

**COUNTY OF SAN DIEGO  
BOARD OF SUPERVISORS  
TUESDAY, MAY 20, 2025**

**MINUTE ORDER NO. 19**

**SUBJECT: FISCAL YEAR 2024-25 THIRD QUARTER OPERATIONAL PLAN STATUS  
REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)**

**OVERVIEW**

This report summarizes the status of the County's Fiscal Year 2024-25 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 \$52.6 million (or 0.7% of the General Fund budget). The projected balance for all other funds combined is \$126.5 million (4.1% of the other funds combined budget). For all budgetary funds combined, the projected balance is \$179.1 million (or 1.6% of the overall budget). The projected fund balance anticipates an overall positive expenditure variance and an overall negative revenue variance from the Fiscal Year 2024-25 Amended Budget. The projection reflects the unused portion of the appropriation for contingency pursuant to Government Code §29084, assumes General Purpose Revenue will perform better than estimated, and business groups will produce operating balances, except for Public Safety Group.

Transfers and revisions to the amended budget can be made by formal action of the Board of Supervisors in accordance with the California County Budget Act, Government Code Section 29125. Increases to the overall budget require 4 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 4 votes even if the overall budget is not increased.

In the Public Safety Group (PSG), recommendations include appropriation adjustments to support increased costs in enhanced collection activities reimbursed to the Court, in Public Defender's Office to support increasing costs in psychiatric evaluations, facility management, professional expert services, and in Sheriff's Office to support increasing costs in facilities management, property insurance, and public liability as well as a reduction by Public Safety to support mandated critical infrastructure needs at San Diego Central Jail. The increased operational costs in the Public Defender's Office and Sheriff's Office are being addressed with additional appropriations supported by over-realized revenue this fiscal year, and will be resolved with today's recommendations. Ongoing funding strategies for these costs have been identified, and are included in the upcoming Fiscal Year 2025-26 CAO Recommended Operational Plan.

In the Health and Human Services Agency (HHSA), recommendations include appropriation adjustments to transfer unanticipated fund balances of CSA 17 San Dieguito Ambulance Fund & CSA 69 Heartland Paramedic Fund from the old funds to the new funds, a funding swap for facility improvements within the County-owned Substance Use Residential and Treatment Services (SURTS) facility and Screening to Care Behavioral Health Support services, and a reallocation of funds previously committed for the Behavioral Health Workforce to realigned programs. These funding swap adjustments were related to the ARPA framework.

In the Land Use and Environment Group (LUEG), recommendations include appropriation adjustments to support personnel and operations costs incurred by the North County Fire Protection District, for

various Parks projects, for the Goldentop Road Water Quality Improvement Project, for the Campo Road Reconfiguration project, for the Los Coches Diversion to Sanitary Sewer and Trash Capture Pilot Project, for the Rainbow Water Quality Improvement Project, for the Estrella Park Biofiltration and Trash Capture Project, for ongoing parks maintenance including a playground surface repair project, for the Heritage Park project, for the Sweetwater Lane County Park Energy Upgrade, and for Mt. Wodson Parking Lot project .

In the Finance and General Government Group (FGG), recommendations include appropriation adjustments for several major legal settlements that were delayed from the prior fiscal year, for increase in the property insurance premium, for increase in usage of contracted facilities services, for reconciling the purchase cost of various vehicles ordered in previous years to support current staff activities, to support increased commercial repair costs, for Community Enhancement and Neighborhood Reinvestment Programs, for the implementation of the Integrated Property Tax System (IPTs), for the San Diego County Psychiatric Hospital project, and for the purchase of convertible car seats for children in need.

Today's recommendations seek authority to establish and transfer appropriations in order to ensure efficient use of County resources and to maintain a structurally balanced budget.

## **RECOMMENDATION(S)**

### **CHIEF ADMINISTRATIVE OFFICER**

1. Accept the Fiscal Year 2024-25 Third Quarter Report on projected year-end results.

### **Increases to the Overall Budget and/or Transfers Between Budgetary Funds (Recommendations 2 through 24):**

2. Increase the Contribution for Trial Courts budget by \$1,700,000 to support increased costs for enhanced collection activities paid to the Court; the funding sources are revenue from fines and fees (\$700,000) and General Fund transfer from the Public Safety Group Executive Office (\$1,000,000).
  - Establish appropriations of \$700,000 in Contribution for Trial Courts, Contribution to Other Agencies, to support increased costs in enhanced collection activities reimbursed to the Court, based on over realized revenues from fines and fees. **(4 VOTES)**
  - Transfer appropriations of \$1,000,000 from the Public Safety Group, Services & Supplies, to the Contribution for Trial Courts, Other Charges, to support increased costs in enhanced collection activities reimbursed to the Court, based on General Fund transfer from the Public Safety Group Executive Office.
3. Increase the Public Defender's budget by \$1,800,000 to support Salaries & Benefits; the funding source is based on over-realized General Purpose Revenue.
  - Establish appropriations of \$1,800,000 in Public Defender, Salaries & Benefits, to support salary and benefit costs for which appropriations were reduced to support increasing costs in psychiatric evaluations, facility management, and professional expert services, based on over-realized General Purpose Revenue. **(4 VOTES)**

4. Increase the Sheriff's budget by \$9,100,000 to support Salaries & Benefits; the funding source is based on over-realized General Purpose Revenue.
  - Establish appropriations of \$9,100,000 in the Sheriff's Office, Salaries & Benefits, to support salary and benefit costs for which appropriations were reduced to support increasing costs in facilities management, property insurance, and public liability as well as a reduction by Public Safety to support mandated critical infrastructure needs at San Diego Central Jail, based on over-realized General Purpose Revenue. **(4 VOTES)**
5. Increase the County Service Area (CSA) 17 and CSA 69 budget accordingly to allow the transfer of remaining fund balances from the old to the new CSA funds.
  - Establish appropriations of \$140,000 in County Service Area (CSA) 17 San Dieguito Ambulance Fund (14065), Operating Transfers Out, and establish appropriations of \$140,000 in CSA 17 Fund (14995), Services & Supplies, to transfer unanticipated fund balance from old CSA 17 San Dieguito Ambulance Fund (14065) to new fund CSA 17 Fund (14995), based on the available prior year fund balance in the old fund. **(4 VOTES)**
  - Establish appropriations of \$240,000 in CSA 69 Heartland Paramedic Fund (14190), Operating Transfers Out, and establish appropriations of \$240,000 in the CSA 69 Fund (14996), Services & Supplies, to transfer unanticipated fund balance from old CSA 69 Heartland Paramedic Fund (14190) to new fund CSA 69 Fund (14996), based on the available prior year fund balance in the old fund. **(4 VOTES)**
6. Increase the budget by \$18,791 in the Horse Creek Ridge Community Facilities District (CFD) to pay for fire personnel and operations costs; the funding source is available prior year CFD No. 2013-01 Horse Creek Ridge Maintenance - Special Tax C Fund fund balance.
  - Establish appropriations of \$18,791 in CFD No. 2013-01 Horse Creek Ridge Maintenance - Special Tax C fund, Services & Supplies, to support personnel and operations costs incurred by the North County Fire Protection District, based on available prior year CFD No. 2013-01 Horse Creek Ridge Maintenance - Special Tax C Fund fund balance. **(4 VOTES)**
7. Increase the budget by \$15,239 in the Meadowood Fire CFD to pay for fire personnel and operations costs; the funding source is available prior year CFD No. 2019-01 Meadowood Fire - Special Tax C Fund fund balance.
  - Establish appropriations of \$15,239 in CFD No. 2019-01 Meadowood Fire - Special Tax C fund, Services & Supplies, to support personnel and operations costs incurred by the North County Fire Protection District, based on available prior year CFD No. 2019-01 Meadowood Fire - Special Tax C Fund fund balance. **(4 VOTES)**
8. Transfer of \$30,700 in the Department of Parks and Recreation General Fund as a revenue swap for ARPA disallowed costs.
  - Transfer appropriations of \$30,700 from Department of Parks and Recreation, Services & Supplies, to Contribution to Capital Outlay Fund, Operating Transfers Out. This will enable a swap in revenue of \$30,700 in the Capital Outlay Fund for Capital Project 1027068 TJ River Valley Spooners Mesa Stormwater Improvement project (\$17,400), for Capital Project 1026654 Calavo Park Community Garden Project (\$9,000), and for Capital Project 1025464 Collier Park Community Garden Project (\$4,300) from ARPA to Operating Transfer In from the General Fund. There is no change to projects' total budget. **(4 VOTES)**

9. Increase the Department of Public Works budget by \$916,000 in the Road Fund to fund construction costs for the Goldentop Road Quality Improvement Project; the funding source is available prior year General Fund fund balance from Fiscal Year 2023-24.
  - Transfer appropriations of \$916,000 within Department of Public Works General Fund, Services & Supplies to Operating Transfers Out; and establish appropriations of \$916,000 in Department of Public Works Road Fund, Services & Supplies, for the Goldentop Road Water Quality Improvement Project, based on an Operating Transfer In from the General Fund. **(4 VOTES)**
10. Increase the Department of Public Works budget by \$3,075,000 in the Road Fund for a SANDAG grant received that will fund the Campo Road Reconfiguration project.
  - Establish appropriations of \$3,075,000 in the DPW Road Fund, Services & Supplies, for the Campo Road Reconfiguration project, based on a grant from SANDAG Housing Acceleration Program (\$2,500,000) and Regional Transportation Congestion Improvement Program (\$575,000). **(4 VOTES)**
11. Increase the Department of Public Works budget by \$750,000 in the Road Fund for increased costs to the Los Coches Trash Capture project; the funding source is available prior year General Fund fund balance in DPW.
  - Transfer appropriations of \$750,000 within DPW General Fund, Services & Supplies to Operating Transfers Out; and establish appropriations of \$750,00 in the DPW Road Fund, Services & Supplies, for the Los Coches Diversion to Sanitary Sewer and Trash Capture Pilot Project, based on an Operating Transfer In from the General Fund. **(4 VOTES)**
12. Increase the Department of Public Works budget by \$2,000,000 in the Road Fund for increased construction costs for the Rainbow Water Quality Improvement Project; the funding source is available prior year General Fund fund balance in DPW.
  - Transfer appropriations of \$2,000,000 within Department of Public Works General fund, Services & Supplies to Operating Transfers Out; and establish appropriations of \$2,000,000 in Department of Public Works Road Fund, Services & Supplies, for the Rainbow Water Quality Improvement Project, based on an Operating Transfer In from General Fund. **(4 VOTES)**
13. Transfer of \$750,000 within the Department of Public Works (DPW) to pay for increased costs of the Estrella Park Trash Capture Project in the San Diego County Flood Control District; the funding source is available prior year General Fund fund balance in DPW.
  - Transfer appropriations of \$750,000 within DPW General Fund, Services & Supplies to Operating Transfers Out, for the Estrella Park Biofiltration and Trash Capture Project in the San Diego County Flood Control District. **(4 VOTES)**
14. Increase the budget by \$117,000 in the Harmony Grove Community Facilities District (CFD) to fund increase costs of repairs to playground surfaces in the harmony grove community; the funding source is available prior year CFD fund balance.
  - Establish appropriations of \$117,000 in Harmony Grove Village CFD No. 2008-01 Other Services Special Tax B, Services & Supplies, for ongoing parks maintenance including a playground surface repair project, based on available prior year CFD fund balance. **(4 VOTES)**

15. Increase the Department of Parks and Recreation budget by \$189,725 for the Heritage Park project grant funds received.
- Establish appropriations of \$189,725 in the Capital Outlay Fund for Capital Project 1023725 Heritage Park Building, to provide funding for construction of the project, based a grant awarded to the Department of Parks and Recreation by the California State Parks.
- (4 VOTES)**
16. Increase the Public Liability Internal Service Fund (ISF) by \$9,953,895 to cover several major unanticipated legal settlements. This will be funded by higher than anticipated interest on deposits (\$1,138,353) and available Public Liability ISF fund balance (\$8,815,542).
- Establish appropriations of \$9,953,895 in the Public Liability ISF, Services & Supplies, for several major unanticipated legal settlements based on higher than anticipated interest on deposits (\$1,138,353) and available Public Liability ISF fund balance (\$8,815,542).
- (4 VOTES)**
17. Increase the Insurance ISF by \$2,167,000 for an increase in the property insurance premium due to natural disasters and other unanticipated cost pressures facing the insurance market and the mid-year addition of the Public Health Laboratory to the policy. This will be funded by charges to the Finance and General Government Group Executive Office and the Health and Human Services Agency.
- Establish appropriations of \$2,167,000 in the Insurance ISF, Services & Supplies, to cover for the increase in the property insurance premium based on Charges in General Fund.
- (4 VOTES)**
18. Increase the Facilities Management ISF by \$8,700,000 to support the increase in usage of contracted facilities services. The funding source is revenue from client departments.
- Establish appropriations of \$8,700,000 in the Department of General Services Facilities Management ISF, Services & Supplies, to support the continued increase in contracted services based on revenue from client departments. **(4 VOTES)**
19. Increase the Facilities Management ISF by \$3,200,000 to allow payment to the Fleet ISF for the purchase of various vehicles ordered in previous years. The funding source is available prior year Facilities Management ISF fund balance.
- Establish appropriations of \$3,200,000 in the Department of General Services Facilities Management ISF, Other Charges, to fund the purchase of various vehicles ordered in previous years to support current staff activities based on available prior year Facilities Management ISF fund balance. **(4 VOTES)**
20. Increase the Fleet ISF, Parts and Fuel by \$5,000,000 due to higher than anticipated usage of commercial repair contracts for modification of vehicles prior to being placed in service. The funding source is revenue from client departments.
- Establish appropriations of \$5,000,000 in the Department of General Services Fleet ISF Parts and Fuel, Services & Supplies, to support increased commercial repair costs based on revenue from client departments. **(4 VOTES)**

21. Allow \$20,676 of returned Community Enhancement grant funds to be allocated to new projects by establishing appropriations in the Community Enhancement Program budget.
  - Establish appropriations of \$20,676 in the Community Enhancement Program budget (\$16,000 for District 1, \$2,863 for District 2, and \$1,813 for District 5 in Org 12900), Contribution to Other Agencies, based on the return of unused portions of prior year allocations so the funds can be allocated to other projects. **(4 VOTES)**
22. Allow \$24,669 of returned Neighborhood Reinvestment Program grant funds to be allocated to new projects by establishing appropriations in the Neighborhood Reinvestment Program budget.
  - Establish appropriations of \$24,669 in the Neighborhood Reinvestment Program budget (\$4,669 for District 1 in Org 15650 and \$20,000 for District 4 in Org 15665), Other Charges, based on unused portions of prior year allocations that were returned in the current fiscal year so the funds can be allocated to other projects. **(4 VOTES)**
23. Increase the Treasurer-Tax Collector budget by \$681,628 to pay for change orders for the implementation of the Integrated Property Tax System (IPTS) using Banking Pool revenue.
  - Establish appropriations of \$681,628 in Treasurer-Tax Collector, Services & Supplies, for implementation of IPTS based on Banking Pool revenue. **(4 VOTES)**
24. 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 MMCOF of \$717,453, which includes a transfer of savings from a nearly completed Parks MMCOF project (in the same area) to the Capital Outlay Fund and reclassification of major maintenance projects which are supported by existing department budgets.
  - Transfer appropriations within departments between Services & Supplies and Operating Transfers Out, as noted in Appendix D, in the net amount of \$717,453 for major maintenance projects listed in Appendix D that were subsequently reclassified, based on capitalization thresholds, for financial reporting purposes; *and* establish, transfer and cancel appropriations, as noted in Appendix D for a net increase of \$717,453 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 25 through 32):**

25. Transfer \$500,000 from Capital Project 1023065 Sweetwater Summit Regional Park Campground Expansion Phase II to fund increased costs for Capital Project 1023728 Sweetwater Lane County Park Energy Upgrade.
  - Transfer appropriations of \$500,000 within Capital Outlay Fund and related Operating Transfers In from the General Fund, to provide funding for Capital Project 1023728 Sweetwater Lane County Park Energy Upgrade, based on the transfer from Capital Project 1023065 Sweetwater Summit Regional Park Campground Expansion Phase II.
26. Transfer \$179,859.40 from Capital Project 1022934 Four Gee Park to Capital Project 1021983 Mt Wodson Parking Lot to help with construction costs.
  - Transfer appropriations of \$179,859.40 within Capital Outlay Fund and related Operating Transfers In from the General Fund, to provide funding for construction of the project for Capital Project 1021983 Mt Woodson Parking Lot, based on the transfer from Capital Project 1022934 Four Gee Park.

27. Transfer \$23,720,000 from Capital Project 1023736 Central Region Community Based Care Facility to Capital Project 1025925 San Diego County Psychiatric Hospital within the County Health Complex Fund to optimize the cost structure and mix of beds at the San Diego County Psychiatric Hospital.
  - Transfer appropriations of \$23,720,000 within the County Health Complex Fund to provide funding for Capital Project 1025925 San Diego County Psychiatric Hospital, based on a transfer of Intergovernmental Transfer (\$8,895,000) and Behavioral Health Realignment (\$14,825,000) from Capital Project 1023736, Central Region Community Based Care Facility.
28. Transfer \$30,000 from the Neighborhood Reinvestment Program to the Sheriff's Office, Vista Patrol Station for the purchase of convertible car seats for children in need.
  - Transfer appropriations of \$30,000 from the Neighborhood Reinvestment Program (District 5, Org 15670), Services & Supplies, to the Sheriff's Office, Vista Patrol Station (Org 39560), Services & Supplies, to purchase convertible car seats for children in need.
29. Authorize the use of \$6.0 million in Opioid Settlement Funds for facility improvements within the County-owned Substance Use Residential and Treatment Services (SURTS) facility.
  - Authorize the use of up to \$6.0 million in Opioid Settlement Funds for facility improvements within the County-owned Substance Use Residential and Treatment Services (SURTS) facility that will provide recuperative care services for individuals with serious behavioral health conditions.
30. Reallocate \$10.0 million of the San Diego's Behavioral Health Workforce Committed Fund Balance to replace funding need in programs originally supported by Realignment revenue.
  - Cancel and reestablish appropriations of \$10,000,000 in the Health and Human Services Agency, Services & Supplies, to reallocate appropriations for San Diego's Behavioral Health Workforce to realigned programs based on funding from the Committed Fund Balance originally to expand the capacity of the Behavioral Health Workforce.
31. Reallocate \$9.0 million of Screening to Care General Purpose Revenue to fund costs originally funded by Realignment in Public Health Services.
  - Authorize the reallocation of up to \$9.0 million of General Purpose Revenue for Screening to Care Behavioral Health Support services to be used for costs originally funded by Health Realignment in Public Health Services. This will create Realignment capacity to support operational costs in Public Health Services in the Fiscal Year 2025-26 budget. Screening to Care services will be funded through the Mental Health Services Act in Fiscal Year 2024-25 and 2025-26.
32. This recommendation will cancel the remaining budget of Capital Projects that are anticipated to be completed or cancelled by the end of the Fiscal Year. The remaining funds will be returned to the original funding sources.
  - Cancel appropriations and related revenue of up to \$4,924,997.27 as noted in Schedule C for Capital Projects that will be completed/cancelled and closed by the end of Fiscal Year 2024-25. This is composed of \$3,985,111.44 in the Capital Outlay Fund and \$939,885.83 in the Library Projects Capital Outlay Fund.

## **EQUITY IMPACT STATEMENT**

After the Board of Supervisors adopts the Operational Plan, it is monitored by the departments, Groups, and the Board. 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 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 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 2024-25 Operational Plan. If approved, in the General Fund these actions will result in an increase to the overall budget of \$12,326,973, transfers between budgetary funds of \$5,592,004, transfers within budgetary funds of \$1,030,000 and no cancellation of appropriations. The funding sources for the increases are over-realized General Purpose Revenue (\$10,900,000), over-realized revenue from fines and fees (\$700,000), Banking Pool revenue (\$681,628), unused portions of prior year allocations for Neighborhood Reinvestment Program (\$24,669), and unused portions of prior year allocations for Community Enhancement Program (\$20,676).

In all other funds combined, these actions will result in a net increase to the overall budget of \$32,275,106, transfers between budgetary funds of \$1,892,757, transfers within budgetary funds of \$24,399,859, and cancellation of appropriations of \$8,299,653. The funding sources for the net increase are revenue from client departments (\$13,700,000), available prior year Public Liability ISF fund balance (\$8,815,542), available prior year Facilities Management ISF fund balance (\$3,200,000), SANDAG Housing Acceleration Program (\$2,500,000), charges in General Fund (\$2,167,000), Operating Transfers In from various non-General Fund (\$1,862,757), interest on deposits (\$1,138,353), Regional Transportation Congestion Improvement Program (\$575,000), Operating Transfers In from the General Fund (\$507,666), available prior year CSA 17 & 69 fund balance (\$380,000), Office of Grants and Local Services (OGALS) State grant (\$189,725), available prior year Harmony Grove Community Facilities District fund balance (\$117,000), available prior year CFD No. 2013-01 Horse Creek Ridge Maintenance - Special Tax C Fund fund balance (\$18,791), and available prior year CFD No. 2019-01 Meadowood Fire - Special Tax C Fund fund balance (\$15,239). These are offset by decreases in American Rescue Plan Act (ARPA) (\$2,900,000) and Park's Trust Fund (\$11,968).

## **BUSINESS IMPACT STATEMENT**

N/A



**ACTION:**

ON MOTION of Supervisor Anderson, seconded by Supervisor Desmond, the Board of Supervisors took action as recommended.

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

ABSENT: (District 1 Seat Vacant)

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

