from use of money and property		1,896	2,012	1,562	129	36
Aid from other governmental agencies:						
State		64		32		
Federal			809	14		
Other		53		48		
Charges for current services		18,019		1,138		
Other		3,117		150	60	
Total revenues		44,488	2,821	9,865	1,123	36
Expenditures:						
Current:						
General government		257	137			
Public protection		14,840		11,741		
Public ways and facilities		2,945			3,094	
Health and sanitation		23,164				
Public assistance						6
Education						
Recreation and cultural		2,820				
Capital outlay				4,847		
Debt service:						
Principal		66		36		
Interest		76				
Total expenditures		44,168	137	16,624	3,094	6
Excess (deficiency) of revenues over (under) expenditures		320	2,684	(6,759)	(1,971)	30
Other financing sources (uses):						
Sale of capital assets			5,010			
Face value of loans issued		1,718				
Face value of bonds issued						
Transfers in		7,412		20		
Transfers out		(5,271)	(8,511)			
Total other financing sources (uses)		3,859	(3,501)	20		
Net change in fund balances		4,179	(817)	(6,739)	(1,971)	30
Fund balances at beginning of year		27,627	4,310	37,497	3,991	81
Increase (decrease) in nonspendable inventories		1		(2)		
Fund balances at end of year	$	31,807	3,493	30,756	2,020	111

Continued on next page

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOUSING AUTHORITY - LOW AND MODERATE INCOME HOUSING ASSET FUND
For the Year Ended June 30, 2024
(In Thousands)

		Original Budget	Final Budget	Actual
Revenues:				
Revenue from use of money and property	$	15	15	36
Aid from other governmental agencies:				
Other		11	11	
Total revenues		26	26	36
Expenditures:				
Current:				
Public assistance:				
Other assistance - other budgetary entity		26	26	6
Total public assistance		26	26	6
Total expenditures		26	26	6
Excess (deficiency) of revenues over (under) expenditures				30
Net change in fund balances				30
Fund balances at beginning of year		81	81	81
Fund balances at end of year	$	81	81	111