

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, MARCH 03, 2026**

MINUTE ORDER NO. 13

**SUBJECT: FISCAL YEAR 2025-26 SECOND QUARTER OPERATIONAL PLAN STATUS
REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

OVERVIEW

This report summarizes the status of the County of San Diego's (County) Fiscal Year 2025-26 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 \$10.2 million (or 0.1% of the General Fund budget), driven by a projected positive variance in General Purpose Revenue offset by an overall negative projection in the Public Safety Group that continue to be reviewed for solutions as described in the Notes to Schedules A and B. The projected balance for all other funds combined is \$24.1 million (0.8% of the other funds combined budget). For all budgetary funds combined, the projected balance is \$34.3 million (or 0.3% of the overall budget). The projected fund balance anticipates an overall positive expenditure variance and an overall negative revenue variance from the Fiscal Year 2025-26 Amended Budget. The projection assumes General Purpose Revenue (GPR) will perform better than estimated, and business groups will produce operating balances, except for Public Safety Group where a negative variance is projected due to cost overruns with the current medical contract for offsite hospital care. Staff are developing strategies to resolve the projected negative variance. As potential strategies are identified, those will be brought forward to the Board of Supervisors (Board) for consideration. One such strategy is being brought forward today in a separate item from this letter. The separate item requests authority to cancel the existing contract, initiate a new single source contract and establish appropriations which will partially mitigate escalating off-site hospital costs while maintaining quality of care. The funding source will be the Local Revenue Fund 2011, Community Corrections Subaccount.

A positive variance of \$34.6 million is projected in GPR, which is \$29.0 million higher compared to first quarter primarily due to the following: Aid from Redevelopment Successor Agencies resulting from higher incremental assessed valuation growth, Current Secured Property Taxes due to higher assessed value growth in State Unitary Tax collected from large multi-state utility companies, Sales & Use Taxes from steady growth in allocation from business-industry fulfillment centers, and State Motor Vehicle In-lieu Tax which comes from extra Vehicle License Fee (VLF) revenue that was collected above a baseline amount set by the State. However, \$2.5 million will be transferred to the Office of Emergency Services to fund the procurement of infrastructure mapping of the unincorporated area's most vulnerable infrastructure.

Transfers and revisions to the amended budget can be made by formal action of the Board in accordance with the California County Budget Act, Government Code Section 29125. Increases to the overall budget require four votes. 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. Transfers of appropriations to facilitate transfers between budgetary funds require four votes even if the overall budget is not increased.

In the Public Safety Group (PSG), recommendations include appropriation adjustments to purchase and replace fire apparatuses, ambulances, and fire equipment, the purchase of mobile livestock emergency sheltering supplies and associated trailers for equipment, and for community outreach and animal

adoption efforts; and to transfer appropriations for infrastructure mapping of the unincorporated area's most vulnerable infrastructure, pursuant to Board direction on October 21, 2025 (20) and December 9, 2025 (24), based on over-realized GPR.

In the Land Use and Environment Group (LUEG), recommendations include appropriation adjustments for road maintenance, workspace improvements, outreach events, and for dock rehabilitation.

In the Finance and General Government Group (FGG), recommendations include appropriation adjustments for the San Diego Fire Training Tower capital project, technology projects, County Television Network, and for returned grant funds from the Community Enhancement and Neighborhood Reinvestment Program to be allocated to new projects.

Today's action also includes recommendations related to the appropriation of Unlocked Reserves, including:

- The transfer of appropriations to address conditions in the Tijuana River Valley, based on Board direction on January 28, 2026 (15), and expansion of the Air Improvement Relief Effort (AIRE) program in the Tijuana River Valley, based on Board direction on January 28, 2026 (16);
- And pursuant to the Board's direction on January 28, 2026 (21) to work in coordination and with the advice and guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning (Subcommittee) in planning for the use of Unlocked Reserves, the transfer of appropriations to support various housing, vulnerable populations, sustainability, and infrastructure projects and programs.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Accept the Fiscal Year 2025-26 Second Quarter Report on projected year-end results.

Increases to the Overall Budget and/or Transfers Between Budgetary Funds (Recommendations 2 through 12):

2. Increase the San Diego County Fire budget by \$6,000,000 for the purchase and replacement of three Type 1 fire engines, two ambulances, one water tender, two patrol vehicles, five pickup trucks, and various fire equipment. The funding source is an Operating Transfer In from the San Diego County Fire Protection District (SDCFPD).
 - Establish appropriations of \$6,000,000 in the San Diego County Fire, Capital Assets Equipment, for the purchase and replacement of three Type 1 fire engines, two ambulances, one water tender, two patrol vehicles, five pickup trucks, and various fire equipment, based on the Operating Transfer In from the SDCFPD. **(4 VOTES)**
3. Increase Capital Project 1026822, San Diego Fire Training Tower by \$2,850,000 from various funding sources to fully fund the project.
 - Establish appropriations of \$2,850,000 in the Justice Facility Fund for Capital Project 1026822, San Diego Fire Training Tower based on Operating Transfer In from the San Diego County Fire Protection District Fire Mitigation (\$2,000,000) and from the Contributions to Capital Outlay Fund (\$850,000) to fully fund the project; *and* transfer appropriations of \$850,000 from San Diego County Fire, Services & Supplies, to Contributions to Capital Outlay Fund, Operating Transfers Out, based on revenue from an Assistance-by-Hire agreement with the California Department of Forestry and Fire Protection. **(4 VOTES)**

4. Increase the Department of Animal Services (DAS) budget by \$211,504 for the purchase of mobile livestock emergency sheltering supplies and associated trailers for equipment transport, based on additional funding from U.S. Department of Homeland Security Urban Area Security Initiative grant.
 - Establish appropriations of \$211,504 in the DAS, Services & Supplies (\$58,119) and Capital Assets Equipment (\$153,385), for the purchase of mobile livestock emergency sheltering supplies and associated trailers for equipment transport based on additional funding from U.S. Department of Homeland Security Urban Area Security Initiative grant. **(4 VOTES)**
5. Increase the budget by \$112,000 in the Department of Animal Services (DAS) for community outreach and animal adoption efforts based on grant funds from PetSmart Charities and the American Society for the Prevention of Cruelty to Animals (ASPCA).
 - Establish appropriations of \$112,000 in the DAS, Salaries & Benefits, for temporary staff to support community outreach and animal adoption events based on grant funds from PetSmart Charities (\$25,000) and the ASPCA (\$87,000). **(4 VOTES)**
6. Increase the budget by \$229,419 in the Rainbow Crest Drive Permanent Road Division for road maintenance.
 - Establish appropriations of \$229,419 in the Permanent Road Division (PRD) No. 55 -Rainbow Crest Drive, Services & Supplies, for road maintenance, based on available prior year PRD 55 Rainbow Crest Road fund balance. **(4 VOTES)**
7. Increase the budget by \$1,500,000 in the Department of Agriculture, Weights and Measures (AWM) for workspace improvements in the Pest Detection Program and Plant Pest Diagnostic Lab.
 - Establish appropriations of \$1,500,000 in the AWM, Services & Supplies, for expenditures to strengthen the Pest Detection Program and Plant Pest Diagnostic Lab through workspace improvements, based on over-realized revenues from state aids and licenses and permits. **(4 VOTES)**
8. Increase the budget by \$3,200,000 for the County Library to align with updated cost projections in salaries and benefits.
 - Establish appropriations of \$3,200,000 in the County Library, Salaries & Benefits, to align with updated cost projections and sustain outreach service levels, based on over-realized revenue from the County Library's Property Tax Current Secured. **(4 VOTES)**
9. Increase the budget by \$450,000 in the Department of Parks and Recreation (DPR) for the dock rehabilitation at Lake Morena. Grant funds were received from the State of California Parks and Recreation, Division of Boating and Waterways.
 - Establish appropriations of \$450,000 in the DPR, Services & Supplies, for the Major Maintenance project #1026098 Lake Morena Dock Rehabilitation and Boat Launch Ramp Extension, based on 2025 award from the State of California Parks and Recreation, Division of Boating and Waterways. **(4 VOTES)**
10. Increase County Communications Office (CCO) budget for technology improvements projects at the County Operations Center (COC) Chambers and the County Administration Center (CAC) to provide reliable public access to video of government meetings and information, as well as additional investments for the County Television Network, based on Public, Educational, or Governmental (PEG) funds.

- Establish appropriations of \$3,100,000 in the CCO, Services & Supplies, for technology projects at the COC Chambers and the CAC, as well as additional investments for the County Television Network, based on PEG funds. **(4 VOTES)**
11. Allow returned grant funds of \$5,554 from the Community Enhancement Program and \$31,911 from the Neighborhood Reinvestment Program to be allocated to new projects by establishing appropriations in the respective grant programs budgets in the current fiscal year.
- Establish appropriations of \$5,554 in the Community Enhancement Program budget Org 12900 (\$425 for District 1, \$1,438 for District 2, \$1,234 for District 3, and \$2,457 for District 5), Other Charges, based on unused portions of prior year allocations so the funds can be allocated to other projects. **(4 VOTES)**
 - Establish appropriations of \$31,911 in the Neighborhood Reinvestment Program budget (\$30,000 for District 1 in Org 15650, \$186 for District 3 in Org 15660, \$1,449 for District 4 in Org 15665, and \$276 for District 5 in Org 15670), Other Charges, based on unused portions of prior year allocations so the funds can be allocated to other projects. **(4 VOTES)**
12. This recommendation is a technical adjustment that reclassifies departmental maintenance and capital spending plans based on capitalization thresholds. The result is a net increase of budget in the Major Maintenance Capital Outlay Fund (MMCOF) of \$839,555.
- Transfer appropriations within departments between Services & Supplies and Operating Transfers Out, as noted in Appendix C, in the net amount of \$839,555 for major maintenance projects listed in Appendix C that were subsequently reclassified, based on capitalization thresholds, for financial reporting purposes; *and* establish, transfer and cancel appropriations, as noted in Appendix C for a net increase of \$839,555. **(4 VOTES)**

Transfers Within Budgetary Funds and/or Cancellation of Appropriations (Recommendations 13 through 18):

13. Transfers appropriations of \$58,300 to swap revenue sources for water infrastructure and community food production projects that were funded by the American Rescue Plan Act (ARPA), from the funding source of General Purpose Revenue (GPR) freed up by Health and Human Services Agency (HHS) reporting ARPA eligible costs to Treasury, to cover unreported salaries and benefits costs. The three capital projects are: TJ River Valley Spooners Mesa Stormwater Improvement project, Calavo Park Community Garden Project, and Collier Park Community Garden Project.
- Transfer appropriations of \$58,300 from the HHS, Services & Supplies, to the Contributions to Capital Outlay Fund, Operating Transfers Out; *and* transfer revenue appropriations of \$58,300 within the Capital Outlay Fund from ARPA to Operating Transfer In from the General Fund to swap revenue sources in the Capital Outlay Fund for Capital Project 1027068 TJ River Valley Spooners Mesa Stormwater Improvement (\$22,000), Capital Project 1026654 Calavo Park Community Garden (\$28,000) and Capital Project 1025464 Collier Park Community Garden (\$8,300).
14. Transfer \$239,922.64 from the Multiple Species Conservation Program (MSCP) Acquisition Fund to the Department of Parks and Recreation (DPR) to properly record non-capital pre-acquisition expenses.

- Cancel appropriations of \$239,922.64 and related Operating Transfer In from the General Fund in the MSCP Acquisition Fund to properly record related non-capital pre-acquisition expenses; *and* transfer appropriations of \$239,922.64 from the Contribution to Capital Outlay Fund, Operating Transfers Out to the DPR, Services & Supplies, to properly record related non-capital pre-acquisition expenses.
15. Transfer \$22,000 from the Department of Parks and Recreation (DPR) General Fund to Capital Project 1026074 Tijuana River Valley Regional Park Rehabilitation Project as a revenue swap for certain costs.
- Transfer appropriations of \$22,000 from the DPR, Services & Supplies, to Contribution to Capital Outlay Fund, Operating Transfers Out. This will enable a swap in revenue of \$22,000 in the Capital Outlay Fund for Capital Project 1026074 Tijuana River Valley Regional Park Rehabilitation Project to Operating Transfer In from the General Fund for disallowed costs. There is no change to project's total budget.
16. Transfer \$30,000 from the Parks Playground Equipment Capital Project to the William Heise Playground Capital Projects to support increased construction costs.
- Transfer appropriations of \$30,000 within Capital Outlay Fund and related Operating Transfer In from the General Fund, to provide funding for Capital Project 1021902 Heise Park Playground Equipment to support increased construction costs, based on transfer from Capital Project 1021149 FY17/18 Parks Playground Equipment.
17. To fund the construction of a temporary pipe extension at Saturn Boulevard, a long-term health study and retrospective health study, and the expansion of the Air Improvement Relief Effort (AIRE) program, this recommendation will transfer appropriation capacity from Public Health Services (PHS) to Department of Parks and Recreation (DPR) and the Finance and General Government Group (FGG); it also designates specific appropriation uses within PHS, based on the use of the Unlocked Reserves to address conditions in the Tijuana River Valley as directed by the Board on January 28, 2026 (15, 16).
- Transfer appropriations from PHS to DPR (\$2,500,000), to fund construction of a temporary pipe extension at Saturn Boulevard, based on Unlocked Reserves. This transfer of appropriations is based on PHS operational savings, which will be reflected in reduced federal and State funding to be received, and has no impact to services or the General Fund. The use of Unlocked Reserves is recommended based on San Diego County Administrative Code Section 113.1 for these time-sensitive operational expenditures.
 - Transfer appropriations from PHS to FGG (\$4,000,000), to fund the expansion of the AIRE program, based on Unlocked Reserves. This transfer of appropriations is based on PHS operational savings, which will be reflected in reduced federal and State funding, and has no impact to services or the General Fund. The use of Unlocked Reserves is recommended based on San Diego County Administrative Code Section 113.1 for these time-sensitive operational expenditures.
 - Allocate appropriations within PHS (\$2,250,000), to fund a long-term health study (\$2,000,000), and retrospective health study (\$250,000), based on Unlocked Reserves. This reallocation of appropriations is based on PHS operational savings, which will be reflected in reduced federal and State funding to be received, and has no impact to services or the General Fund. The use of Unlocked Reserves is recommended based on San Diego County Administrative Code Section 113.1 for these time-sensitive operational expenditures.

18. This recommendation will transfer appropriation capacity from Public Safety Executive Office to the Office of Emergency Services (OES) to fund the procurement of infrastructure mapping of the unincorporated area's most vulnerable infrastructure.
- Transfer appropriations of \$2,500,000 from Public Safety Executive Office to the OES, to fund the procurement of infrastructure mapping of the unincorporated area's most vulnerable infrastructure, based on over-realized General Purpose Revenue.

Recommendation on use of Unlocked Reserves based on advice and guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning (Recommendation 19):

19. This recommendation presents appropriations for the use of Unlocked Reserves in Fiscal Year (FY) 2025-26 to the Board, based on the advice and guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning (Subcommittee) per direction given to the CAO during the January 28, 2026 (21) meeting. This item will transfer appropriations among various departments based on operational savings with no impact to existing services or the General Fund.
- Transfer and allocate appropriations of \$47,400,000 as noted in Appendix D to various departments and for the uses outlined in Appendix D, based on Unlocked Reserves. This transfer and allocation of appropriations is based on operational savings within each department, with appropriation capacity and related funding that is not anticipated to be used, and has no impact to services or the General Fund. The use of Unlocked Reserves, as outlined in Appendix D, is recommended based on San Diego County Administrative Code Section 113.1 for time-sensitive operational expenditures. This follows Board direction to develop proposals to utilize Unlocked Reserves for FY 2025-26 in coordination with and with the advice and guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning (Subcommittee), and to present recommended appropriations to the Board for consideration as part of the quarterly budget adjustments.

EQUITY IMPACT STATEMENT

After the Board of Supervisors adopts the Operational Plan, it is monitored by the departments, Groups, and the Board of Supervisors. Departments are expected to work within their respective budgets. Budgets may, however, be modified during the year as circumstances warrant. In conjunction with the fund balance projection process, the Chief Administrative Officer meets with each Group to review accomplishments, emergent issues, and budget status. Department heads are required to communicate any potential problems or errors to the appropriate authority. Groups complete fund balance projections quarterly providing explanations of significant variances of their budget. The recommended actions are intended to provide resources to address inequities in County of San Diego (County) services and to identify disparities, develop meaningful outcomes, and create a County government culture of equity, belonging, and racial justice.

SUSTAINABILITY IMPACT STATEMENT

Today's actions support the sustainability measures across the County of San Diego (County) considering the environment, economy, health/wellbeing, and/or social aspects of the community by aligning the County's available resources with services to maintain fiscal stability and ensure long-term solvency.

FISCAL IMPACT

Funds associated with today's recommendations are partially included in the Fiscal Year (FY) 2025-26 Operational Plan. If approved, in the General Fund these actions will result in an increase to the overall

budget of \$5,410,969, transfers between budgetary funds of \$640,557, transfers within budgetary funds of \$59,000,623, and no cancellation of appropriations. The funding sources for the increases are Public, Educational, or Governmental funds (\$3,100,000), over-realized revenues from State Aids and Licenses and Permits (\$1,500,000), grant funds from the State of California Parks and Recreation, Division of Boating and Waterways (\$450,000), funding from US Dept of Homeland Security Urban Area Security Initiative grant (\$211,504), grant funds from PetSmart Charities and American Society for the Prevention of Cruelty to Animals (\$112,000), unused portions of prior year allocations for Neighborhood Reinvestment Program (\$31,911), and unused portions of prior year allocations for Community Enhancement Program (\$5,554). The transfer and allocation of appropriations identified in Recommendation 1748 (\$8,750,000) and Recommendation 19 (\$47,400,000) are based on operational savings in Assessor/Recorder/County Clerk, Planning and Development Services, Registrar of Voters, Behavioral Health Services, Self-Sufficiency Services, Public Health Services and the one-time use of Unlocked Reserves. Based on San Diego County Administrative Code Section 113.1 no more than 25% can be used in one fiscal year which equates to \$95.4 million. In the FY 2025-26 First Quarter Operational Plan Status Report, \$14.2 million was appropriated for one-time lump sum payments. There is \$8.8 million to be used in Recommendation 17 and \$47.4 million to be used in Recommendation 19, which would leave a remaining balance of Unlocked Reserves for FY 2025-26 of \$25.0 million.

In all other funds combined, these actions will result in a net increase to the overall budget of \$13,118,974, transfers between budgetary funds of \$198,998, transfers within budgetary funds of \$269,923, and cancellation of appropriations of \$9,104,650. The funding sources for the increases are Operating Transfer in from the San Diego County Fire Protection District (\$6,000,000), over-realized revenue from County Library's Property Tax Current Secured (\$3,200,000), Operating Transfer In from the San Diego County Fire Protection District and Contributions to Capital Outlay Fund (\$2,850,000), and available prior year PRD 55 Rainbow Crest Road fund balance (\$229,419).

BUSINESS IMPACT STATEMENT

N/A

ACTION 13.1:

ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Lawson-Remer, the Board of Supervisors took the following actions:

1. Accepted the Fiscal Year 2025-26 Second Quarter Report on projected year-end results.
2. Increased the San Diego County Fire budget by \$6,000,000 for the purchase and replacement of three Type 1 fire engines, two ambulances, one water tender, two patrol vehicles, five pickup trucks, and various fire equipment. The funding source is an Operating Transfer In from the San Diego County Fire Protection District (SDCFPD).
 - Establish appropriations of \$6,000,000 in the San Diego County Fire, Capital Assets Equipment, for the purchase and replacement of three Type 1 fire engines, two ambulances, one water tender, two patrol vehicles, five pickup trucks, and various fire equipment, based on the Operating Transfer In from the SDCFPD.
3. Increased Capital Project 1026822, San Diego Fire Training Tower by \$2,850,000 from various funding sources to fully fund the project.
 - Establish appropriations of \$2,850,000 in the Justice Facility Fund for Capital Project 1026822, San Diego Fire Training Tower based on Operating Transfer In from the San Diego

County Fire Protection District Fire Mitigation (\$2,000,000) and from the Contributions to Capital Outlay Fund (\$850,000) to fully fund the project; and transfer appropriations of \$850,000 from San Diego County Fire, Services & Supplies, to Contributions to Capital Outlay Fund, Operating Transfers Out, based on revenue from an Assistance-by-Hire agreement with the California Department of Forestry and Fire Protection.

4. Increased the Department of Animal Services (DAS) budget by \$211,504 for the purchase of mobile livestock emergency sheltering supplies and associated trailers for equipment transport, based on additional funding from U.S. Department of Homeland Security Urban Area Security Initiative grant.
 - Establish appropriations of \$211,504 in the DAS, Services & Supplies (\$58,119) and Capital Assets Equipment (\$153,385), for the purchase of mobile livestock emergency sheltering supplies and associated trailers for equipment transport based on additional funding from U.S. Department of Homeland Security Urban Area Security Initiative grant.
5. Increased the budget by \$112,000 in the Department of Animal Services (DAS) for community outreach and animal adoption efforts based on grant funds from PetSmart Charities and the American Society for the Prevention of Cruelty to Animals (ASPCA).
 - Establish appropriations of \$112,000 in the DAS, Salaries & Benefits, for temporary staff to support community outreach and animal adoption events based on grant funds from PetSmart Charities (\$25,000) and the ASPCA (\$87,000).
6. Increased the budget by \$229,419 in the Rainbow Crest Drive Permanent Road Division for road maintenance.
 - Establish appropriations of \$229,419 in the Permanent Road Division (PRD) No. 55 -Rainbow Crest Drive, Services & Supplies, for road maintenance, based on available prior year PRD 55 Rainbow Crest Road fund balance.
7. Increased the budget by \$1,500,000 in the Department of Agriculture, Weights and Measures (AWM) for workspace improvements in the Pest Detection Program and Plant Pest Diagnostic Lab.
 - Establish appropriations of \$1,500,000 in the AWM, Services & Supplies, for expenditures to strengthen the Pest Detection Program and Plant Pest Diagnostic Lab through workspace improvements, based on over-realized revenues from state aids and licenses and permits.
8. Increased the budget by \$3,200,000 for the County Library to align with updated cost projections in salaries and benefits.
 - Establish appropriations of \$3,200,000 in the County Library, Salaries & Benefits, to align with updated cost projections and sustain outreach service levels, based on over-realized revenue from the County Library's Property Tax Current Secured.
9. Increased the budget by \$450,000 in the Department of Parks and Recreation (DPR) for the dock rehabilitation at Lake Morena. Grant funds were received from the State of California Parks and Recreation, Division of Boating and Waterways.
 - Establish appropriations of \$450,000 in the DPR, Services & Supplies, for the Major Maintenance project #1026098 Lake Morena Dock Rehabilitation and Boat Launch Ramp Extension, based on 2025 award from the State of California Parks and Recreation, Division of Boating and Waterways.

10. Increased County Communications Office (CCO) budget for technology improvements projects at the County Operations Center (COC) Chambers and the County Administration Center (CAC) to provide reliable public access to video of government meetings and information, as well as additional investments for the County Television Network, based on Public, Educational, or Governmental (PEG) funds.
 - Establish appropriations of \$3,100,000 in the CCO, Services & Supplies, for technology projects at the COC Chambers and the CAC, as well as additional investments for the County Television Network, based on PEG funds.
11. Allowed returned grant funds of \$5,554 from the Community Enhancement Program and \$31,911 from the Neighborhood Reinvestment Program to be allocated to new projects by establishing appropriations in the respective grant programs budgets in the current fiscal year.
 - Establish appropriations of \$5,554 in the Community Enhancement Program budget Org 12900 (\$425 for District 1, \$1,438 for District 2, \$1,234 for District 3, and \$2,457 for District 5), Other Charges, based on unused portions of prior year allocations so the funds can be allocated to other projects.
 - Establish appropriations of \$31,911 in the Neighborhood Reinvestment Program budget (\$30,000 for District 1 in Org 15650, \$186 for District 3 in Org 15660, \$1,449 for District 4 in Org 15665, and \$276 for District 5 in Org 15670), Other Charges, based on unused portions of prior year allocations so the funds can be allocated to other projects.
12. This recommendation is a technical adjustment that reclassifies departmental maintenance and capital spending plans based on capitalization thresholds. The result is a net increase of budget in the Major Maintenance Capital Outlay Fund (MMCOF) of \$839,555.
 - Transfer appropriations within departments between Services & Supplies and Operating Transfers Out, as noted in Appendix C, in the net amount of \$839,555 for major maintenance projects listed in Appendix C that were subsequently reclassified, based on capitalization thresholds, for financial reporting purposes; and establish, transfer and cancel appropriations, as noted in Appendix C for a net increase of \$839,555.
13. Transfer appropriations of \$58,300 to swap revenue sources for water infrastructure and community food production projects that were funded by the American Rescue Plan Act (ARPA), from the funding source of General Purpose Revenue (GPR) freed up by Health and Human Services Agency (HHS) reporting ARPA eligible costs to Treasury, to cover unreported salaries and benefits costs. The three capital projects are: TJ River Valley Spooners Mesa Stormwater Improvement project, Calavo Park Community Garden Project, and Collier Park Community Garden Project.
 - Transfer appropriations of \$58,300 from the HHS, Services & Supplies, to the Contributions to Capital Outlay Fund, Operating Transfers Out; and transfer revenue appropriations of \$58,300 within the Capital Outlay Fund from ARPA to Operating Transfer In from the General Fund to swap revenue sources in the Capital Outlay Fund for Capital Project 1027068 TJ River Valley Spooners Mesa Stormwater Improvement (\$22,000), Capital Project 1026654 Calavo Park Community Garden (\$28,000) and Capital Project 1025464 Collier Park Community Garden (\$8,300).
14. Transfer \$239,922.64 from the Multiple Species Conservation Program (MSCP) Acquisition Fund to the Department of Parks and Recreation (DPR) to properly record non-capital pre-acquisition expenses.

- Cancel appropriations of \$239,922.64 and related Operating Transfer In from the General Fund in the MSCP Acquisition Fund to properly record related non-capital pre-acquisition expenses; and transfer appropriations of \$239,922.64 from the Contribution to Capital Outlay Fund, Operating Transfers Out to the DPR, Services & Supplies, to properly record related non-capital pre-acquisition expenses.
15. Transfer \$22,000 from the Department of Parks and Recreation (DPR) General Fund to Capital Project 1026074 Tijuana River Valley Regional Park Rehabilitation Project as a revenue swap for certain costs.
- Transfer appropriations of \$22,000 from the DPR, Services & Supplies, to Contribution to Capital Outlay Fund, Operating Transfers Out. This will enable a swap in revenue of \$22,000 in the Capital Outlay Fund for Capital Project 1026074 Tijuana River Valley Regional Park Rehabilitation Project to Operating Transfer In from the General Fund for disallowed costs. There is no change to project's total budget.
16. Transfer \$30,000 from the Parks Playground Equipment Capital Project to the William Heise Playground Capital Projects to support increased construction costs.
- Transfer appropriations of \$30,000 within Capital Outlay Fund and related Operating Transfer In from the General Fund, to provide funding for Capital Project 1021902 Heise Park Playground Equipment to support increased construction costs, based on transfer from Capital Project 1021149 FY17/18 Parks Playground Equipment.
17. To fund the construction of a temporary pipe extension at Saturn Boulevard, a long-term health study and retrospective health study, and the expansion of the Air Improvement Relief Effort (AIRE) program, this recommendation will transfer appropriation capacity from Public Health Services (PHS) to Department of Parks and Recreation (DPR) and the Finance and General Government Group (FGG); it also designates specific appropriation uses within PHS, based on the use of the Unlocked Reserves to address conditions in the Tijuana River Valley as directed by the Board on January 28, 2026 (15, 16).
- Transfer appropriations from PHS to DPR (\$2,500,000), to fund construction of a temporary pipe extension at Saturn Boulevard, based on Unlocked Reserves. This transfer of appropriations is based on PHS operational savings, which will be reflected in reduced federal and State funding to be received, and has no impact to services or the General Fund. The use of Unlocked Reserves is recommended based on San Diego County Administrative Code Section 113.1 for these time-sensitive operational expenditures.
 - Transfer appropriations from PHS to FGG (\$4,000,000), to fund the expansion of the AIRE program, based on Unlocked Reserves. This transfer of appropriations is based on PHS operational savings, which will be reflected in reduced federal and State funding, and has no impact to services or the General Fund. The use of Unlocked Reserves is recommended based on San Diego County Administrative Code Section 113.1 for these time-sensitive operational expenditures. •Allocate appropriations within PHS (\$2,250,000), to fund a long-term health study (\$2,000,000), and retrospective health study (\$250,000), based on Unlocked Reserves. This reallocation of appropriations is based on PHS operational savings, which will be reflected in reduced federal and State funding to be received, and has no impact to services or the General Fund. The use of Unlocked Reserves is recommended based on San Diego County Administrative Code Section 113.1 for these time-sensitive operational expenditures.

18. This recommendation will transfer appropriation capacity from Public Safety Executive Office to the Office of Emergency Services (OES) to fund the procurement of infrastructure mapping of the unincorporated area's most vulnerable infrastructure.

- Transfer appropriations of \$2,500,000 from Public Safety Executive Office to the OES, to fund the procurement of infrastructure mapping of the unincorporated area's most vulnerable infrastructure, based on over-realized General-Purpose Revenue.

AYES: Aguirre, Anderson, Lawson-Remer, Montgomery Steppe, Desmond

NOES: Noting for the record that Supervisor Desmond voted no on recommendation 17, third dot point: Allocate appropriations within PHS (\$2,250,000), to fund a long term health study (\$2,000,000), and retrospective health study (\$250,000), based on Unlocked Reserves. This reallocation of appropriations is based on PHS operational savings, which will be reflected in reduced federal and State funding to be received, and has no impact to services or the General Fund. The use of Unlocked Reserves is recommended based on San Diego County Administrative Code Section 113.1 for these time sensitive operational expenditures.

ACTION 13.2:

ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Lawson-Remer, the Board of Supervisors took the following actions:

19. This recommendation presents appropriations for the use of Unlocked Reserves in Fiscal Year (FY) 2025-26 to the Board, based on the advice and guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning (Subcommittee) per direction given to the CAO during the January 28, 2026 (21) meeting. This item will transfer appropriations among various departments based on operational savings with no impact to existing services or the General Fund.

- Transfer and allocate appropriations of \$47,400,000 as noted in Appendix D to various departments and for the uses outlined in Appendix D, based on Unlocked Reserves. This transfer and allocation of appropriations is based on operational savings within each department, with appropriation capacity and related funding that is not anticipated to be used, and has no impact to services or the General Fund. The use of Unlocked Reserves, as outlined in Appendix D, is recommended based on San Diego County Administrative Code Section 113.1 for time-sensitive operational expenditures. This follows Board direction to develop proposals to utilize Unlocked Reserves for FY 2025-26 in coordination with and with the advice and guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning (Subcommittee), and to present recommended appropriations to the Board for consideration as part of the quarterly budget adjustments.

AYES: Aguirre, Lawson-Remer, Montgomery Steppe

NOES: Anderson, 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