



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

NORA VARGAS
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

NATHAN FLETCHER
Fourth District

JIM DESMOND
Fifth District

DATE: May 18, 2021

15

TO: Board of Supervisors

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

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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 (HHS) 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)**

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8. Establish appropriations of \$60,830 in the Harmony Grove Village Community Facility District Fire Protection Fund (HGVCDFDPD), Services & Supplies, for fire protection and paramedic services within Harmony Grove Village based on HGVCDFDPD 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

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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

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

As shown in Schedule A, the General Fund year-end fund balance projection of \$272.6 million is based on the estimate that expenditures will be approximately \$273.7 million more than the Fiscal Year 2020-21 Amended Budget due to the inclusion of emergency response costs tied to the pandemic and revenues will be a net \$546.3 million more than the Fiscal Year 2020-21 Amended Budget. Staff will return to the Board of Supervisors with appropriation action to mitigate this projected negative expenditure variance. The Amended Budget consists of the Adopted Budget plus encumbrances carried over from the prior year, plus year-to-date changes that have been either approved by your Board or the Deputy Chief Administrative Officer/Chief Financial Officer, when permitted.

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.

Attachments to this letter have been included to provide detail of these fund balance projections. Schedule A summarizes the fund balance projection by business group, department, and fund category. The Notes to Schedules A and B explain variances from budget by department, fund and for General Purpose Revenue. Schedule B shows the projected General Fund fund balance by business group split between operating and reserve balances.

GENERAL FUND EXPENDITURE VARIANCES

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The projected higher than budgeted expenditures generating an overall negative expenditure variance of \$273.7 million in the General Fund are primarily attributable to the following:

- \$25.4 million in negative salary and benefit appropriation variance driven by a negative variance in HHSA due to additional temporary staffing and overtime costs for COVID-19 emergency response efforts, partially offset by a positive variance in all other groups due to staff turnover and department management of vacancies.
- \$144.9 million in negative appropriation variance in Services & Supplies across the County.
 - In PSG, projected overall positive expenditure variance of \$20.4 million primarily in Sheriff's Department due to one-time costs related to the Regional Communication System (RCS) site relocations/development and projects that will be re-budgeted in the Fiscal Year 2021-22 CAO Recommended Operational Plan and in the Change Letter for the replacement of the Jail Information Management System (JIMS), Records Management System and the Computer Aided Dispatch system; in Probation for lower than anticipated use of contracted services due to the COVID-19 Public Health Order; in San Diego County Fire due to lower expenditures related to the Ember Resistant Vent Program; and in Child Support Services due to lower than anticipated expenses in various accounts supporting operations, such as information technology services.
 - In HHSA, projected overall negative variance of \$214.2 million primarily tied to COVID-19 emergency response efforts in Public Health Services, in Aging & Independence Services (emergency food services), in Administrative Support (including a continuation of the County's T3 Strategy of Test, Trace and Treat, in Self-Sufficiency Services (expansion of the Info Line of San Diego 2-1-1) and in Child Welfare Services (including services to support the increased number and acuity of youth in CWS during the pandemic). This is offset by positive variances in Behavioral Health Services primarily in contracted services associated with various alcohol and drug treatment and mental health programs due to procurement delays and also decreased service delivery costs and in Housing & Community Development Services tied to projected savings in programs addressing homelessness in the unincorporated area due to a longer than anticipated timeline to get clients housing ready due to the impacts of the pandemic.
 - In LUEG, projected overall positive variance of \$5.3 million primarily in the Department of Environmental Health and Quality due to lower than anticipated project costs for the Vector Habitat Remediation Program (VHRP), fewer required larvicide purchases and positive expenditure variances in various accounts impacted by the Governor's Stay At Home Order, including travel and training, office expenses and supplies; in the Department of Parks and Recreation due to delayed grant projects due to COVID-19 health order closures; in Planning & Development Services as a result of a decrease in consultant costs for land development projects; and in the Department of Public Works due to projected savings related to stormwater inspection contract support and support services from other County departments and funds.
 - In FGG, projected positive variance of \$14.1 million is primarily in Chief Administrative Office due to the newly created Office of Equity and Racial Justice (OERJ) for one-time services to establish the County's needs supporting enterprise

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equity and racial justice activities, in Assessor/Recorder/County Clerk (ARCC) due to the delay of one-time Microfilm Conversion/Duplication, Restoration and Treatment for ARCC Archive Film, e-recording and truncation of official records, which will be completed in Fiscal Year 2021-22, in FGG Executive Office due to information technology (IT) projects that are anticipated to span across multiple fiscal years, in Registrar of Voters due to savings from the June 2021 Special General 79th State Assembly District Election, and in Treasurer Tax Collector due to delays in IT projects.

- In FO, projected positive variance of \$29.5 million includes \$25.0 million which was appropriated to replenish the General Fund Reserve per *Administrative Code Section 113.1 General Fund Balances and Reserves* and information technology projects that are anticipated to extend beyond the current fiscal year (\$4.5 million).
- A projected net negative appropriation variance of \$98.5 million in Other Charges reflects variances primarily in HHSA tied to Emergency Rental Assistance Program (ERAP) payments to eligible households. The Board previously approved additional appropriations on April 06, 2021 (05) which will cover the negative expenditure variances tied to ERAP.
- A projected positive appropriation variance of \$2.6 million in Capital Assets Equipment primarily in PSG due to lower expenditures related to fire apparatus purchases in San Diego County Fire and lower than anticipated costs for the Cal-ID program in the Sheriff's Department.
- A projected negative appropriation variance of \$9.6 million in Expenditure Transfer & Reimbursements in PSG in Child Support Services due to lower than anticipated expenditures in the Bureau of Public Assistance Investigations for services reimbursed by HHSA and in the Sheriff's Department for the rebudget of Costs Applied in the General Fund which partially offsets the JIMS replacement project; and in HHSA due to lower than anticipated contracted costs to administer the County's Hotel/Motel Voucher program offset by positive appropriation variances associated with costs provided through various Memorandums of Understanding (MOU) with the Probation Department.
- A projected positive appropriation variance of \$1.9 million in Operating Transfers Out primarily in HHSA due to reduced funding needs for In-Home Support Services (IHSS) Public Authority related to anticipated operational savings in the program with no impact to services and in Finance Other due to lower than anticipated expenses related to capital projects that are closed or being cancelled by the end of the fiscal year.

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GENERAL FUND REVENUE VARIANCES

The projected over-realized revenue of \$546.3 million includes positive variances totaling \$571.0 million and negative variances of \$24.7 million. In many instances, the negative revenue variances are directly associated with the positive expenditure variances described above.

The projected positive revenue variance of \$571.0 million is primarily attributable to the following categories: Intergovernmental Revenues (\$492.1 million) mainly tied to federal and State revenues for COVID-19 emergency response efforts, funding from the American Rescue Plan Act (ARPA) to support the County's rental assistance program and Small Business Stimulus Grant (SBSG) program, pass-through distributions and residual balance estimates in Aid from Redevelopment Successor Agencies, and over-realized revenue for reimbursement from the California Department of Corrections and Rehabilitation for inmate housing costs during a pause in jail intake at state facilities in response to the COVID-19 pandemic and over-realized federal revenue for reimbursement of CARES Act CRF expenditures, and due to unanticipated increases in grant funding from the California Department of Insurance for multiple insurance fraud prosecution programs, Victims of Crime Act for the victim services program; Taxes Current Property (\$40.8 million) primarily due to higher than anticipated assessed value (AV) growth and due to an increase in property tax collection based on a decrease in delinquency rate from 4.0% to 1.4%; Taxes Other Than Current Secured (\$22.1 million) mainly due to higher than anticipated local secured assessed value growth and higher than budget in Teeter Tax Reserve Excess revenues and Sales and Use Taxes; Fines, Forfeitures & Penalties (\$6.6 million) due to higher than anticipated collection of penalties and interest; Revenue from Use of Money & Property (\$5.1 million) due to a higher projected average daily cash balance than what was budgeted which was used to calculate the interest revenue; and Licenses, Permits & Franchises (\$4.2 million) primarily due to a higher than anticipated number of building permit applications and due to payment of permit fee invoice deferrals.

The projected negative variance of \$24.6 million is in the Charges for Current Services (\$10.4 million) primarily tied to Intergovernmental Transfer (IGT) revenue initially budgeted for glideslope funding for Public Health Services Salaries & Benefits cost which are now partially being funded through federal pandemic response revenues, tied to lower utilization of forensic evaluation services provided to the Superior Court and lower collection of DUI fees due to the pandemic, related to Vector Control Trust Fund revenue and Third Party Reimbursements related to the Hazardous Materials Trust Fund, a decline in billable activities for land development projects, park and campsite closures related to the COVID-19 public health order, offset by projected positive variance due to higher than anticipated receipts from traffic school fees, unanticipated revenue from the Jamul Indian Village and Assistance by Hire agreements and due to projected increases in Recording Document Fees and Duplicating and Filing Fees; in Other Financing Sources (\$13.7 million) due to lower than anticipated salary and benefits expenditures funded by Proposition 172, due to decreases in transfers from the Inmate Welfare Fund and Jail Commissary Enterprise Fund associated with vacant positions, reduced penalty assessment revenue and for the rebudget of revenue from the Criminal Justice Facility Construction Fund and the Proposition 172 Special Revenue Fund for IT projects; and in Miscellaneous Revenues (\$0.6 million) due to lower than anticipated revenues related to the Ember Resistant Vent Program and lower administration costs for anticipated services charged to the Employee Benefits Internal Service Fund offset by projected positive variances to align with the anticipated loan disbursement

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for the Innovative Housing Trust Fund and from various settlement receipts, California Municipal Finance Authority receipts and from escheatment.

ADJUSTMENTS TO THE FISCAL YEAR 2020-21 ADOPTED BUDGET

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, referred to as operating transfers, require 4 votes even if the overall budget is not increased.

The recommendations for budget adjustments are explained as follows:

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

Recommendation 2

The Medical Examiner is supporting local hospitals and mortuaries by providing storage units in response to agencies being at maxed capacity resulting from increasing COVID-19 related deaths. This recommendation will establish appropriations of \$107,000 based on CARES Act revenue.

Recommendation 3

The Public Defender has an increased number of assigned cases to the private panel to provide criminal defense representation to clients as a result of court closures due to the COVID-19 pandemic. This recommendation establishes appropriations of \$1,100,000 based on unanticipated state mandated reimbursements associated with the reinstatement of activities. This will allow the department to maintain caseloads levels to ensure effective assistance of counsel.

Recommendation 4

This recommendation will establish appropriations of \$30,000 in the Park Land Dedication Ordinance (PLDO) Administrative Fee Fund for fund administration costs based on available prior year PLDO Administrative Fee Fund fund balance. The additional appropriations are required this fiscal year due to unanticipated costs associated with developer activity.

Recommendation 5

This recommendation will establish appropriations in the amount of \$5,000 in the Capital Outlay Fund, Capital Project 1021494 Woodhaven Well, from a transfer of appropriations from the Park Land Dedication Ordinance Area 45 Valle De Oro Fund (\$5,000), to fund unanticipated construction costs related to meeting Americans with Disabilities Act slope requirements for an existing sidewalk and removing excess boulders and trenching for electrical and irrigation lines. This will bring the total estimated project cost to \$933,938.

Recommendation 6

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This recommendation establishes appropriations of \$250,000 in the Department of Public Works (DPW) ISF Equipment Acquisition Road Fund based on an Operating Transfer in from the DPW Road Fund, for the purchase of vans and equipment trailers from the County of San Diego Probation Department due to the creation of a new DPW Litter Abatement Program. These vehicles will be used by field crews to transport community service volunteers to and from work sites to remove litter and debris from the County's roadways.

Recommendation 7

On December 10, 2019 (25), the Board of Supervisors approved the issuance of the Community Facilities District ("CFD") No. 2008-01 Harmony Grove Village Improvement Area No. 1 Special Tax Bonds, Series 2020A and CFD No. 2008-01 Harmony Grove Village Improvement Area No. 2 Special Tax Bonds, Series 2020A in an aggregate principal amount not to exceed \$15,000,000 and \$25,000,000 respectively. Subsequently, the CFD issued special tax bonds for a par value of \$13,505,000 and \$24,290,000 in January 2020. The proceeds are eligible to be used to finance certain infrastructure and other improvements to be owned by the County of San Diego, the San Diego County Sanitation District, or the Rincon del Diablo Municipal Water District. To properly account for certain infrastructure and other improvements, two funds were set up to account for these expenditures. The expenditures are accounted for in each fund based on the type and the ownership of the asset. The first fund, Harmony Grove Improvement Fund, was set up to account for assets owned by an entity other than the County of San Diego. The second fund, Harmony Grove Capital Project Fund, is used to account for assets that will be owned by the County of San Diego. A total of \$21,470,435 of the Series 2020A bond proceeds have been used to reimburse CalAtlantic (the "Developer") for costs of the CFD, of which \$18,430,567 is related to non-capitalizable facilities costs (Harmony Grove Improvement Fund) and \$3,066,868 is related to capitalizable facility costs (Harmony Grove Capital Project Fund). There are approximately \$16.8 million in remaining bond proceeds available to reimburse the Developer. Of the \$16.8 million in remaining bond proceeds, the \$518,280 will be needed in the Harmony Grove Capital Project Fund to accommodate the increase of expenditures in this fund.

On December 7, 2012, the County and the Developer entered into the Agreement for Improvement in Public Right of Way Centerline of the San Diego County Code, to construct and install certain improvements on Harmony Grove Road and Intact Street Improvements. Upon final acceptance by the County Engineer of Public Works, these improvements will be added into the County Road System and included in the Maintained Road System of the County. In accordance with Governmental Accounting Standards Board Statement No. 6, which establishes accounting and financial reporting for capital improvements and services financed by special assessments, the improvements will be capitalized as an asset that is part of the County Road System.

This recommendation transfers appropriations of \$518,280 from the Harmony Grove Improvement Fund, Services & Supplies, to Operating Transfers Out, *and* establishes appropriations in the Harmony Grove Capital Project Fund, Fixed Assets – Building and Improvements, based on an Operating Transfer In, to transfer appropriations to the Harmony Grove Capital Project Fund to properly account for the accounting of bond proceeds used to construct the Harmony Grove Road and other improvements located in the CFD that will be capitalized as assets owned by the County of San Diego .

Recommendation 8

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On June 25, 2008 (9), the Board approved the formation of Community Facilities District 2008-01 - Harmony Grove Village (CFD Harmony Grove Village). In 2016, the County entered an agreement with the Rancho Santa Fe Fire Protection District to provide fire protection services with financing from certain proceeds of the Special Tax B within CFD Harmony Grove Village. This recommendation will establish appropriations of \$60,830 in Harmony Grove Village Community Facility District Fire Fund to provide additional revenues for reimbursement to Rancho Santa Fe Fire Protection District for fire protection services within Harmony Grove Village.

Appropriations of \$24,385 are based on existing prior year fund balance from Fiscal Year 2019-20 and appropriations of \$36,445 are based on special taxes from property owners from Fiscal Year 2020-21 due to an increase in the number of taxable parcels enrolled on the property tax rolls resulting in an additional \$36,445 in unanticipated revenue for Fiscal Year 2020-21.

Recommendation 9

Board Policy B-37, *Use of Capital Program Funds*, notes that on occasion, due to the nature of major maintenance projects, these projects may be reclassified as an operating or capital expense based on financial reporting requirements. Pursuant to Board Policy B-37, to ensure accuracy in financial reporting, the Deputy Chief Administrative Officer/Chief Financial Officer shall make required adjustments to departmental operating budgets and within the Major Maintenance Capital Outlay Fund (MMCOF) or the Major Maintenance Internal Service Fund (MMISF). Due to the emergent nature of some major maintenance projects, some of these adjustments may require ratification by the Board. These recommendations will allow for the accurate financial reporting of major maintenance projects, which are listed in Appendix D along with the related required adjustments.

This recommendation will result in a net increase of appropriations in the MMCOF of \$8,288,277 and reclassification of major maintenance projects which are supported by existing department budgets.

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

Recommendation 10

In Fiscal Year 2020-21, the Medical Examiner has experienced an increase in decedent transportation services cost. This recommendation will transfer appropriations of \$800,000 from the Public Safety Executive Office to Medical Examiner, to continue to provide transportation services through June 30, 2021.

Recommendation 11

The Borrego Springs Shadeway project is an extension of the new Borrego Springs Park, Library and Sheriff Office Complex and fosters a pedestrian friendly connection to Christmas Circle Community Park and the Borrego Springs Village Center. If approved, this recommendation will establish appropriations in the amount of \$283,130.65 in the Capital Outlay Fund for Capital Project 1021893, Borrego Springs Shadeway based on a transfer (\$283,130.65) from Capital Project 1019606 Borrego Springs Park to provide funds for additional amenities, necessary

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easements, traffic calming measures and contingency for any items during construction. The total estimated cost of the project is \$933,130 and is expected to be completed in Fall 2021.

Recommendation 12

If approved, this recommendation will establish appropriations in the amount of \$32,879.28 in the Capital Outlay Fund for Capital Project 1021906 Jess Martin Water Conservation based on a transfer (\$9,541.62) from Capital Project 1022928 Water Conservation at Liberty Park, a transfer (\$9,094.70) from Capital Project 1022929 Water Conservation at Homestead Park, a transfer (\$7,262.19) from Capital Project 1022930 Water Conservation at Heritage Park and a transfer (\$6,980.77) from 1021905 Patriot Park Water Conservation. The additional funding is needed to fund construction of the project and associated infrastructure improvements. The total estimated cost of the project is \$402,897 and is expected to be completed in Summer 2021.

Recommendation 13

By the end of Fiscal Year 2020-21, a total of 15 capital projects are anticipated to be completed and capitalized. These projects are listed in Schedule C. Appropriations of up to \$805,492.33 related to these projects will be cancelled, of which \$418,174.89 is 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. At the end of the fiscal year, remaining appropriations will be cancelled along with the revenue related to the respective appropriations and returned in accordance with Board Policy B-37, *Use of the Capital Outlay Funds*, to the original funding sources which include the General Fund, Library Fund and Prop 172 Fund.

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LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the Strategic Initiatives of Building Better Health, Living Safely, Sustainable Environments/Thriving and Operational Excellence in the County of San Diego's 2021-2026 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Helen N. Robbins-Meyer".

HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

Schedule A
Schedule B
Notes to Schedules A and B
Schedule C
Appendix D

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: ☒ Yes ☐ No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED

☐ Yes ☒ No

PREVIOUS RELEVANT BOARD ACTIONS:

March 16, 2021 (23), Fiscal Year 2020-21 Second Quarter Operational Plan Status Report and Budget Adjustments; December 8, 2020 (14), Fiscal Year 2020-21 First Quarter Operational Plan Status Report and Budget Adjustments; August 25, 2020 (02), County of San Diego Fiscal Year 2020-21 Adopted Budget Resolution for County Family of Funds, Enterprise Funds and Internal Service Funds

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION
NUMBER(S):**

N/A

ORIGINATING DEPARTMENT: Finance & General Government Group

OTHER CONCURRENCE(S): N/A

CONTACT PERSON(S):

Ebony N. Shelton, Deputy Chief Administrative
Officer/Chief Financial Officer

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