



# MONICA MONTGOMERY STEPPE

SUPERVISOR, FOURTH DISTRICT  
SAN DIEGO COUNTY BOARD OF SUPERVISORS

## AGENDA ITEM

**DATE:** April 8, 2025 and April 22, 2025

22

**TO:** Board of Supervisors

### SUBJECT

**CONSIDERATION OF THE 2025 BUDGET PROCESS TIMELINE AND ADOPTION OF AN ORDINANCE TO TEMPORARILY SUSPEND OPERATION OF SECTIONS 116 AND 117 OF THE SAN DIEGO COUNTY ADMINISTRATIVE CODE WITH REGARD TO APPROVAL AND ADOPTION OF THE FISCAL YEAR 2025-26 COUNTY BUDGET; AND WAIVER OF BOARD POLICY A-72 (4/8/2025 – First Reading; 4/22/2025 – Second Reading) (DISTRICTS: ALL)**

### OVERVIEW

The California Government Code (Government Code) and the San Diego County Code of Administrative Ordinances (Administrative Code) govern the timeline for the County of San Diego's (County) annual budget process and related Board of Supervisors (Board) decisions. These actions include: (a) Board review of budget estimates and approval of budget recommendations from the Chief Administrative Officer, (b) budget hearings, and (c) approval and adoption of the County budget.

In the past several years, the County has used a "one-step" budget adoption process pursuant to the Administrative Code and as allowed by Government Code. Under this process, the Board reviews and adopts the budget in a single action no later than June 30 of a given year. Alternatively, the Government Code permits California counties to utilize a "two-step" budget process if they choose, wherein formal adoption of a budget occurs no later than October 2, but prior to this formal adoption, the budget is approved by June 30 for the purpose of spending authority until formal budget adoption.

This is a request for the Board to utilize such a "two-step" budget process for the Fiscal Year 2025-26 County budget. Specifically, it is a request for the Board to consider and adopt an ordinance temporarily suspending operation of San Diego County Administrative Code Sections 116–117 with regard to approval and adoption of the Fiscal Year 2025-26 County budget. Utilizing a "two-step" budget process will allow the Board to better understand and account for uncertainties surrounding rapidly shifting federal policies, the State budget outlook, and other factors that could impact the current budget process. It will also allow for District One to have a voice in the Fiscal Year 2025–26 budget process.

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**RECOMMENDATION(S)**

**SUPERVISOR MONICA MONTGOMERY STEPPE**

1. Waive Board Policy A-72 Agenda and Related Process, Section 2.C.2.ii, which establishes required timelines for review when preparing a Board Letter.
2. Approve the introduction of the Ordinance (first reading), read title and waive further reading of the Ordinance:

AN ORDINANCE TEMPORARILY SUSPENDING OPERATION OF SECTIONS 116 AND 117 OF THE SAN DIEGO COUNTY CODE OF ADMINISTRATIVE ORDINANCES RELATING TO THE PROCESS FOR APPROVAL AND ADOPTION OF THE FISCAL YEAR 2025-26 COUNTY BUDGET.

This Ordinance will temporarily suspend San Diego County Administrative Code Sections 116 and 117, which will enable the County to adopt the budget for the Fiscal Year 2025–26 budget development process via resolution no later than October 2, 2025, consistent with California Government Code 29088.

3. If, on April 8, 2025, the Board takes action as recommend in item 2 then, on April 22, 2025 (second reading): Submit ordinance for further Board consideration and adoption on April 22, 2025 (second reading).

**EQUITY IMPACT STATEMENT**

Utilizing a two-step budget process for adoption of the Fiscal Year 2025-26 County Budget will allow the County to more optimally allocate resources by better accounting for rapidly shifting federal funding policies and uncertainties in State funding levels.

**SUSTAINABILITY IMPACT STATEMENT**

The County strives to strengthen communities in all interactions by pursuing legislative policies and collaborating with stakeholders to enhance services that allow residents to transition to self-sufficiency to increase economic sustainability and reduce poverty. Adopting a budget that most optimally allocates resources advances this objective.

**FISCAL IMPACT**

There is no fiscal impact associated with these recommendations. There will be no change in net General Fund cost and no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

**ADVISORY BOARD STATEMENT**

N/A

**BACKGROUND**

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The County Budget Act, which is a part of California Government Code, allows the option for adoption of a county budget using a “one-step” or “two-step” process following submission of a recommended budget to the Board of Supervisors (Board). The one-step process provides all necessary budget procedures, including the public budget hearings, be completed and the budget for the next fiscal year be adopted by June 30<sup>th</sup>. The two-step process allows a county to (1) approve the recommended budget by June 30<sup>th</sup>, including the revisions the Board deems necessary for the purpose of having authority to spend until the budget is adopted; and then, (2) hold the public budget hearings and adopt the budget no later than October 2<sup>nd</sup>. *See* Cal. Gov’t Code §§ 29064, 29080, 29088.

The County has used the one-step budget adoption process for the past several years where (a) the recommended budget is made available to the public by May 30; (b) on or before June 20, a public hearing on the recommended budget is held; and (c) no later than June 30, the Board adopts the budget by resolution. The San Diego County Administrative Code requires the County to follow the one-step process for budget adoption: it specifically requires that not later than the last week of June, the Board shall, by resolution, adopt the budget. Under this process, the Board reviews and adopts the budget by June 30 each year.

Today’s action will introduce for consideration and adoption an ordinance temporarily suspending operation of Sections 116 and 117 of the Administrative Code for approval and adoption of the Fiscal Year 2025-26 County budget, allowing for the Board to utilize the “two-step” process as allowed by the California Government Code. Utilizing the “two-step” process is necessary under the unusual circumstances of the current year for two reasons. Most critically, it will afford the Board an opportunity to better understand and account for the uncertainties surrounding rapidly shifting federal policies, the State budget outlook, and other factors that could impact the current budget process. It will also allow for District One to have a voice in the Fiscal Year 2025–26 budget process after the current vacancy is filled.

Adoption of an ordinance temporarily suspending Sections 116 and 117 of the Administrative Code (effective May 22, 2025) would be the first step in adjusting the procedural timeline for the Fiscal Year 2025–26 budget review and adoption process. If approved, the Board may take further action to amend the 2025 Board Meeting Calendar including the timeline of budget hearings.

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

Today’s proposed action aligns with the Equity and Empower Strategic Initiatives in the County of San Diego’s 2025-2030 Strategic Plan.

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Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Monica Steppe', with a stylized flourish at the end.

MONICA MONTGOMERY STEPPE  
Supervisor, Fourth District

**ATTACHMENT(S)**  
Attachment A—Ordinance.