BOARD OF SUPERVISORS

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COUNTY OF SAN DIEGO

AGENDA ITEM

XX

DATE: May 7, 2013

TO: Board of Supervisors

SUBJECT: FISCAL YEAR 2012-13 THIRD QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICT: ALL)

SUMMARY

Overview

This report summarizes the status of the County's Fiscal Year 2012-13 Operational Plan, as measured by projected year-end fund balance from current year operations. The projected balance for the General Fund is $191.3 million, and for all budgetary funds combined is $232.4 million. In the General Fund, positive balances are projected for all five groups. In addition, the projected fund balance reflects the conservation of management and contingency reserves and projects that general purpose revenue will do better than estimated in the adopted budget. This letter also recommends budget adjustments to make resource reallocations to fund one-time projects and various technical adjustments.

In the Public Safety Group, recommendations include: appropriations for construction of recreational yards at George Bailey Detention Facility, construction of the Pine Valley Substation Buckman Springs Area, transportation equipment for ASTREA, support costs for the Narcotics Task Force and the Federal Organized Crime Drug Enforcement Task Force, purchase of radios, canceling appropriations and related Proposition 172 revenue due to delays in one-time information technology projects in the Sheriff's department, and final actions to dissolve and close County Service Areas 109, 110, 111, 112 and 113 Fire Protection Funds.

In Health and Human Services, recommendations will establish appropriations to reimburse district hospitals for Low Income Health Program Certified Public Expenditures.

In the Land Use and Environment Group, recommendations include the following appropriation and other adjustments: establish appropriations in the Department of Public Works for a hook truck, consultant services and right-of-way acquisition for road maintenance projects, establish appropriations in County Service Area 83A 4S Ranch for one-time stewardship, fencing and paving activities, post-construction mitigation monitoring for Otay Valley Regional Park Trails and San Elijo Lagoon Nature Center Expansion, and establish appropriations in the Capital MSCP Acquisition Fund based on sale of mitigation credits.

In Community Services Group, recommendations include amending the General Services

Internal Service Funds (ISF) to correct the recording of the San Pasqual Academy Sports Field lease buy-out in the Facilities Management ISF, to record the costs of the mechanical upgrades for the Medical and Forensic Center in the Major Maintenance ISF, and increased parts and fuel costs in the Fleet Parts and Fuel Services ISF, and appropriations for a free-standing building at the Pine Valley Library.

In the Finance and General Government Group, recommendations include appropriations for County Administration Center facility improvements for the Treasurer-Tax Collector, Oracle Identity and Access Management (IDAM) system implementation, and unforeseen expenses related to caseload for the Grand Jury.

In the Capital Program, recommendations include adjustments to cancel the remaining appropriations for projects that are anticipated to be completed and capitalized at the end of the fiscal year in the Capital Outlay Fund and the Library Construction Projects Capital Outlay Fund.

Recommendation(s)
CHIEF ADMINISTRATIVE OFFICER

1. Accept the Fiscal Year 2012-13 third quarter report on projected year-end results.

2. Establish appropriations of $180,000 in the Sheriff's Inmate Welfare Fund, services and supplies, for increased construction costs of George Bailey Detention Facility recreational yard areas based on fund balance available. **(4 VOTES)**

3. Establish appropriations of $335,000 in the Sheriff's Department, fixed assets, for transportation equipment based on unanticipated revenue from reimbursements from the California Department of Forestry and Fire Protection. **(4 VOTES)**

4. Cancel appropriations of $544,000 in services and supplies and related Proposition 172 revenue in the Sheriff's Department due to a delay in a portion of the department's information technology system refresh.

5. Cancel appropriations of $175,000 in services and supplies and related Proposition 172 revenue in the Sheriff's Department due to a shift in priorities and delays in the purchase of a new radio communications tower at Monument Peak.

6. Cancel appropriations of $719,000, Operating Transfer Out, and related revenue in the Proposition 172 Fund due to delayed expenditures in the Sheriff's Department.

7. Establish appropriations of $34,000 in the Sheriff's Department, salaries and benefits ($4,000) and services and supplies ($30,000), based on unanticipated revenue from restitution received by the Narcotics Task Force. **(4 VOTES)**

8. Transfer appropriations of $250,000 from the Sheriff's Department, services and supplies, to the Contributions to Capital Outlay Fund, Operating Transfer Out, to provide funds for Capital Project 1015198, Pine Valley Substation Buckman Springs Area.

9. Establish appropriations of $250,000 in the Justice Facility Construction Fund for Capital Project 1015198, Pine Valley Substation Buckman Springs Area based on an Operating Transfer from the General Fund. **(4 VOTES)**

10. Cancel appropriations of $600,000 in services and supplies and related Fiscal Year 2011 Port Security Grant revenue in the Sheriff's Department, due to time and funding constraints required of the project.

11. Establish appropriations of $10,000 in the Sheriff's Department, salaries and benefits for overtime associated with the Organized Crime Drug Enforcement Task Force, based on unanticipated revenue from the Federal Organized Crime Drug Enforcement Task Force passed through the Federal Bureau of Investigations. **(4 VOTES)**

12. Transfer appropriations of $373,000, and related revenue from the Office of Emergency Services, other charges, to the Sheriff's Department, services and supplies, for expenditures associated with the Fiscal Year 2010 Homeland Security Grant Program.

13. Authorize the Auditor and Controller to take all action necessary to dissolve County Service Area (CSA) 109 Mt. Laguna Fire Protection Fund, CSA 110 Mt. Palomar Fire Protection Fund, CSA 111 Boulevard Fire Protection Fund, CSA 112 Campo Fire Protection Fund and CSA 113 San Pasqual Fire, and transfer all activities and balances to the CSA 135 San Diego County Regional Fire Authority Fund.

14. Establish appropriations of $8,300,000 in the Health and Human Services Agency, Strategic Planning and Operational Support, services and supplies, reimbursements for previously uncompensated costs in the Low Income Health Program Certified Public Expenditures for District Hospitals based on unanticipated revenue from the California Department of Health Care Services. **(4 VOTES)**

15. Establish appropriations of $57,000 in County Service Area 83A 4S Ranch, services and supplies, for one-time stewardship, fencing and paving costs, based on County Service Area 83A fund balance available. **(4 VOTES)**

16. Establish appropriations of $98,950 in the Capital MSCP Acquisition Fund for the Multiple Species Conservation Program, based on unanticipated revenue from the sale of mitigation credits. **(4 VOTES)**

17. Cancel appropriations of $31,500 and related Operating Transfer from the General Fund in the Capital Outlay Fund for Capital Project 1009268, Otay Valley Regional Park Trails ($25,000) and Capital Project 1000285 San Elijo Lagoon Nature Center Expansion ($6,500), to properly record non-capital expenditures related to post construction mitigation monitoring costs.

18. Transfer appropriations of $31,500 from the Contributions to Capital Outlay Fund,

Operating Transfer Out, to the Department of Parks and Recreation, services and supplies, for post-construction mitigation monitoring costs.

19. Establish appropriations of $210,000 in the Department of Public Works Road Fund, Operating Transfer Out, to provide funding to the Department of Public Works Road Fund Equipment Acquisition Internal Service Fund for the purchase of a specialized heavy duty truck, based on unanticipated grant revenue from the Indian Gaming Special Distribution Fund. **(4 VOTES)**

20. Amend the Fiscal Year 2012-13 Department of Public Works Road Fund Equipment Acquisition Internal Service Fund Spending Plan by $210,000, fixed assets, for the purchase of a specialized heavy duty truck, based on an operating transfer from the Department of Public Works Road Fund. **(4 VOTES)**

21. Establish appropriations of $300,000 in the Department of Public Works Fiscal Year 2012-13 Road Fund Detailed Work Program, services and supplies ($273,000) and other charges ($37,000), for various road maintenance projects based on available Road Fund fund balance. **(4 VOTES)**

22. Cancel appropriations of $51,300 and related revenue in the Capital Outlay Fund for Capital Project 1014255, San Pasqual Academy Sports Field, to properly record non-capital expenditures related to the cost of the lease buy-out which would enable construction of the San Pasqual Academy Sports Field.

23. Transfer appropriations of $51,300 from the Contribution to Capital Outlay Fund, Operating Transfer Out, to the Contributions to General Services ISF, Operating Transfer Out, to properly account for non-capital related expenditures.

24. Amend the Fiscal Year 2012-13 Department of General Services Facility Management ISF Spending Plan by $51,300 to provide funding to properly record the cost of the lease buy-out for the San Pasqual Academy Sports Field based on an Operating Transfer from the General Fund. **(4 VOTES)**

25. Cancel appropriations of $150,000 and related revenue in the Capital Outlay Fund for Capital Project 1006566, Medical Examiner and Forensic Center to properly record non-capital expenditures related to the cost of mechanical upgrades and fixed asset costs.

26. Transfer appropriations of $150,000 from the Contribution to Capital Outlay Fund, Operating Transfer Out, to the Contributions to General Services Major Maintenance Internal Service Fund, Operating Transfer Out, to properly account for non-capital related expenditures.

27. Amend the Fiscal Year 2012-13 Major Maintenance Internal Service Fund Spending Plan by $150,000 to provide funding to properly record the cost for mechanical upgrades and fixed assets for the Medical Center and Forensic Center project based on an Operating Transfer from the General Fund. **(4 VOTES)**

28. Amend the Fiscal Year 2012-13 Fleet Parts and Fuel Internal Service Fund by $600,000, services and supplies, due to increase in demand for parts and fuel and increases in costs, based on unanticipated revenue from customer departments. **(4 VOTES)**

29. Establish appropriations of $500,000 in the Treasurer - Tax Collector, services and supplies, for continuation of a major maintenance project, based on Finance and General Government Group's Fiscal Year 2011–2012 fund balance available. **(4 VOTES)**

30. Establish appropriations of $775,000 in the County Technology Office, services and supplies, for implementation costs associated with the Oracle Identity and Access Management (IDAM) system, based on Finance and General Government Group's Fiscal Year 2011–2012 fund balance available. **(4 VOTES)**

31. Establish appropriations of $50,000 in the Grand Jury, services and supplies, for transcript and jury expenses, based on Finance and General Government Group's Fiscal Year 2011–2012 fund balance available. **(4 VOTES)**

32. Transfer appropriations of $23,000 from the Neighborhood Reinvestment Program (Org 15655), services and supplies to Contributions to County Library, Operating Transfer Out, to assist the San Diego County Library with the costs associated with the purchase and installation of a free standing building at the Pine Valley Library to be used as additional retail space.

33. Establish appropriations of $23,000 in the County Library, services and supplies, for the purchase and installation of a free standing building at the Pine Valley Library based on an Operating Transfer from the General Fund. **(4 VOTES)**

34. Cancel appropriations and related revenue of up to $167,480 in the Capital Outlay Fund for projects completed in Fiscal Year 2012-13.

35. Cancel appropriations and related revenue of up to $51,618 in the Library Construction Projects Capital Outlay Fund for projects completed in Fiscal Year 2012-13.

Fiscal Impact

The funds for a portion of these requests are not included in the Fiscal Year 2012-13 Operational Plan. If approved, in the General Fund, this action will cancel budgeted appropriations and the related sources of funding in the amount of $1,319,000 and will establish additional appropriations of $10,004,000, resulting in a net increase in appropriations of $8,685,000. The funding sources include unanticipated revenue from the California Department of Health Care Services, California Department of Forestry and Fire Protection, and miscellaneous other sources.

In all other funds combined, these actions will cancel budgeted appropriations and the related funding sources in the amount of $1,170,898 and will establish additional appropriations of $2,130,250 resulting in a net increase in appropriations of $959,352. The funding sources include

Sheriff Inmate Welfare Fund, Indian Gaming Special Distribution Fund, Road Fund and miscellaneous other sources.

Business Impact Statement
N/A

Advisory Board Statement
N/A

Background
For the General Fund, the third quarter projection of year-end fund balance from current year operations is $191.3 million and approximately $35.0 million of this amount will be rebudgeted in Fiscal Year 2013-14. This projected one-time resource is a combination of expecting to end the year with General Purpose Revenue (GPR) above budget by $34.1 million along with a net positive variance of $113.9 million from operations and a positive variance of $43.3 million in unspent contingency and management reserves. The projected $34.1 million year-end GPR estimate is an increase compared to the Second Quarter Status Report year-end GPR projection of $20.1 million and is primarily due to the one-time increase in Aid from Redevelopment Successor Agencies with the one-time distribution of Low-and-Moderate Income Housing Fund Due Diligence Review Remittances and residual distributions.

The projected balance for all other funds combined is $41.1 million, of which $14.0 million is projected for the Proposition 172 Special Revenue Fund. Schedule A summarizes the fund balance projection by Group and department. The Notes to Schedules A and B explain variances from budget by department. Schedule B shows the projected General Fund fund balance by Group split between operating and reserve balances. These projections are based on actual experience through March 2013 and expected expenditure and revenues through the end of the fiscal year.

As shown in Schedule A, the General Fund year-end fund balance projection of $191.3 million is based on the estimate that expenditures will be approximately $246.6 million less than the Fiscal Year 2012-13 Amended Budget and revenues will be a net $55.3 million less than the Fiscal Year 2012-13 Amended Budget. 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 the Board or the Auditor and Controller under the direction of the Chief Administrative Officer.

The lower than budgeted projected expenditures in the General Fund are primarily attributable to the following:

- $56.8 million in net positive salary and benefit appropriation variance, due to staff turnover and department management of vacancies predominantly in the Public Safety Group (PSG), Health and Human Services Agency (HHSA) and Land Use and Environment Group (LUEG) as well as Community Services Group (CSG), and Finance and General Government Group (FGG).
- $82.2 million in net positive appropriation variance in services and supplies across the County.

- In PSG, a positive variance is anticipated in the Probation Department as a result of efforts made to reduce overall expenditures as well as savings from a case management system enhancement project and from contracted services related to Public Safety Realignment pending the full implementation of certain substance abuse and mental health treatment services; in the Public Safety Group Executive Office San Diego County Fire Authority due to a spending delay for the tree removal grant; in the Sheriff's Department due to a positive appropriation variance in the vehicle lease, medical contracts, and various services and supplies; in the Department of Child Support Services for reductions in lease and contract expenses; and in the District Attorney for delays in one-time information technology purchases.
- In HHSA, a projected net positive variance includes various contracted services (e.g., in Behavioral Health Services related to un-awarded Mental Health Services Act, Alcohol and Drug Services contracts, Medi-Cal and San Diego County Office of Education contracts, Public Safety Realignment, California Department of Corrections and Rehabilitation (CDCR) and Narcotic Treatment Program (NTP) services; lower than estimated growth in In-Home Supportive Services (IHSS) Individual Provider costs; due a positive appropriation variance in contracts for Community Transformation Grant (CTG). A negative variance in Strategic Planning and Operational Support due to increases in Low Income Health Program (LIHP) enrollees is partially offset by a positive appropriation variance in welfare-to-work and refugee services and a positive appropriation variance in non-contract services and supplies. Additional negative variances are associated with Inpatient Health Services expenses for temporary contract help and in Child Welfare Services associated with contract and transportation costs for clients and staff.
- In LUEG, positive variances include a positive appropriation variance in the Department of Environmental Health due to delays in implementation of the Vector Habitat Remediation Program and the East Otay Mesa Recycling Collection Center and Landfill as well and a positive appropriation variance related to the delay of one-time projects which will be rebudgeted in the Fiscal Year 2013-15 Recommended Operational in the Department of Planning and Development Services and in the Department of Public Works.
- In CSG, a positive variance in Housing and Community Development is anticipated due to the postponement of the data automation projects, under-spending in information technology application upgrades and managing discretionary expenses as well as from lower than anticipated expenditures on multi-year projects; and in the Registrar of Voters due to lower than expected costs related to the November 6, 2012 Presidential Election and the delay in implementation of information technology projects.
- In FGG, projected positive variances are spread across several departments, including Human Resources, the County Communication Office and Auditor and Controller. The most material positive variance is in Human Resources and is due primarily to a positive appropriation variance in insurance costs while in other departments positive appropriation variances resulted from reduced office expenses.

- A net positive appropriation variance of $56.1 million in other charges reflects net variances from budgeted caseload and aid payments. There is a positive variance in Regional Operations, mainly the result of revised caseload levels in CalWORKS and Child Care Stage 1, as well as a positive variance in Child Welfare Services based on revised estimates of caseload levels, growth trends, and unit cost per case in aid payments for Foster Care and Aid to Adoptive Parents. Spending is projected to exceed budget in Behavioral Health Services due to an increase of State Hospital rates set by the State of California and in Public Health Services because of a requirement for additional support and care costs in the California Children's Services (CCS) and TB Control programs. In CSG, a positive variance is projected in Housing and Community Development due to lower than anticipated expenditures on multi-year projects. In addition, a positive appropriation variance is due to lower than anticipated tax and revenue anticipation note borrowing costs.
- A positive appropriation variance of $1.3 million in Capital Assets Equipment for fixed assets is associated with delays in one-time information technology expenses District Attorney's office.
- $11.0 million in appropriation savings for operating transfers out in HHSA for the IHSS Public Authority related salary and benefit costs being less than budgeted; a positive appropriation variance in Purchasing and Contracting due to a delay in IT projects implementation, and a positive appropriation variance in Contributions to General Services Internal Service Fund.
- $20.0 million in contingency reserves that are projected to be unspent at year-end.
- $23.3 million in management reserves in HHSA ($20.0 million) and in CSG ($3.3 million) that are projected to be unspent at year-end.

The projected revenue under-realization to budget of $55.4 million includes negative variances totaling $68.0 million in various funding sources, with partially offsetting positive variances of $12.6 million. Of the $68.0 million in negative variances, a net $63.6 million is within intergovernmental revenues and is largely the result of positive expenditure variances in caseload driven programs and contracted services mentioned above. The remaining negative variances reflect the combination of unrealized revenue due to operational variances and various revenue shortfalls in fines, forfeitures and penalties ($3.2 million), a projected decrease in Teeter revenue reflected in taxes other than current secured ($0.5 million), a decrease in licenses, permits and franchises ($0.4 million) and other financing sources ($0.2 million).

A positive revenue variance of $12.6 million is expected in the following categories: taxes current property ($5.7 million); revenue from use of money and property ($2.1 million); charges for current services ($2.8 million); and miscellaneous revenues ($2.0 million).

See the Notes to Schedule A for a description of significant variances by department.

Fiscal Year 2012-13 Budget Adjustments

The budget adjustments recommendations in this letter are explained below.

Recommendation 2
This recommendation will establish appropriations of $180,000 in the Sheriff's Inmate Welfare Fund for additional operating costs related to construction of 10 separate recreational yard areas. These areas will be for use by administratively segregated inmates housed at the George Bailey Detention Facility. The additional recreational areas and lighting support compliance of Title 15 recreational yard mandates. On December 4, 2012 (24), the Board approved the initial funding of $384,000. Today's recommendations will bring the total project costs and funding to $564,000.

Recommendation 3
This recommendation will establish appropriations of $335,000 in the Sheriff's Department for Aerial Support to Regional Enforcement Agencies (ASTREA) Fire Life Safety for transportation equipment, based on unanticipated revenue from the California Department of Forestry and Fire Protection (Cal-Fire) for firefighting helicopter responses on State lands.

Recommendations 4-6
This recommendation will cancel appropriations and related revenue of $719,000 in the Sheriff's Department and Proposition 172 Special Revenue fund due to delays in a portion of the information technology system refresh and acquisition of a new radio communications tower at Monument Peak. Funds for these items will be rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2013-14.

Recommendation 7
This recommendation will establish appropriations and related revenue of $34,000 in the Sheriff's Department, Narcotics Task Force, for temporary help, training and equipment, based on unanticipated revenue received as court ordered restitution from various cases. A new program was developed in Fiscal Year 2012-13 by the Sheriff's Department, the District Attorney's Office and the Courts to order and collect restitution related to the marijuana eradication program and distribute the revenue among the departments.

Recommendations 8-9
On August 11, 1998 (3), the Board directed staff to work with the Sheriff to find a suitable site for a new Sheriff's Substation in the Pine Valley area. The Fiscal Year 1999-00 Operational Plan included $700,000 in funding for the Pine Valley Station Project and on May 16, 2000 (26), the Sheriff's Department appropriated an additional $500,000 to the capital project funded by over-realized State Criminal Alien Assistance Program revenue. On April 3, 2012 (13), the Board authorized an advertisement and award of a construction contract and appropriated $2,100,000 million for the Pine Valley Sheriff's Substation based on an Operating Transfer from the Sheriff's Department. These recommendations will establish additional appropriations of $250,000 in the Justice Facility Construction Fund for Capital Project 1015198, Pine Valley Substation bringing total construction costs and funding to $3,550,000. Funds will be used for construction costs and information technology costs related to the project.

Recommendation 10
On December 6, 2011 (5), the Board authorized the acceptance and appropriation of $600,000 in Fiscal Year 2011 Port Security Grant funds from the U. S. Department of Homeland Security, passed through the San Diego Unified Port District. Grant funds were to be used to purchase,

install and maintain two coastal surveillance camera systems and the associated microwave transmission equipment. The scope of the project and amount of funding allotted for the project in the grant was not sufficient for the project to be completed in a timely manner, and would not cover all project related costs. This recommendation will cancel appropriations and related revenue of $600,000 in the Sheriff's Department, due to time constraints in spending the grant funds and the unfunded costs associated with the project.

Recommendation 11

On March 19, 2013 (1), your Board authorized the Sheriff's Department to accept Organized Crime Drug Enforcement Task Force funding. On March 1, 2013, the Sheriff's Department was notified of the approval to fund $10,000 of overtime associated with the Border Crime Suppression Team. This recommendation will establish appropriations of $10,000 in the Sheriff's Department based on unanticipated revenue from the Federal Organized Crime Drug Enforcement Task Force passed through the Federal Bureau of Investigations (FBI).

Recommendation 12

This recommendation will transfer appropriations of $373,000, and related revenue, from the Office of Emergency Services (OES) to the Sheriff's Department for expenditures associated with the Fiscal Year 2010 Homeland Security Grant Program (HSGP) funded by the federal Department of Homeland Security. On February 8th, 2011 (2), the Board authorized OES to accept HSGP funds for emergency planning, equipment purchases, regional projects and grants administration. A total of $373,000 has been reallocated to the Sheriff's Department for the purchase of radios.

Recommendation 13

The San Diego County Fire Authority continues to take actions to support the implementation of the Hybrid Plan Proposal, as adopted by the Board of Supervisors on June 25, 2008 (1), to improve fire and emergency medical services in the unincorporated areas of the county. On January 25, 2011 (3), the Board adopted a resolution for the dissolution for County Service Areas (CSAs) 109, 110, 111, 112 and 113 as a part of the reorganization of fire protection and emergency medical services within CSA 135 San Diego County Fire Authority. If approved, this recommendation will allow for final actions necessary to dissolve the Fire Protection Funds for CSAs 109, 110, 110, 112 and 113 and transfer balances to the CSA 135 San Diego County Regional Fire Authority Fund.

Recommendation 14

The Health and Human Services Agency's Low Income Health Program (LHIP) allows district hospitals to claim costs for which they have not received reimbursement from other sources. Only LIHP Participating Entities, such as the County of San Diego can submit claims for reimbursement. This recommendation will establish appropriations of $8,300,000 in order to reimburse the district hospitals for the Certified Public Expenditures that are included in the San Diego County LIHP quarterly reimbursement claims. The funding source is the California Department of Health Care Services. There will be no net cost impact to the County of San Diego.

Recommendation 15
This recommendation will establish appropriations of $57,000 in County Service Area 83A (CSA 83A) 4S Ranch based on available fund balance, to provide funding for one-time stewardship, fencing and paving repairs. During July of 2012 the Department of Parks and Recreation accepted Liberty Park into the County of San Diego's park system. The greater than anticipated use, along with fencing in disrepair and uneven pavement causing safety concerns, are resulting in required one-time expenditures to improve conditions at this park.

Recommendation 16
Pursuant Board Policy I-138, *Mitigation On County-Owned Land Managed by the Department Of Parks and Recreation*, revenue obtained through sale of mitigation credits will be used to purchase additional lands within the county that meet the criteria set forth in the Mitigation Policy. Recent transactions generating such revenue include: SANDAG which purchased 1.75 acres of disturbed mulefat habitat mitigation credits ($61,250) and established an endowment ($10,500) totaling $71,750 for the San Ysidro Freight Rail Yard Improvement Project; Parks and Recreation purchased 1.00 acres of habitat mitigation credits ($23,300) and established an endowment ($6,000) totaling $29,300 for the Swiss Park Staging Area; the Department of Public Works purchased 0.36 acres of California Department of Fish and Wildlife jurisdictional resources (non-vegetated floodplain and riparian habitat), and US Fish and Wildlife Service jurisdictional resources (arroyo toad foraging and aestivating habitat) mitigation credits ($14,400) and established an endowment ($6,000) totaling $20,400 for the De Luz Road Emergency Storm Drain Repair Project. This recommendation will establish appropriations of $98,950 from these sales of mitigation credits in the Capital MSCP Acquisition Fund for the Multiple Species Conservation Program.

Recommendations 17-18
The Otay Valley Regional Park Trails capital project was established in Fiscal Year 2005-06. Life to date appropriations total $9,260,001 for the development of this park located in the southern area of San Diego County. The San Elijo Lagoon Nature Center Expansion capital project was established in Fiscal Year 2003-04. Life to date appropriations total $5,658,896 for the construction of the nature center located in Cardiff. At this time, there are appropriations remaining of approximately $710,738 in Capital Project 1009268, Otay Valley Regional Parks Trail and remaining appropriations of approximately $146,251 in Capital Project 1000285, San Elijo Lagoon Nature Center Expansion. These recommendations will cancel total appropriations of $31,500 and transfer the appropriations to the Department of Parks and Recreation, services and supplies, to properly record non-capital expenditures for post-construction mitigation monitoring costs pursuant to County of San Diego Administrative Manual 0050-02-01, Control of Capital Assets and Minor Equipment.

Recommendations 19-20
These recommendations establish appropriations of $210,000 in the Department of Public Works Road Fund for an operating transfer to the Road Fund Equipment Acquisition ISF for the purchase of a truck with dump body and water tank. The funding source for the truck is the Indian Gaming Special Distribution Fund. The County of San Diego received a grant from the Indian Gaming Local Community Benefit Committee for the purchase of a 10 cubic yard truck with dump body and water tank to help the County mitigate impacts of Indian casinos on County

roads.

Recommendation 21
This recommendation establishes appropriations of $300,000 in the Department of Public Works Road Fund for additional consultant services ($263,000) and right-of-way purchase ($37,000) for various road maintenance projects. The funding source is available Road Fund fund balance. Authorization for appropriations for construction and authority to advertise and award will be brought to the Board for each project at a later date.

Recommendations 22-24
On October 20, 2009 (7) appropriations of $60,000 were established for Capital Project 1014255, San Pasqual Academy Sports Field. These recommendations will cancel appropriations of $51,300 in the Capital Outlay Fund for Capital Project 1014255, San Pasqual Academy Sports Field, and transfer appropriations to the Department of General Services, services and supplies, to properly record non-capital expenditures pursuant to County of San Diego Administrative Manual 0050-02-01, Control of Capital Assets and Minor Equipment.

Recommendations 25-27
These recommendations will cancel appropriations of $150,000 in the Capital Outlay Fund for Capital Project 1006566, Medical Examiner and Forensic Center, and transfer appropriations to the Major Maintenance ISF, services and supplies, to properly record non-capital expenditures pursuant to County of San Diego Administrative Manual 0050-02-01, Control of Capital Assets and Minor Equipment.

Recommendation 28
This recommendation will amend the General Service's Fleet Parts and Fuel Internal Service Fund Spending Plan by $600,000 by establishing appropriations in service and supplies and corresponding revenue from customer departments. The projected increase in demand for commercial repair, parts and fuel and increased fuel cost which is based on year to date usage and economic projections.

Recommendation 29
This recommendation will establish appropriations of $500,000 in the Treasurer - Tax Collector (TTC) as part of a multiyear effort to address facility needs for TTC operations in the County Administration Center (CAC), including demolition, asbestos removal, improved lighting, space usage, ventilation, and onsite document storage. Facility needs have been identified primarily in CAC Room 162, where a significant amount of TTC operations are currently conducted. Existing mail processing equipment and staff will be moved to CAC Room 077, and a portion of department staff will be moved to CAC Room 163 to ease overcrowding.

Recommendation 30
Beginning in Fiscal Year 2011-2012, the County Technology Office initiated a multiyear project to implement Oracle's Identity and Access Management (IDAM) system. The system provides single sign-on capability for multiple enterprise resource planning (ERP) systems, improves system security, and enables future identification management for mobile devices. This recommendation will provide $775,000 for application services to complete implementation of

the IDAM system.

Recommendation 31
This recommendation will increase appropriations by $50,000 in the Grand Jury to provide additional funding for Grand Juror expenses and transcript fees. Several criminal Grand Jury cases have been scheduled for the 4th quarter of the fiscal year and significant unbudgeted costs are expected as a result of these cases.

Recommendations 32-33
These recommendations are a technical adjustment to appropriations for a Neighborhood Reinvestment Program award to the County Library approved by the Board of Supervisors on April 9, 2013 #12. These recommendations will establish appropriations of $23,000 in the Library Fund to purchase and install a free standing building for the Friends of the Pine Valley Library.

Recommendations 34-35
At the end of the Fiscal Year 2012-13, a total of 24 capital projects are anticipated to be completed and capitalized. Appropriations of up to $219,098 will be cancelled, of which $167,480 is in the Capital Outlay Fund and $51,618 is in the Library Construction Projects Capital Outlay Fund. At the end of the fiscal year, remaining appropriations will be canceled and the related funding will be returned to the respective funding sources, which include the General Fund and federal grants. These projects are listed in Schedule C.

Linkage to the County of San Diego Strategic Plan
Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, and Healthy Families in the County of San Diego's 2013-2018 Strategic Plan by fully committing to utilize County resources to meet the highest priority needs of its residents.

Respectfully submitted,

USE "INSERT PICTURE" FUNCTION TO INSERT SIGNATURE

HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)
Schedule A
Schedule B
Notes to Schedules A and B
Schedule C

SUBJECT: FISCAL YEAR 2012-13 THIRD QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICT: ALL)

AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: [X] Yes [ ] No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
[ ] Yes [X] No

PREVIOUS RELEVANT BOARD ACTIONS:
February 26, 2013 (7) Second Quarter Operational Plan Status Report and Budget Adjustments; December 4, 2012 (24), Fiscal Year 2012-13 First Quarter Operational Plan Status Report and Budget Adjustments; August 7, 2012 (18), County of San Diego Fiscal Year 2012-13 Adopted Budget Resolution for Family of Funds, Enterprise Funds and Internal Service Funds, Prior Year Encumbrances and Penalty Assessment Resolution

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: Auditor and Controller

OTHER CONCURRENCE(S): N/A

CONTACT PERSON(S):

Tracy M. Sandoval, General Manager, Finance and General Government Group, Auditor and Controller	Ebony N. Shelton, Director, Office of Financial Planning
Name	Name
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FY 2012-2013 3rd Quarter
Projected Year-End Results
(in thousands)

COUNTY SUMMARY

	Expenditure Variance	Revenue Variance	3rd Quarter FY12-13 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund			
Public Safety	$ 46,354	$ (14,481)	$ 31,873
Health & Human Services Agency	93,371	(56,834)	36,537
Land Use & Environment	18,292	(7,585)	10,707
Community Services	16,938	(12,069)	4,868
Finance & General Government	3,953	471	4,424
Total Agency/Group	178,908	(90,498)	88,410
General Purpose Revenue	0	34,148	34,148
Finance Other	67,693	998	68,692
Total General Fund	**$ 246,601**	**$ (55,351)**	**$ 191,250**
Special Revenue Funds			
Public Safety	$ 1,500	$ 14,353	$ 15,853
Health & Human Services Agency	3,100	(3,100)	0
Land Use & Environment	7,446	(2,000)	5,446
Community Services	2,009	504	2,513
Total Special Revenue Funds	**$ 14,055**	**$ 9,757**	**$ 23,812**
Capital Program			
Finance Other	$ 26	$ (26)	$ 0
Internal Service Funds Departments			
Public Safety Group	$ 0	$ 0	$ 0
Health & Human Services Agency	0	0	0
Land Use & Environment	3,486	(1,029)	2,456
Community Services	36,899	(32,268)	4,630
Finance & General Government	341	375	716
Finance Other	4,240	0	4,240
Total Internal Service Funds	**$ 44,966**	**$ (32,922)**	**$ 12,043**
Enterprise Fund Departments			
Land Use & Environment	$ 1,811	$ (752)	$ 1,059
Special District Funds Departments			
Public Safety Group	$ 0	$ 1	$ 1
Health & Human Services Agency	351	20	371
Land Use & Environment	3,161	532	3,693
Total Special District Funds	**$ 3,512**	**$ 553**	**$ 4,065**
Other County Funds Departments			
LUEG - Debt. Svc. Local Boards	$ 0	$ 0	$ 0
Community Svcs. - Red./Redev. Successor Agency	67	0	67
Finance Other - Majestic Pines	0	0	0
Total Other County Funds	**$ 67**	**$ -**	**$ 67**
Debt Service - Pension Obligation Bonds	$ 1	$ 94	$ 95
Total County Projected Operating Balance	**$ 311,039**	**$ (78,648)**	**$ 232,391**

Prepared: 4/23/13

Numbers may not total due to rounding.

FY 2012-2013 3rd Quarter
Projected Year-End Results
(in thousands)

PUBLIC SAFETY GROUP

	Expenditure Variance	Revenue Variance	3rd Quarter FY12-13 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund Departments			
Child Support	$ 4,622	$ (3,958)	$ 663
Contributions for Trial Courts	1,479	(1,475)	3
Defense Attorney Contract Admin.	0	0	0
District Attorney	11,020	128	11,149
Emergency Services	5,348	(5,076)	272
Law Enforcement Review Board	68	0	68
Medical Examiner	396	77	473
Probation	9,173	(3,701)	5,472
Public Defender	3,419	43	3,462
Public Safety Executive Office	855	1,906	2,761
San Diego County Fire Authority	4,570	(4,481)	90
Sheriff	5,403	2,056	7,459
Total General Fund	**$ 46,354**	**$ (14,481)**	**$ 31,873**
Special Revenue Funds Departments			
District Attorney (Asset Forfeiture - State & Federal)	0	0	0
Probation - Asset Forfeiture	0	71	71
Probation - Inmate Welfare Program	0	51	51
Sheriff - Asset Forfeiture	0	947	947
Sheriff - Inmate Welfare Program	0	820	820
Public Safety - Proposition 172	1,500	12,463	13,963
Total Special Revenue Funds	**1,500**	**14,353**	**15,853**
Internal Service Funds Departments			
Probation	0	0	0
Sheriff(Jail Stores)	0	0	0
Total Internal Service Funds	**0**	**0**	**0**
Special District Funds			
Sheriff (Regional 800 MHz)	0	1	1
County Service Area	0	0	0
Total Group Projected Fund Balance	**$ 47,854**	**$ (127)**	**$ 47,727**

Numbers may not total due to rounding.

FY 2012-2013 3rd Quarter
Projected Year-End Results

(in thousands)

HEALTH & HUMAN SERVICES AGENCY

	Expenditure Variance	Revenue Variance	3rd Quarter FY12-13 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund Programs			
Administrative Support	$ 23,926	$ 9,181	$ 33,107
Aging & Independence Services	12,925	(11,612)	1,313
Behavioral Health Services	20,796	(20,796)	0
Child Welfare Services	13,671	(12,158)	1,512
Public Administrator/Public Guardian	102	1	103
Public Health Services	5,664	(4,594)	1,071
Regional Operations	34,520	(33,090)	1,430
Strategic Planning & Operational Support	(18,232)	16,233	(1,998)
Total General Fund	**$ 93,371**	**$ (56,834)**	**$ 36,537**
Special Revenue Funds			
Tobacco Securitization Fund	3,100	(3,100)	0
Total Special Revenue Funds	**3,100**	**(3,100)**	**0**
Internal Service Funds			
DMI-Working Capital(Edgemoor Hospital)	0	0	0
Special District Funds Departments			
Ambulance Districts	351	20	371
Total Health & Human Services Agency	**$ 96,822**	**$ (59,914)**	**$ 36,908**

Numbers may not total due to rounding.

FY 2012-2013 3rd Quarter
Projected Year-End Results
(in thousands)

LAND USE & ENVIRONMENT GROUP

	Expenditure Variance	Revenue Variance	3rd Quarter FY12-13 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund Departments			
Agriculture, Weights & Measures	$ 177	$ 23	$ 200
Environmental Health	7,559	(5,384)	2,175
Land Use & Environment Group Exec Office	1,500	0	1,500
Parks & Recreation	0	0	0
Planning & Development Services	8,575	(2,223)	6,352
Public Works	481	0	481
Total General Fund	**$ 18,292**	**$ (7,585)**	**$ 10,707**
Special Revenue Funds Departments			
A,W & M (Grazing and Fish & Game Commission)	0	0	0
Parks & Recreation - PLDO	188	54	242
DPW - Aviation Funds	0	0	0
DPW - Road Funds	6,870	(1,666)	5,204
DPW - Inactive Waste	388	(388)	0
Total Special Revenue Funds	**7,446**	**(2,000)**	**5,446**
Internal Service Funds Departments			
Public Works - DPW Equip. ISF Prg. (35525-35700)	3,486	(1,029)	2,456
Enterprise Funds Departments			
Airport Enterprise Fund	841	208	1,049
Wastewater Management Enterprise Fund	970	(960)	10
Total Enterprise Funds:	**1,811**	**(752)**	**1,059**
Special District Funds Departments			
Air Pollution Control District	572	547	1,119
Parks and Recreation	84	(56)	27
Planning and Development Services - CSAs	0	0	0
DPW - SD County Sanitation District	2,168	(31)	2,137
DPW - Campo Water Sewer Maint District	24	(1)	23
DPW - CSAs	0	(0)	0
DPW - PRDs	0	64	64
DPW - Flood Control	0	0	0
DPW - Street Lighting Districts	313	10	323
Total Special Districts Funds:	**3,161**	**532**	**3,693**
Other County Funds Departments			
Debt Service-Local Boards	0	0	0
Total Land Use & Environment Group	**$ 34,196**	**$ (10,834)**	**$ 23,362**

Numbers may not total due to rounding.

FY 2012-2013 3rd Quarter
Projected Year-End Results

(in thousands)

COMMUNITY SERVICES GROUP

	Expenditure Variance	Revenue Variance	3rd Quarter FY12-13 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund Departments			
Animal Services	$ 314	$ (115)	$ 199
Community Services Group Exec Office	3,541	0	3,541
General Services	250	(250)	0
Housing & Community Development	12,155	(11,768)	387
Purchasing & Contracting	375	0	375
Library Services	0	0	0
Registrar of Voters	303	64	366
Total General Fund	**$ 16,938**	**$ (12,069)**	**$ 4,868**
Special Revenue Funds Departments			
Library Services	2,009	504	2,513
Total Special Revenue Funds	**2,009**	**504**	**2,513**
Internal Service Funds Departments			
Facilities Management	8,988	(7,765)	1,223
Major Maintenance ISF	21,902	(21,902)	0
Fleet Management	4,773	(2,597)	2,176
Purchasing & Contracting	1,235	(4)	1,231
Total Internal Service Funds	**36,899**	**(32,268)**	**4,630**
Other County Funds Departments			
Red. Agency/Redevelopment Successor Agency	0	0	0
Housing & Community Development	67	0	67
Total Other County Funds Departments	**67**	**0**	**67**
Total Community Services Group	**$ 55,913**	**$ (43,834)**	**$ 12,079**

Numbers may not total due to rounding.

FY 2012-2013 3rd Quarter
Projected Year-End Results

(in thousands)

FINANCE & GENERAL GOVERNMENT GROUP

	Expenditure Variance	Revenue Variance	3rd Quarter FY12-13 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund Departments			
Assessor/Recorder/County Clerk	$ 752	$ 373	$ 1,125
Auditor & Controller	582	(225)	358
Board of Supervisors	245	0	245
Chief Administrative Office	87	0	87
Civil Service Commission	11	0	11
Clerk of the Board of Supervisors	125	300	425
County Communications Office	213	29	242
County Counsel	447	(155)	293
County Technology Office	0	0	0
Finance & GG Exec Office	0	69	69
Grand Jury	0	0	0
Human Resources	1,123	52	1,176
Treasurer-Tax Collector	367	27	394
Total General Fund	**$ 3,953**	**$ 471**	**$ 4,424**
Internal Service Funds Departments			
CTO - Information Technology	341	375	716
Total Finance & General Government Group	**$ 4,294**	**$ 846**	**$ 5,141**

Numbers may not total due to rounding.

FY 2012-2013 3rd Quarter
Projected Year-End Results
(in thousands)

GENERAL PURPOSE REVENUE & FINANCE OTHER	Expenditure Variance	Revenue Variance	3rd Quarter FY12-13 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund			
General Purpose Revenue:			
All Current Property Taxes	$ 0	$ 5,730	$ 5,730
All Other Taxes-Local	0	(511)	$ (511)
Licenses, Permits & Franchises	0	(125)	$ (125)
Fines, Forfeitures & Penalties	0	(1,180)	$ (1,180)
Revenue for Use of Money & Property	0	0	$ 0
Intergovernmental Revenue	0	30,234	$ 30,234
Charges for Current Services	0	0	$ 0
Miscellaneous Revenue	0	0	$ 0
Total General Purpose Revenue	**$ 0**	**$ 34,148**	**$ 34,148**
General County Expenses:			
Cash Borrowing Program	$ 6,600	$ 0	$ 6,600
Community Enhancement	0	0	0
Contingency Reserve	20,000	0	20,000
Lease Payments - Capital Projects	0	0	0
Contributions to the Capital Outlay Fund	722	(16)	706
Local Agency Formation Comm Admin	0	0	0
Neighborhood Reinvestment Program	0	0	0
Countywide Expenses	40,371	1,014	41,386
Total Finance Other Expenses	$ 67,693	$ 998	$ 68,692
Total General Fund	**$ 67,693**	**$ 35,147**	**$ 102,840**
Capital Program Funds			
Capital Program	$ 26	$ (26)	$ 0
Total Capital Program Funds	**$ 26**	**$ (26)**	**$ 0**
Internal Service Funds Departments			
Workers Compensation	$ 0	$ 0	$ 0
Unemployment Insurance	0	0	0
Public Liability	4,240	0	4,240
Total ISF Funds	**4,240**	**0**	**4,240**
Other County Funds Departments			
Majestic Pines	**$ 0**	**$ 0**	**$ 0**
Debt Service Funds Departments			
Pension Obligation Bonds	**$ 1**	**$ 94**	**$ 95**
Total General Purpose Revenue & Finance Other	**$ 71,960**	**$ 35,214**	**$ 107,175**

Numbers may not total due to rounding.

FY 2012-2013 3rd Quarter
Projected Year-End Results
(in thousands)

Category	Projected Management & Contingency Reserves	Projected Operating Balances	3rd Quarter FY12-13 Projected Fund Balance
	Favorable/(Unfavorable)		
General Fund			
Public Safety	$ 0	$ 31,873	$ 31,873
Health and Human Services Agency	20,000	16,537	36,537
Land Use and Environment	0	10,707	10,707
Community Services	3,250	1,618	4,868
Finance & General Government	0	4,424	4,424
Agency/Group Totals	**$ 23,250**	**$ 65,160**	**$ 88,410**
General Purpose Revenue	0	34,148	34,148
General County Expenses	0	48,692	48,692
Contingency Reserve	20,000	0	20,000
Total Gen'l. Purpose Rev. & Gen'l. County Exp.	**$ 20,000**	**$ 82,840**	**$ 102,840**
Total General Fund	**$ 43,250**	**$ 148,000**	**$ 191,250**

Numbers may not total due to rounding.

Fiscal Year 2012-13 3rd Quarter
Completed Capital Projects

ORG	Oracle Project Number	Account	Project Name	Budget	Amount Capitalized	Amount Canceled
			** Capital Outlay Fund (Fund 26000) **			
73050	1009269	54767	Lindo Lake Boathouse Restoration *	214,286.00	211,514.00	2,772.00
73050	1005259	54675	KN3415 Guajome Park Playground/Restroom/Dock Improvements	630,101.00	623,486.56	6,614.44
7378C	1014260	54875	Mt Empire (CAMPO) Community Center Playground (1013750- 54875)	440,943.00	440,942.97	0.03
7419C	1015181	54202	Lamar Park Volunteer Vehicle Pad	100,000.00	98,246.09	1,753.91
7423C	1015518	54202	Goodland Acres Park Improvements	100,000.00	100,000.00	-
7425C	1015520	54202	Jess Martin Ball Field Improvements	62,500.00	58,556.45	3,943.55
73050	1010407	54777	1010407 Guajome Regional Park Restrooms	407,000.00	400,652.95	6,347.05
7366C	1015178	54860	Lakeside Community Center Photovoltaic System (1013103- 54860) **	514,166.20	514,166.20	-
73050	1005258	54672	KN3412 Lakeside Baseball Park **	10,404,566.36	10,404,566.36	-
73050	1005262	54679	KN3419 Sweetwater Trails/Bikeways Construction**	2,712,791.05	2,712,791.05	-
7371C	1015146	54842	Lakeside Washrack	-	-	-
73050	1010977	54810	Otay Valley Regional Park Local Staging Area	-	-	-
73050	1000121	54017	Trail Easement Acquisition	57,696.20	19,671.27	38,024.93
73050	1005337	54049	I-122 Loss Allotment Acquisition	839,800.00	831,144.00	8,656.00
73050	1014139	54697	Simon Open Space Preserve	75,000.00	-	75,000.00
7385C	1014252	54866	Guajome Park Photovoltaic System	1,100,000.00	1,094,326.19	5,673.81
7434C	1016665	54202	1016665 Potrero Park Fencing	60,500.00	54,272.36	6,227.64
7374C	1015141	54838	1012152 Oakoasis Park Improvement	1,380,267.27	1,378,085.17	2,182.10
73050	1008954	54057	East County Trail Acquisition	51,168.62	51,168.62	-
7375C	1015140	54837	1012286 San Pasqual Academy Residences	9,150,948.00	9,142,046.40	8,901.60
7404C	1014126	54202	Animal Shelter Replacement Cat Housing Facility	460,000.00	458,617.90	1,382.10
			TOTAL	**28,761,733.70**	**28,594,254.54**	**167,479.16**
			** Justice Facility Construction Fund (Fund 26050) **			
						-
			TOTAL	-	-	-
			** Library Projects Capital Outlay Fund (Fund 26075) **			
						-
74700	1000177	54571	Valley Center Branch Library (KL9023 - 4923)	4,421,280.00	4,415,073.21	6,206.79
74700	1000173	54426	Bonita Branch Library (KL9540 - 4753)	4,490,608.00	4,466,382.07	24,225.93
74700	1000179	54237	Julian Shared Use Library (KL2981 - 4981)	3,087,100.00	3,065,915.00	21,185.00
			TOTAL	**11,998,988.00**	**11,947,370.28**	**51,617.72**
			TOTAL FOR CAPITAL PROJECTS	40,760,721.70	40,541,624.82	219,096.88

This attachment represents a listing of 24 capital projects that are anticipated to be completed and capitalized at the end of Fiscal Year 2012-13. See recommendations xxx of the Fiscal Year 2012-13 3rd Quarter Status Report.

** Project has already been capitalized.

COUNTY OF SAN DIEGO
NOTES TO SCHEDULES A and B
Fiscal Year 2012-13 3rd Quarter

GENERAL NOTES

Projected Fund Balance
Projected fund balance as presented in this report is defined as the projected excess of revenues over expenditures as a result of current fiscal year operations. Schedule A presents projections by Group and Department by fund or fund type.

Contingency Reserve and Management Reserves
The County's General Fund budget contains a Contingency Reserve each year to be used in the event of unforeseen expenses or to offset revenue shortfalls. Management Reserves are appropriations that are established at the Group or department level for unanticipated needs or planned future one-time expenses. Schedule B shows a summary of the General Fund's projected fund balance by Group/Agency that distinguishes between projected contingency/management reserve balances and operating balances.

Variance Reporting
Departments project variances from their operational plans based either on revised expectations or on actual revenues or expenditures to date. The significant variances (greater than $300,000) in total expenditure, total revenue, or net variances from plan are discussed below and categorized by fund.

PUBLIC SAFETY GROUP

General Fund

Department of Child Support Services
A positive variance of $0.7 million is projected for the Department of Child Support Services.

A net positive expenditure variance of $4.6 million is projected due to $3.1 million in salaries and benefits from vacant and modified positions and $1.5 million in services and supplies primarily due to reductions in lease and contract expenses.

A negative revenue variance of $4.0 million is projected in intergovernmental revenues due to the expenditure variance noted above.

Contributions for Trial Courts
No overall variance is projected for the Contributions for Trial Courts.

A positive expenditure variance of $1.5 million is projected in other charges to recognize the level of expenditures required to support the revenue sharing requirements of Government Code 77205, related to Trial Court funding.

A negative revenue variance of $1.5 million is projected. This is comprised of a negative variance of $1.7 million in fines, forfeitures and penalties to recognize the anticipated levels of revenues to be received offset by a positive $0.2 million in charges for current services due to an increase in recording fees. Overall economic conditions continue to impact the revenues received by the County to support the statutory Contribution to Trial Courts.

District Attorney
A positive variance of $11.1 million is projected for the District Attorney's Office.

A positive expenditure variance of $11.0 million is projected. This positive variance is primarily due to anticipated variance from budget in salaries and benefits of $10.0 million due to normal attrition and from vacant and modified positions. A positive variance of $1.3 million projected in services and supplies and $1.1 million in fixed assets are primarily associated with delays in one-time information technology equipment and software application purchases. A positive variance of $0.6 million in Other Charges is primarily due to a reduction in the High Technology Theft and Apprehension and Prosecution Program and the expiration of funding through the American Recovery and Reinvestment Act (ARRA) of 2009 for the Jurisdictions Unified for Drug Gang Enforcement (JUDGE) Program. A negative expenditure variance of $2.0 million is projected in expenditure transfers and reimbursements due to normal attrition and delays in filling vacant positions in the Public Assistance Fraud Unit.

A positive revenue variance of $0.1 million is projected due to over-realized revenue of $0.3 million from the Citizen's Option for Public Safety (COPS) program, partially offset by a $0.2 million reduction in the reimbursement for the State mandated Child Abduction and Recovery program.

Medical Examiner
A positive variance of $0.5 million is projected for the Medical Examiner's Department.

A positive variance of $0.4 million is projected in salaries and benefits due to a variance from budget due to vacant and modified positions.

A positive revenue variance of $0.1 million is projected due to over-realized fee revenue.

Office of Emergency Services
A positive variance of $0.3 million is projected for the Office of Emergency Services.

A positive expenditure variance of $5.4 million is projected. This is primarily due to a variance from budget of $5.1 million associated with Homeland Security Grant Program expenditures consisting of a positive variance of $0.5 million in salaries and benefits due to vacant positions which are supported with grant funding, $0.4 million in services and supplies due to efforts to reduce overall expenditures, and $4.2 million in other charges associated with grant funding which is passed through to other agencies and

will be rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2013-14. An additional $0.3 million in services and supplies is a result of a positive variance from budget attributable to the Call When Needed program.

A negative revenue variance of $5.1 million in intergovernmental revenue is projected due to the Homeland Security Grant Program expenditures noted above.

Probation
A positive variance of $5.5 million is projected for the Probation Department.

A positive expenditure variance of $9.2 million is projected. This is comprised of a $4.0 million positive variance in salaries and benefits due to staff vacancies, $5.2 million positive variance in services and supplies as a result of efforts made to reduce overall expenditure, a positive budget variance from a case management system enhancement which will be rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2013-14 and contracted services related to Public Safety Realignment. Certain services to offenders are in development and substance abuse and mental health treatment services are pending full implementation.

A negative revenue variance of $3.7 million is projected. This is comprised of under realized revenue of $3.9 million in the State of California, Local Revenue Fund allocated to the County Local Revenue Fund 2011, Community Corrections Subaccount related to Public Safety Realignment, primarily due to staff vacancies and to amounts planned for contracted services that are still under development. These contract amounts will be rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2013-14. The negative variance also includes $1.2 million in revenues to reimburse the cost of supervision primarily due to economic conditions, and $0.2 million in miscellaneous revenue sources. These negative variances are partially offset by over realized revenue of $1.1 million in Juvenile Justice Crime Prevention Act (JJCPA) and $0.5 million in Federal Foster Care.

Public Defender
A positive variance of $3.5 million is projected for the Public Defender. This is comprised of a positive variance of $2.0 million in salaries and benefits due to vacant and modified positions and $1.4 million in services and supplies associated with the defense of special circumstances cases which will be rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2013-14 and efforts to reduce overall expenditures.

There is no revenue variance.

Public Safety Group Executive Office
A net positive variance of $2.8 million is projected for the Public Safety Group Executive Office.

The positive expenditure variance of $0.9 million is comprised of positive appropriation variances in salaries and benefits ($0.2 million) and in services and supplies ($0.7

million) primarily due to major maintenance and a lower than projected number of information technology support projects.

The positive revenue variance of $1.9 million is primarily due to additional revenues in rents and concessions. These funds were not included in the budget as part of a multi-year plan to reduce budgeted revenues which will no longer be received when these properties transfer to the State.

San Diego County Fire Authority
A positive variance of $0.1 million is projected for the San Diego County Fire Authority.

A positive expenditure variance of $4.6 million is projected in services and supplies due to a project delay associated with the tree removal grant and a positive appropriation variance in contracted services which will be rebudgeted in the CAO Recommended Operational Plan Fiscal Year 2013-14.

A negative revenue variance of $4.5 million in intergovernmental revenue is projected primarily due to delayed expenditures related to tree removal grant activities noted above.

Sheriff
A positive variance of $7.5 million is projected for the Sheriff's Department.

A positive expenditure variance of $5.4 million is projected. Salaries and benefits are projected to be $8.4 million under budget due to vacant positions. A positive expenditure variance of $3.0 million is projected in services and supplies primarily due to $0.9 million in the vehicle lease (ISF) due to delays in the increased costs from the new model of patrol vehicles being included in the Department of General Services billings, $0.5 million in professional and specialized services as a result of medical contracts, $0.3 million in furniture, fixtures and equipment funds that will not be spent in Fiscal Year 2012-13 due to the timing of Rancho San Diego facility construction, and $1.3 million in various services and supplies accounts to include automotive fuel, utilities, special departmental expense and minor equipment. A negative expenditure variance of $5.9 million is projected in other charges supporting inmate medical care due to higher Average Daily Populations in the detention facilities, longer lengths of stay for inmates sentenced after the implementation of AB 109, an increased total number of inmates with serious medical conditions requiring more and longer hospitalizations and increased clinic visits. A negative expenditure variance of $0.1 million is projected in expenditures transfers and reimbursements due to decreases in salary and benefits costs for employees who provide food services to the Probation Department.

A positive revenue variance of $2.1 million is projected. A positive variance $2.7 million is projected due to over-realized revenue of $1.5 in Booking Fees based on projected State allocations through 2011 Realignment, $0.3 million in state mandate reimbursement claims, $0.5 million in recovered expenditures primarily due to Cal EMA reimbursement for a California Disaster Assistance Act claim, and $0.4 million in Contract City revenue due to the recovery of prior year expenditures per the contracts with cities for law enforcement services. A negative variance of $0.4 million is projected

in State Criminal Alien Assistance Program (SCAAP) due to a decrease in the Federal allocation in this program. A negative variance of $0.2 million is due to miscellaneous revenue sources.

Special Revenue Funds

Sheriff's Inmate Welfare Fund
A positive variance of $0.8 million is projected for the Inmate Welfare Fund. A positive revenue variance of $0.8 million is projected primarily due to $0.5 million in recovered expenditures from a reimbursement from the Grossmont Union High School District for contracted educational services, and $0.3 million in rents and concessions due to the negotiated rates included in the new inmate telephone system contract.

Sheriff's Asset Forfeiture Fund

A positive variance of $0.9 million is projected for the Asset Forfeiture Fund. A positive revenue variance of $0.9 million is projected due to increased seizures.

Proposition 172
The Proposition 172 Special Revenue Fund finished Fiscal Year 2011-12 with a $37.7 million year-end fund balance. Pursuant to Board of Supervisor's Policy A-126, any positive variance at year end will be disbursed according to a public safety program plan agreed to by the Sheriff, the District Attorney and the Probation Department. A total of $6.3 million of that amount has been appropriated to date through the adoption of the Fiscal Year 2012-13 Operational Plan.

A positive variance of $14 million is projected for the Proposition 172 Special Revenue Fund.

A positive expenditure variance of $1.5 million is projected due to positive operational variances in services and supplies.

A positive revenue variance of $12.5 million is projected. Current year revenues are projected to be $12.5 million greater than budget due to the combination of Fiscal Year 2011-12 revenue exceeding the budgeted estimate for Fiscal Year 2012-13 supporting a positive Fiscal Year 2012-13 projection and the continued positive economic performance of sales tax revenues.

HEALTH AND HUMAN SERVICES AGENCY (HHSA)

General Fund

Administrative Support
Administrative Support consists of the following: Agency Executive Office, Agency Contract Support, Financial and Support Services Division, Human Resources, Management Support and First Five Commission.

A positive variance of $33.1 million is projected for Administrative Support.

The positive expenditure variance of $23.9 million includes $1.1 million in salaries and benefits due to vacant positions, $2.8 million in services and supplies primarily in contracted services that are not anticipated to be spent, and a projected year-end balance of $20.0 million in management reserves which are held for operating contingencies during the year.

The positive revenue variance of $9.2 million includes an increase of $11.7 million in administrative revenue, primarily associated with the receipt of prior year realignment, $3.1 million in a prior year refund for the Community First Choice Option Program, $1.7 million unanticipated prior year institutional care revenue, $0.5 million unanticipated miscellaneous revenue due to a fraud case settlement, and $0.2 million in charges in other funds/special districts, offset by $8.0 million of unsecuritized tobacco settlement revenue that is not projected to be recognized.

Aging and Independence Services
A positive variance of $1.3 million is projected for Aging & Independence Services.

The positive expenditure variance of $12.9 million includes $0.8 million in salaries and benefits due to vacant positions, $11.7 million in services and supplies, and $0.4 million in operating transfers out. The $11.7 million in services and supplies is mainly the result of revised estimates of growth trends in In-Home Supportive Services (IHSS) Individual Provider costs and Community Based Care Transitions Program. The $0.4 million in operating transfers out for In-Home Support Services - Public Authority is related to salary and benefit costs being less than anticipated.

The negative revenue variance of $11.6 million is mainly due to lower projected expenditures in IHSS as discussed above.

Behavioral Health Services
Behavioral Health Services consists of the following: Mental Health Services, Alcohol and Drug Services, and Inpatient Health Services comprised of the San Diego County Psychiatric Hospital and Edgemoor Skilled Nursing Facility.

A zero variance is projected for Behavioral Health Services.

The positive expenditure variance of $20.8 million includes $8.8 million in salaries and benefits throughout Behavioral Health Services due to vacant positions and $15.2 million in services and supplies offset by a $2.1 million negative variance in Expenditure Transfer & Reimbursements due to lower projected expenditures related to the AB 109 program, and a $1.1 million negative variance in Other Charges due to an increase of State Hospital rates set by the State of California. The $15.2 million in services and supplies includes $5.9 million in un-awarded Mental Health Services Act (MHSA) contracts, $5.5 million in other services and supplies, $4.1 million in Alcohol and Drug

Services in contracts for Substance Abuse Prevention and Treatment (SAPT), Public Safety Realignment, consultant contracts, and Narcotic Treatment Program (NTP), and $1.6 million in San Diego County Office of Education contracts, offset by a $1.9 million negative variance for Inpatient Health Services expenses primarily for temporary contract help.

The negative revenue variance of $20.8 million is primarily associated with positive expenditure variances in MHSA, and SAPT services. The balance is due to under realized revenue resulting from expenditure variances as discussed above.

County Child Welfare Services
A positive variance of $1.5 million is projected for County Child Welfare Services.

The positive expenditure variance of $13.7 million includes $2.2 million in salaries and benefits due to attrition and vacant positions and $12.6 million in other charges due to revised estimates of caseload levels, growth trends and unit cost per case in aid payments for Foster Care and Aid to Adoptive Parents. These positive variances are offset by a $1.1 million negative variance in services and supplies primarily associated with contract costs and transportation costs for clients and staff.

The negative revenue variance of $12.2 million in under realized revenues are associated with the attrition, staff vacancies and positive expenditure variances due to revised caseload projections in assistance payments.

Public Health Services
A positive variance of $1.0 million is projected for Public Health Services.

The positive expenditure variance of $5.6 million includes $3.0 million in salaries and benefits due to vacant positions, $3.3 million in services and supplies primarily for various contracted services, offset by an increase of $0.7 million in support and care costs in the California Children's Services and TB Control programs. The $3.3 million in services and supplies includes $2.5 million in contracts primarily related to the delayed start of contracts related to the Community Transformation Grant (CTG), projected in other contracts and $0.8 million in other services and supplies.

The negative revenue variance of $4.6 million is due to increases of $3.8 million related to the Emergency Preparedness, and Bio-Watch funding for the Public Health Lab, offset by reductions of $7.8 million related to the Community Transformation Grant, positive contract variances in SNAP-Ed Grant, fewer Early Periodic Screening, Diagnosis and Treatment Program allowable costs, and $0.6 million in State revenues supporting the CCS allocation and Childhood Lead Poisoning Prevention Programs.

Regional Operations
Regional Operations consist of the following: Central, East, North Central, North Coastal, North Inland, and South regions, Community Action Partnership, Regional Self-Sufficiency and Regional Child Welfare Services.

A positive variance of $1.4 million is projected for Regional Operations.
The positive expenditure variance of $34.5 million includes $2.6 million in salaries and benefits due to vacant positions and $32.1 million in other charges that is mainly the result of revised caseload levels in CalWORKs and Child Care Stage 1. This is offset by a $0.2 million negative variance in services and supplies due to increased IT costs in the Family Resource Centers for eligibility staff.

The negative revenue variance of $33.1 million is associated with the projected positive expenditure variances as discussed above.

Strategic Planning and Operational Support
A negative variance of $2.0 million is projected for Strategic Planning & Operational Support.

A negative expenditure variance of $18.2 million includes $0.5 million in salaries and benefits due to vacant positions, offset by an increase of $18.7 million in services and supplies. The increase of $18.7 million in services and supplies is $23.4 million of increased expenditures due to an increase of Low Income Health Program (LIHP) enrollees, offset by $3.5 million in projected positive contract variances primarily in welfare to work and refugee services, and $1.2 million in non-contract services and supplies.

The positive revenue variance of $16.2 million is due to $20.9 million increase in LIHP revenue, offset by $4.7 million negative variance in administrative revenues.

Special Revenue Funds

Tobacco Securitization Fund
A zero variance is projected in the Securitized Tobacco Settlement Fund. This aligns projected expenditures to anticipated revenue.

Special Districts Funds

Ambulance Districts
A positive variance of $0.4 million is projected for the ambulance special district. This is the result of positive expenditure variances of $0.4 million primarily in contracted services that are not anticipated to be spent.

LAND USE AND ENVIRONMENT GROUP

General Fund

Land Use Executive Office
A positive variance of $1.5 million is projected for the Land Use Executive Office.

A positive expenditure variance of $1.5 million is projected. A positive variance $0.5 million is projected in salaries and benefits, mainly due to vacancies. A positive variance $1.0 million in services and supplies are primarily due to delays in information technology projects such as the enhancement of the GIS infrastructure upgrade ($0.1 million), Parcel Genealogy ($.1 million), information technology contract Phase III ($.2 million) and Business Case Management System User Acceptance and Reporting ($.4 million), which will be rebudgeted in the Fiscal Year 2013-15 Recommended Operational Plan. The remaining positive of $0.2 million is spread among various accounts.

No variance in revenue is projected.

Agriculture, Weights & Measures
A positive variance of $0.2 million is projected for the Department of Agriculture, Weights and Measures (AWM).

A positive expenditure of $0.2 million is projected. A positive variance of $0.8 million in salary and benefits is due to vacancies and under-filled positions. A negative variance of $0.6 million is projected in services and supplies primarily due to unplanned minor improvements to AWM facilities of $0.3 million, higher than expected information technology charges from the internal service fund of $0.3 million, and one-time expenditures of $0.1 million for the Farm and Home Advisor's Master Gardener Program and Gold Spotted Oak Borer (GSOB) project. This negative variance is offset by $0.1 million positive variance in miscellaneous program expenditures.

No variance in revenue is projected.

Environmental Health
A positive variance of $2.2 million is projected for the Department of Environmental Health.

A positive expenditure variance of $7.6 million is projected. A positive variance of $2.6 million in salaries and benefits is due to vacancies, under-filling positions and freezing of positions. A positive variance of $4.8 million in services and supplies includes $3.7 million related to delays in implementation of the Vector Habitat Remediation Program and $0.5 million for the East Otay Mesa Recycling Collection Center and Landfill, $0.4 million for one-time projects not anticipated to be complete this fiscal year which will be rebudgeted in the Fiscal Year 2013-15 Recommended Operational Plan. The remaining positive variance of $0.2 million is related to closely monitoring spending activities to ensure costs do not exceed revenue.

A negative revenue variance of $5.4 million is projected. This variance consists of a shortfall of $1.5 million in Hazardous Materials Permit fees due to billing issues related to the implementation of the Business Case Management System; a shortfall of $0.2 million in State funding due to fringe benefit and indirect cost limitations in the Radiological Health Program Revenue Agreement; a shortfall of $0.5 million due to

delays in implementation of the East Otay Mesa Recycling Center and a shortfall of $3.0 million from the Vector Control Trust Fund primarily associated with salary and benefits and services and supplies in the Vector Control program because revenue is only drawn from the Trust Fund for actual costs incurred. A net shortfall of $0.7 million in Recovered Expenditures includes; $0.3 million related to a revised approach to implementation of the Government Without Walls Initiative and $0.4 million for one-time projects not anticipated to be complete this fiscal year. The remaining shortfall of $0.1 million is spread over various accounts. This shortfall is offset by over-realized revenue of $0.6 million in Food and Housing Permit fees.

Planning and Development Services
A positive variance of $6.4 million is projected for the Planning and Development Services.

A positive expenditure variance of $8.6 million is projected. A positive variance of $2.2 million is projected in salaries and benefits, mainly due to vacancies. A positive variance of $6.4 million in services and supplies are due to contracted services related to the delay of one-time only funded projects – Culture Training ($0.5 million), Zoning Ordinance Update ($1.1 million), Property Specific Request General Plan Amendment ($1.5 million), Greenhouse Gas POD ($0.3 million), Purchase of Agricultural Conservation Easements (PACE) program ($1.9 million), IT projects for Building Division ($0.4 million), and Nuisance Abatements ($0.2 million), and Fire Re-Build Waivers ($0.5 million), all of which will be rebudgeted in the Fiscal Year 2013-15 Recommended Operational Plan.

A negative revenue variance of $2.2 million is projected related to positive expenditure variances of $2.5 million due to staff vacancies described above and $0.4 million in over-realized revenue for building permit fees. The remaining $0.1 million shortfall is spread over other various miscellaneous accounts.

Department of Parks and Recreation
There is no projected variance for the Department of Parks and Recreation.

A positive expenditure variance of $0.4 million in salaries and benefits is due to vacant and under filled positions, which is offset by a negative variance of $0.4 million in services and supplies due to unanticipated maintenance expenses.

Public Works
A positive variance of $0.5 million is projected.

A positive expenditure variance of $0.5 million is projected. A positive variance in services and supplies of $0.5 million are for one-time projects that will be rebudgeted in the Fiscal Year 2013-15 Recommended Operational Plan. These include grant match of $0.04 million for Integrated Regional Water Management Data Management System, $0.15 million for Proctor Valley road vacation, $0.05 million for Business Case Management System, $0.2 million for Accela Electronic Submittals and $0.04 million for

materials needed for pre-storm preparation to prevent mudslides and downstream pollutants.

Special Revenue Funds

Road Fund
A positive variance of $5.2 million is projected for the Road Fund.

A positive expenditure variance of $6.9 million is projected. A positive variance of $3.3 million in salaries and benefits is due to under-filling of positions, vacancies, and a reduction in cash overtime and temporary help. A positive variance of $3.4 million is projected in services and supplies due to schedule revisions in the Detailed Work Program and cancellation or deferral of information technology application services. A positive variance of $0.2 million in operating transfer out is due to delayed vehicle purchases in Road Fund Equipment Acquisition Internal Service Fund and reimbursement of prior fiscal year expenditures from the Capital Outlay Fund for the cancelled Lakeside Washrack project.

A negative revenue variance of $1.7 million is projected. Over-realized revenue of $0.3 million in intergovernmental revenues is due to unanticipated reimbursement from *Federal Forest Reserve* program, *Community Development Block Grant,* and *Federal Highway Administration* of indirect costs. Under-realized revenue of $0.1 million in use of money and property is projected due to lower than anticipated interest on developer deposits. Under-realized revenue of $1.7 million in charges for current services is due to reduced services to property owners in Land Development ($1.0 million), and reduced work for Special Districts, Flood Control, Airport, Survey Remonument, Inactive Waste, General Fund and Traffic Impact Fee projects ($1.0 million) partially offset by $0.3 million over-realized revenue for increased work for Capital Outlay, Air Pollution Control District, Internal Service Funds, and Liquid Waste. Under-realized revenue of $0.5 million in taxes other than current secured (TransNet) is projected and is due to a completed project in the Detailed Work Program. Under-realized miscellaneous revenue is due to schedule revision of a Tribal grant funded project ($0.1 million) and is offset by recovered expenditures from private insurance for damage to transportation property, and sales of survey records and maps ($0.1 million). Over-realized revenue of $0.3 million in other financing sources is due to the sale of the Lemon Grove Road Station.

Inactive Waste
No overall variance is projected for Inactive Waste.

A positive expenditure variance of $0.4 million is projected. A positive variance of $0.1 million in salaries and benefits is due to under-filling of positions and vacancies. A positive variance of $0.3 million in services and supplies is projected due to a groundwater contract that is not needed in the current year and positive contract variances related to a reduction in landfill gas monitoring.

A negative revenue variance of $0.4 million is projected. A negative revenue variance of $0.6 million in charges for current services is due to less reimbursement needed from the Environmental Trust Fund related to landfill activity noted above and less deferred revenue used for recycling operations due to $0.2 million in unanticipated revenue from grants, deposit forfeitures, and recovered expenditures from an environmental settlement with CVS Pharmacy.

Internal Service Funds

Public Works
A positive variance of $2.5 million is projected for the Public Works Operations and Equipment Acquisition Internal Service Funds.

A positive expenditure variance of $3.5 million is projected. A positive variance of $0.3 million in services and supplies in the Equipment Operations Fund is due to a decrease in repairs needed on vehicles. A positive variance of $0.8 million in other charges is due to the removal of vehicles from fixed asset inventory in Fiscal Year 2011-12 and 2012-13. A positive variance of $2.4 million in capital assets equipment is due to deferral of vehicle purchases in the equipment acquisition funds.

A negative revenue variance of $1.0 million is projected. Under-realized revenue of $0.8 million corresponds to removal of vehicles from fixed asset inventory noted above. Under-realized revenue of $0.4 million is due to loss on sale of fixed assets and delay in purchasing new vehicles for the Road Fund. This is offset by $0.2 million from sale of vehicles.

Enterprise Funds

Public Works
Airports
A positive variance of $1.0 million is projected for the Airport Enterprise Fund.

A positive expenditure variance of $0.8 million is projected. A positive variance of $0.2 million in salaries and benefits is due to partial year vacancies and under filling positions. A positive variance in capital assets equipment of $0.1 million is due to some equipment being acquired as minor equipment instead of capital assets. A positive variance of $0.3 million in depreciation is due to completed projects capitalized later than anticipated. Capital Assets/Land Acquisition's positive variance of $0.2 million is due to various capital projects completed under budget.

A positive revenue variance of $0.2 million is projected primarily due to increases in rents and leases agreements.

Wastewater
No overall variance is projected in the Wastewater Management Enterprise Fund.

A positive expenditure variance of $1.0 million is projected. A positive variance of $0.6 million in salaries and benefits is due to staff vacancies, under-filled positions, and reduction in overtime. A positive variance of $0.4 million in services and supplies is due to the rebudget of information technology application services for the asset management system in the Fiscal Year 2013-15 Recommended Operational Plan, and a reduction in support services (cashiering) needed from Planning and Development Services and cartographic and GIS mapping services.

A negative revenue variance of $1.0 million is projected and is due primarily to reduced work and cost for maintenance in the San Diego County Sanitation District related to the reasons cited above.

Special District Funds

Public Works
Sanitation Districts
A positive variance of $2.2 million is projected in the Sanitation Districts.

A positive expenditure variance of $2.2 million is projected. A positive variance of $1.2 million in services and supplies is due to staff vacancies and under-filled positions in Wastewater Enterprise Fund which provides staffing for the operation and maintenance of the Sanitation Districts. A positive variance of $1.0 million in capital assets is due to rescheduling of construction projects and lower than anticipated construction costs.

No variance in revenue is projected.

Street Lighting District
A positive variance of $0.3 million is projected in the Street Lighting District.

A positive expenditure variance of $0.3 million is projected. A positive variance of $0.3 million in services and supplies is due to less work than anticipated on GIS mapping of streetlights and a reduction in the cost of traffic light replacements due to reimbursement from private insurance.

There is no variance projected in revenues.

COMMUNITY SERVICES GROUP

General Fund

Community Services Group Executive Office
A positive variance of $3.5 million is projected for the Community Services Group Executive Office.

The favorable expenditure variance of $3.5 million is due to $0.1 million in salaries and benefits as a result of staff vacancy, and a year-end balance of $3.2 million in

Management Reserves, which are held in the Group Executive Office for departments' operating contingencies during the year. In addition, a favorable variance of $0.2 million in operating transfer-out is projected, due to delays in an IT project to enhance web-based services in the Purchasing and Contracting Internal Service Fund which is funded by this appropriation.

Animal Services
A positive variance of $0.2 million is projected for Animal Services.

A positive expenditure variance of $0.3 million is due to $0.1 million in salaries and benefits as a result of staff turnover and vacancies and $0.2 million in services and supplies based on expenditure trends. An unfavorable revenue variance of $0.1 million is due to an anticipated shortfall in animal license revenue.

Housing and Community Development Department
A positive variance of $0.4 million is projected for the Housing and Community Development (HCD) Department. The department is composed of two major activities, Housing and Community Development, which contains staff and operations, and Housing and Community Development Multi-Year Projects, which are funded through inter-governmental (mainly Federal) loans and grants for community development and affordable housing projects.

Housing and Community Development (Operations)
A positive variance of $0.4 million is projected for Housing and Community Development.

A positive expenditure variance of $2.1 million includes $0.9 million in salaries and benefits due to vacancies from employee turnover, three positions held vacant to mitigate reductions in grant funding this year, one position held vacant pending approval of reclassification, and $1.2 million in services and supplies. The positive variance in services and supplies is due to the postponement of data automation projects such as the Community Development division Documentum project ($0.3 million), paper file conversion of Section 8 active participant files currently stored in Iron Mountain ($0.1 million), under-spending in IT application upgrades ($0.4 million) for projects rebudgeted to be completed next year, and various accounts ($0.4 million) as a result of managing discretionary expenses.

A negative revenue variance of $1.7 million is projected and is tied to the positive expenditure variance in salaries and benefits and various services and supplies as noted above, resulting in decreased costs recovered.

Housing and Community Development Multi-Year Projects
No variance is projected for HCD Multi-Year Projects. The positive expenditure variance of $10.1 million is offset by a projected negative revenue variance of $10.1 million. Community Development projects eligible to receive funding are budgeted to facilitate

the multi-year project cost expenditure request process. Revenues are projected to equal expenses as project costs are 100% revenue offset.

General Fund Contribution to Purchasing ISF
A positive variance of $0.4 million is projected for the General Fund Contribution to Purchasing ISF.

A positive expenditure variance of $0.4 million is projected. A positive variance in Operating Transfers Out reflects $0.2 million in Documentum upgrade and $0.2 million in salaries and benefits from managed vacancies in Records.

No variance is projected for revenue.
Registrar of Voters
A positive variance of $0.3 million is projected for the Registrar of Voters.

A positive expenditure variance of $0.3 million is projected. A negative expenditure variance of $1.2 million is anticipated in salaries and benefits due to the unanticipated special elections; March 12, 2013 State 40th Senatorial Primary, March 26, 2013 City of San Diego District 4 Primary, May 21, 2013 consolidated State 80th Assembly Primary and City of San Diego District 4 General and June 18, 2013 City of Encinitas. A positive expenditure variance of $1.5 million in services and supplies is due to the lower than expected costs related to the November 6, 2012 Presidential Election and the delay in the implementation of IT projects which are anticipated to start next fiscal year.

No variance is projected for revenue.

Special Revenue Funds

San Diego County Library
A positive variance of $2.5 million is projected for the San Diego County Library.

A positive expenditure variance of $2.0 million is projected. This variance is a result of $1.4 million in salaries and benefits from anticipated vacated positions. Projected over-spending in services and supplies of $0.4 million is due to an increase in books & library materials ($0.9 million), offset by less than anticipated year-to-date spending in major maintenance ($0.2 million), utilities ($0.1 million), and information technology ($0.2 million). A positive variance of $1.0 million is projected in management reserves, which are appropriated for operating contingencies.

A positive revenue variance of $0.5 million is projected. This variance is due to over-realized revenue related to redevelopment dissolution of $1.4 million, offset by anticipated shortfalls of $0.4 million in property tax revenues, $0.1 million in donations from private parties and $0.4 million in interest, public printing and other library services.

Internal Service Funds (ISFs)

Facilities Management ISF
A positive variance of $1.2 million is projected for the Facilities Management ISF.

A positive variance of $9.0 million in expenses is projected. A positive variance of $1.8 million in salaries and benefits is primarily due to modified positions and staff vacancies. Projected positive variance in services and supplies of $3.9 million is due to a reduction in anticipated contract costs. A positive variance of $3.3 million in Operating Transfers Out is due to fewer than anticipated qualified projects for On-Bill financing and California Energy Commission (CEC) financing which will also result in lower than anticipated expenditures.

A negative revenue variance of $7.8 million is projected. A positive variance of $0.3 million in intergovernmental revenues related to federal grant funding is offset by a projected negative variance in rents and concessions of $0.9 million which is due primarily to the loss of lease revenue related to current construction projects including the previously leased Chesapeake properties and the Cedar-Kettner parking lot. A projected negative variance of $2.0 million for charges for current services is due to lower than anticipated costs related to contracted services, which are reimbursed on a pass-through basis by client departments. A projected negative variance of $5.2 million in other financing is related to the On-Bill financing and CEC financing for energy related projects ($3.3 million) and a reduction in operating transfers to reimburse for services provided to the Major Maintenance Internal Service Fund ($1.6 million) and General Fund ($0.3 million).

Major Maintenance ISF
No overall variance is projected in the Major Maintenance ISF.

A positive variance of $21.9 million in expenses is projected. A positive variance of $20.2 million in services and supplies and $1.7 million in Operating Transfer Out is due to delays in commencing new projects.

Since costs incurred in this fund are reimbursed by operating departments, these project delays will result in projected negative revenue variance of $21.9 million, which includes a shortfall of $19.0 million in charges for current services and $3.3 million in Operating Transfer In offset by over-realized intergovernmental revenue of $0.4 million for reimbursement of grant activities and services provided to the Superior Courts.

Fleet Management ISF
A positive variance of $2.2 million is projected for Fleet Management ISF.

A positive variance of $4.8 million in expenses is projected. A positive variance of $0.2 million in salaries and benefits is primarily due to modified and vacant positions; $0.3

million in other charges due to depreciation costs; $4.2 million in capital assets due to less than anticipated purchases for replacement vehicles, and $0.1 million in unspent reserves.

A negative revenue variance of $2.6 million is due primarily to over realized revenue of $0.1 million for reimbursement of new fleet vehicle and equipment purchases offset by unfavorable variances of $0.5 million due to lower interest earnings, $0.2 million due to losses recorded for disposed vehicles and equipment, $2.0 million decrease for current services due to lower than anticipated acquisition of vehicles

Purchasing and Contracting ISF
A positive variance of $1.2 million is projected for the Purchasing and Contracting ISF.

A positive expenditure variance of $1.2 million is projected, due to $0.6 million in salaries and benefits from vacancies and $0.6 million in services and supplies due to the delay of IT projects' implementation and project costs.

No net revenue variance is projected A negative revenue variance of $0.6 million is projected in Operating Transfers-In, based on salary and project costs which are reimbursed by the General Fund. A positive revenue variance of $0.6 million is due to increased countywide spending and contracting hours ($0.2 million) and rebate revenues ($0.4 million).

FINANCE AND GENERAL GOVERNMENT GROUP

General Fund

Assessor/Recorder/County Clerk
A positive variance of $1.1 million is projected for the Assessor/Recorder/County Clerk.

A positive expenditure variance of $0.7 million is projected in salaries and benefits due to departmental vacancies.

A positive revenue variance of $0.4 million is projected in charges for current services as a result of slightly elevated activity levels in various services.

Auditor and Controller
A positive variance of $0.4 million is projected for the Auditor and Controller.

A positive expenditure variance of $0.6 million is projected, including $0.5 million in salaries and benefits due to staff vacancies and under filled positions, and $0.1 million in services and supplies due to lower than anticipated office expenses.

A negative revenue variance of $0.2 million is projected, including $0.3 million in charges for current services due to lower than anticipated collections in the Office of

Revenue & Recovery, partially offset by $0.1 million in over realized miscellaneous revenues.

Clerk of the Board of Supervisors
A positive variance of $0.4 million is projected for the Clerk of the Board of Supervisors.

A positive expenditure variance of $0.1 million is projected in salaries and benefits due to departmental vacancies.

A positive revenue variance of $0.3 million is projected in charges for current services as a result of continued high demand for passport services.

County Counsel
A positive variance of $0.3 million is projected for the Office of County Counsel.

A positive expenditure variance of $0.4 million is projected in salaries and benefits due to unanticipated attrition and unfilled vacancies, and $0.1 million in costs applied to Health and Human Services Agency (HHSA) for higher than anticipated legal support staff services.

A negative revenue variance of $0.2 million is projected in charges for current services due primarily to workload decreases in Road Fund claims and Land Development matters, as well as decreases in staff costs associated with public liability internal service fund matters.

Human Resources
A positive variance of $1.2 million is projected for the Department of Human Resources.

A positive expenditure variance of $1.1 million is projected, including $0.7 million in salaries and benefits primarily due to staff turnover and vacant positions, and $0.4 million in services and supplies due primarily to insurance costs.

A positive revenue variance of $0.1 million is projected due to higher than anticipated services charged to internal service funds.

Treasurer – Tax Collector
A positive variance of $0.4 million is projected for the Treasurer – Tax Collector

A positive expenditure variance of $0.4 million includes $0.3 million in salaries and benefits due to staff turnover and vacant positions, and $0.1 million in services and supplies due to various minor office expenditures.

There is no revenue variance projected.

INTERNAL SERVICE FUNDS

Information Technology Internal Service Fund
A positive variance of $0.7 million is projected for the Information Technology Internal Service Fund.

A positive expenditure variance of $0.3 million is due to software maintenance expenditure appropriations carried forward from the prior fiscal year that will not be expended.

A positive revenue variance of $0.4 million is due to the timing of departmental reimbursements for a software maintenance payment made in the prior fiscal year.

GENERAL PURPOSE REVENUE & COUNTYWIDE EXPENSES

A positive variance of $94.9 million is projected for these two categories combined, comprised of an estimated additional $26.2 million in General Purpose Revenue (GPR) compared to budget and a $68.7 million net positive variance in General County Expense activities.

General Purpose Revenue

The County's GPR, particularly revenue related to property transactions, has been impacted by the recession that began in December 2007 thru June 2009 and resulted in declining assessed values and weak construction activity. Sales and Use Tax revenue, although a smaller percentage of the County's GPR, was impacted substantially as well by the year over year decline in retail sales activity. The economy continues to improve in Fiscal Year 2012-13. Several economic trends are summarized below followed by a discussion by revenue account of significant variances from budget:

- San Diego's monthly unemployment rate was 8.0% in February 2013 down from a revised 8.6% in January 2013, and also below the 9.4% from a year ago. This compares to a State of California unadjusted unemployment rate of 9.7% and 8.1% for the nation during the same period. (Source: CA EDD March 29, 2013).
- Statewide unadjusted sales tax receipts for October through December 2012 improved by 6.1% compared to the same time period in 2011.
- There are positive signals in the housing market in the County:
    1. Improvement in deeds recorded (up 9.9% for March 2013 compared to March 2012);
    2. Increase in median housing prices (up 18.6% in the San Diego region for March 2013 compared to March 2012);
    3. Increase of 16.2% in the number of homes sold in March 2013 compared to March 2012 in San Diego (Southern California is up 3.1%)
    4. Improvement in notices of default (44.8% fewer for 4th quarter 2012 compared same quarter in 2011);

5. Improvement in foreclosure activity (the number of foreclosures has decreased 37.1% for 4th quarter 2012 compared same quarter in 2011).

Current Property Taxes – All Categories
The four categories of Current Property Taxes (i.e., Property Taxes Current Secured, Property Taxes Current Supplemental, Property Taxes Unsecured, and Property Taxes Current Unsecured Supplemental combined are estimated to show a net positive variance to budget of $2.5 million.

- *Property Taxes - Current Secured*
  Current Secured Property Taxes are projected to be a net $5.7 million higher than budget. Several factors play a part in the overall projection, including the fact that there is a slight increase in 2012 local secured assessed value compared to budget, a forecasted improvement in the delinquency rate, an improvement in the State Unitary roll compared to the estimated amount used in the budget, and an anticipated decrease in roll corrections and refunds. This change in refunds and corrections is based on an assessment of year-end activity (Fiscal Year 2011-12 - $16.6 million) and information available through apportionment eight leading to the projection of refunds and corrections close to $9.5 million compared to a budgeted amount of $7.5 million.

  As mentioned above, in the 2012 local secured assessed value declined less than anticipated in the budget. The budgeted current secured property taxes assumed a local secured assessed value decline of 1.0%, but the actual assessed value (AV) actually declined by 0.31% (gross less regular exemptions). (Note: The 0.31% decline stated above represents the change in the AV for only the secured roll. This is different than the countywide overall decline published by the Assessor/Recorder/County Clerk on June 29, 2012 of 0.14%, which includes all assessed value components - secured and unsecured). In addition, delinquency rates are anticipated to be better than budget based on Fiscal Year 2011-12 year-end experience and year-to-date trends.

- *Property Taxes - Current Supplemental*
  Current Supplemental Property Taxes are projected to be $0.2 million higher than the $3.3 million that was budgeted. This projection is based on charges and collections through apportionment eight and estimates related to new construction and anticipated low turnover rates through Fiscal Year 2012-13. In Fiscal Year 2011-12, these revenues totaled $3.5 million. The highest amount recorded in this account was $31.0 million in Fiscal Year 2004-05.

Taxes Other Than Current Secured
Taxes Other Than Current Secured are anticipated to be $0.5 million below budget.

- *In Lieu Local Sales and Use Taxes*
  A positive revenue variance of $0.8 million is estimated for In Lieu Local Sales and Use Taxes based on a higher growth rate calculated by the California

Department of Finance (DOF) for Fiscal Year 2012-13 and a true-up for Fiscal Year 2011-12 as identified in DOF's August 31, 2012 letter to California counties.

- *Property Taxes Prior Unsecured*
  Property Taxes Prior Unsecured is estimated to be $0.2 million above budget. This projection is based on the projected rate of collections of unsecured property taxes related to prior year activity that are due and payable in Fiscal Year 2012-13.

- *Real Property Transfer Taxes*
  A positive revenue variance of $2.6 million is estimated for Real Property Transfer Taxes, a substantial improvement compared to the last four years, based on realized revenues for the first nine months of Fiscal Year 2012-13 as well as data regarding current year change in ownership and the anticipated level of new construction.

- *Teeter Tax Reserve Excess*
  The Teeter Tax Reserve Excess is estimated to be approximately $3.2 million below the $21.0 million budgeted, based on current penalty and interest collections and available data on the outstanding receivables and projections through the end of the fiscal year.

  This estimate is also based on a review of total reserves available to meet the Revenue and Taxation Code requirement of maintaining a reserve of not less than 25% of the total teetered delinquent secured taxes and assessments (R&T section 4703.2). The 2012 Teeter buy-out of $47.5 million was lower than the 2011 Teeter buy-out of $58.4. The 2010 Teeter buy-out amount was $88.8. For Fiscal Year 2012-13, the reserve requirement is $11.9 million, a $2.7 million decrease from the Fiscal Year 2011-12 requirement of $14.6 million. This represents additional revenue not previously anticipated in the budget. Moreover, all penalty and interest collections in Fiscal Year 2012-13 will be in excess of the reserve requirement resulting in a one-time revenue surplus.

  However, projections for the first half of Fiscal Year 2012-13 include a substantial negative adjustment in collections based on the trends experienced in Fiscal Year 2011-12 and anticipated to continue in Fiscal Year 2012-13. Further, knowing that the Teeter buy-out has dropped the last four years and outstanding Teeter receivables have dropped the last three years, and factoring in data through apportionment eight, it is anticipated that collections will continue to decline. The negative projection of $3.2 million therefore anticipates collections coming in below budget partially offset by a one-time positive adjustment of $2.7 million related to the decrease in the reserve requirement in Fiscal Year 2012-13.

- *Property Tax in Lieu of VLF*
  Property Tax in Lieu of Vehicle License Fees (VLF) is projected to be $2.0 million above the budgeted amount of $301.7 million. The actual assessed value

adjustment factor of negative 0.32% (which includes unsecured, local secured, current State non-unitary, and aircraft property tax components) for Fiscal Year 2012-13 is 0.68% better than the adjustment rate used to calculate the budgeted revenue (negative 1.0%).

- *Teeter Property Tax Prior Year and Cumulative Prior Years*
  A negative revenue variance of $2.9 million is projected for collections from taxes receivable from the prior fiscal years because the delinquency rate in Fiscal Year 2011-12 was less than what was anticipated at the time the Fiscal Year 2012-13 budget was developed. The delinquency rate changes have led to continued declines in the Teeter buyout outlined in the Teeter Tax Reserve Excess above. Moreover, collection trends through apportionment eight have not improved and are lower than what was estimated in the budget. These trends are anticipated to continue through the end of the fiscal year. Taxes paid after the fiscal year in which they are due are subject to both penalty and interest charges.

Licenses, Permits, and Franchises
Licenses, Permits and Franchise payments are projected to be approximately $0.1 million below budget.

Beginning in Fiscal Year 2009-10, the restructured cable and video licenses have been budgeted in General Purpose Revenue rather than in the Cable TV Media and Public Relations Special Revenue Fund, which was dissolved. Based on a review of current revenues and projected revenues through year-end, cable and video licenses are expected to exceed the budgeted figure by $0.2 million.

This increase is offset by an approximately $0.3 million decrease in franchise payments related to a drop in revenue from municipal surcharges.

Fines, Forfeitures and Penalties
A negative variance of $1.2 million is projected. Penalties and Cost Delinquency Taxes are projected to be approximately $1.2 million below budget. Revenues in this account reflect the 10% penalty that is assessed on late current secured and unsecured property tax payments. A significant reason for the lower than budgeted revenue is the lower than expected delinquency rate as noted above in the paragraph regarding current secured property taxes. The lower than budgeted projection is also based on the current outstanding open charges and current collection trends through apportionment eight.

Intergovernmental Revenues
A positive variance of $30.2 million is projected for intergovernmental revenues.

In September 2012, the State Controller's Office issued another back payment for Vehicle License Fee Collection in Excess per R&T section 11001.5 2 b 1 for Fiscal Years 2011-12. The County's share was $1.4 million. This payment was not budgeted. Although the funds had been on deposit in the State Treasury, no information had been

provided as to the annual amounts in excess or timing of when these outstanding payments would be made.

Additionally, a positive variance of $28.8 million is reflected in Aid from Redevelopment Successor Agencies. In Fiscal Year 2012-13 one-time revenues have been distributed for Low-and-Moderate Income Housing Fund Due Diligence Review remittances as well as an additional residual distribution.

General County Expenses

Cash Borrowing Program
A positive expenditure variance of $6.6 million is projected. The one-time positive variance is due to lower borrowing costs associated with the issuance of the Tax and Revenue Anticipation Note (TRAN). The current low interest rate environment and the County's strong credit rating contributed to the lower cost of borrowing. The County's higher than expected year-end cash balance resulted in lower than anticipated amount to be borrowed for Fiscal Year 2012-13 which resulted in a lower than anticipated size of the TRAN. At the time the Fiscal Year 2012-13 budget was prepared, the size and terms of the TRAN borrowing had not been finalized.

Contingency Reserve
The entire $20.0 million budgeted in the Contingency Reserve in Fiscal Year 2012-13 is expected to be unspent at year-end.

Countywide General Expense
A net positive variance of $41.4 million is projected is due to the appropriation of funds for "Pension Stabilization" in anticipation of significantly higher County payments to the retirement fund in future years.

Lease Payments
A positive variance of $0.7 million is projected. Total lease payments were lower than budgeted due to interest earnings being higher than anticipated, thereby reducing the net expense.

Internal Service Funds

Public Liability Internal Service Fund
A positive variance of $4.2 million is projected for the Public Liability Internal Service Fund.

A positive expenditure variance is due primarily to a delay in several cases that may not be decided until Fiscal Year 2013-2014 thereby postponing the potential payment of judgments and settlements budgeted for the current fiscal year.

There is no projected variance for revenue.

Air Pollution Control Board

San Diego County Air Pollution Control District

GOVERNING BODY

GREG COX
First District

DIANNE JACOB
Second District

DAVE ROBERTS
Third District

RON ROBERTS
Fourth District

BILL HORN
Fifth District

AGENDA ITEM

DATE: May 7, 2013

XX

TO: Air Pollution Control Board

SUBJECT: FISCAL YEAR 2012-13 THIRD QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICT: ALL)

SUMMARY

Overview

This report recommends budget adjustments to the Air Pollution Control District Funds.

Recommendation(s)

CHIEF ADMINISTRATIVE OFFICER

1. Establish appropriations of $1,935.47 in the Air Quality Goods Movement Emissions Reduction (GMERP) Early Grant Fund, Operating Transfer Out, to provide funding to the Goods Movement Emissions Reduction (GMERP) Fund for mobile source emissions incentive project costs based on fund balance available. **(4 VOTES)**

2. Establish appropriations of $1,935.47 in the Air Quality Goods Movement Emissions Reduction (GMERP) Fund, other charges, for mobile source emissions project costs based on an operating transfer from the GMERP Early Grant Fund. **(4 VOTES)**

3. Establish appropriations of $32,924.59 in the Air Quality State Lower-Emission School Bus (LESB) Program Fund, other charges, for mobile source emissions incentive project costs based on fund balance available. **(4 VOTES)**

4. Establish appropriations $2,662.20 in the Air Quality Goods Movement Emissions Reduction Program (GMERP) Match Fund, other charges, for mobile incentive project costs based on fund balance available. **(4 VOTES)**

5. Authorize Air Pollution Control Officer and the Auditor & Controller to take any action necessary to close out the Air Quality Goods Movement Emissions Reduction Program (GMERP) Early Grant Fund, the Air Quality State Lower-Emission School Bus (LESB) Program Fund, the Air Quality Goods Movement Emissions Reduction Program (GMERP) Match Fund, and the Air Quality School Bus Program fund.

Fiscal Impact
If approved, this request will establish appropriations of $39,417.73 in the Air Pollution Control District based on fund balance available. There will be no change in net General Fund cost and no additional staff years.

Business Impact Statement
N/A

Advisory Board Statement
N/A

Background
Recommendations 1 - 2
This request will establish appropriations of $1,935.47 in the Air Quality Goods Movement Emissions Reduction (GMERP) Early Grant Fund to the Goods Movement Emissions Reduction (GMERP) Fund based on fund balance available. These funds will be used for mobile source emissions project administration costs. After the transfer of these remaining funds, program requirements for the GMERP Early Grant fund will be complete and the fund can be closed.

Recommendation 3
This request will establish appropriations of $32,924.59 in the Air Quality State Lower-Emission School Bus (LESB) Program Fund, other charges, for project administration costs related to the LESB Program. The LESB program requirements are expected to be completed by the end of Fiscal Year 2012-13 and the fund can be closed after all transactions are complete.

Recommendation 4
This request will establish appropriations of $2,662.20 in the GMERP Match Fund, other charges, for mobile source emissions incentive project administration costs based on fund balance available. The GMERP Match program requirements are expected to be completed by the end of Fiscal Year 2012-13 and the fund can be closed after final expenditure transactions are complete.

Recommendation 5
The Air Pollution Control District (APCD) receives grant funding from federal, State and local agencies for incentive programs. APCD received one-time funding for the Good Movement Emissions Reduction Program (GMERP), Early GMERP and Lower Emission School Bus Programs (LESB). APCD administers an application process for the disbursement of these funds to the public to reduce emissions from mobile sources based on strict guidelines for eligibility. To administer the one-time funding received from these programs the Air Quality Goods Movement Emissions Reduction Early Grant fund, Good Movement Emissions Reduction fund, Air Quality State Lower-Emission School Bus Program fund and the Air Quality Goods Movement Emissions Reduction Program Match funds were established. Recommendations 1-4 appropriate residual funding anticipated to be exhausted before year-end, to reduce mobile emissions in the County of San Diego. If approved, today's recommendation will allow for final actions necessary to dissolve these program funds once all funds are expended.

SUBJECT: FISCAL YEAR 2012-13 THIRD QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

Linkage to the County of San Diego Strategic Plan
Today's proposed actions support the Strategic Initiatives of Safe Communities, Sustainable Environments, and Healthy Families in the County of San Diego's 2013-2018 Strategic Plan by fully committing to utilize County resources to meet the highest priority needs of its residents.

Respectfully submitted,

USE "INSERT PICTURE" FUNCTION TO INSERT SIGNATURE

HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)
None

SUBJECT: FISCAL YEAR 2012-13 THIRD QUARTER OPERATIONAL PLAN STATUS REPORT AND BUDGET ADJUSTMENTS (DISTRICTS: ALL)

AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: [X] Yes [ ] No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
[ ] Yes [X] No

PREVIOUS RELEVANT BOARD ACTIONS:
N/A

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: Auditor and Controller

OTHER CONCURRENCE(S): N/A

CONTACT PERSON(S):

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