

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, MAY 18, 2021**

MINUTE ORDER NO. 15

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

OVERVIEW

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

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

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

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

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

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

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

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

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

2. Establish appropriations of \$107,000 in the Medical Examiner, Services & Supplies, to assist local hospitals and mortuaries with storage units, based on CARES Act revenues. **(4 VOTES)**
3. Establish appropriations of \$1,100,000 in the Public Defender, Services & Supplies, for expert professional help to provide criminal defense representation for clients, based on unanticipated state mandated reimbursements. **(4 VOTES)**
4. Establish appropriations of \$30,000 in the Park Land Dedication Ordinance (PLDO) Administrative Fee Fund, Services & Supplies, for costs associated with fund administration based on available prior year PLDO Administrative Fee Fund fund balance. **(4 VOTES)**
5. Establish appropriations of \$5,000 in the Park Land Dedication Ordinance (PLDO) Area 45 Valle De Oro Fund, Operating Transfers Out, to provide funding for Capital Project 1021494 Woodhaven Park Well and Fitness Trail, based on available prior year PLDO Area 45 Valle De Oro Fund fund balance; *and* establish appropriations of \$5,000 in the Capital Outlay Fund, Capital Assets/Land Acquisition for Capital Project 1021494 Woodhaven Park Well and Fitness Trail, based on an Operating Transfer In from the PLDO Area 45 Valle De Oro Fund. **(4 VOTES)**
6. Establish appropriations of \$250,000 in the DPW ISF Equipment Acquisition Road Fund, Fixed Asset Equipment, for the purchase of vehicles for the new Department of Public Works Litter Abatement Program, based on an Operating Transfer In from the Department of Public Works Road Fund. **(4 VOTES)**
7. Transfer appropriations of \$518,280 from the Harmony Grove Improvement Fund, Services & Supplies to Operating Transfers Out, to provide for the accounting of the bond proceeds used to construct the Harmony Grove Road and other road improvements located in the Community Facilities District No. 2008-01; *and* establish appropriations of \$518,280 in the Harmony Grove Capital Project Fund, Fixed Assets-Buildings and Improvements based on an Operating Transfer In from Harmony Grove Improvement Fund. **(4 VOTES)**
8. Establish appropriations of \$60,830 in the Harmony Grove Village Community Facility District Fire Protection Fund (HGVCFPD), Services & Supplies, for fire protection and paramedic services within Harmony Grove Village based on HGVCFPD prior year fund balance (\$24,385) and special taxes collected within Harmony Grove Village (\$36,445). **(4 VOTES)**
9. Transfer appropriations within departments between Services & Supplies and Operating Transfers Out, as noted in Appendix D, in the net amount of \$8,288,277 for major maintenance projects listed in Appendix D that were subsequently reclassified, based on capitalization thresholds, for financial reporting purposes; *and* establish and cancel appropriations, as noted in Appendix D for a net increase of \$8,288,277 in the Major Maintenance Capital Outlay Fund and adjust related funding sources as noted to accurately classify major maintenance projects for financial reporting purposes. **(4 VOTES)**

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

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

FISCAL IMPACT

Funds associated with today's recommendations are partially included in the Fiscal Year 2020-21 Operational Plan. If approved, in the General Fund these actions will result in an increase to the overall budget of \$1,207,000, transfers within budgetary funds of \$7,963,107 and no cancellation of appropriations. The funding source for the increase is Program Revenues (\$1,207,000).

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

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Fletcher, seconded by Supervisor Vargas, the Board of Supervisors took action as recommended.

AYES: Vargas, Anderson, Lawson-Remer, Fletcher, Desmond

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter

