

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, JUNE 25, 2024**

MINUTE ORDER NO. 9

SUBJECT: COUNTY OF SAN DIEGO FISCAL YEAR 2024-25 ADOPTED BUDGET RESOLUTION FOR COUNTY FAMILY OF FUNDS, ENTERPRISE FUNDS AND INTERNAL SERVICE FUNDS, AND prior year ENCUMBRANCES (DISTRICTS: ALL)

OVERVIEW

On June 13, 2024, your Board concluded budget hearings for the Fiscal Years 2024-25 and 2025-26 Operational Plan. At these hearings, your Board received public testimony and the presentation of the Chief Administrative Officer (CAO) Recommended Operational Plan. Pursuant to California Government Code Section 29088, a resolution is submitted for formal adoption of the budgets for Fiscal Year 2024-25 for the County Family of Funds, Enterprise Funds and Internal Service Funds. Also requested is authority to carry-forward prior year encumbrances and related funding. Today's actions request the Board to consider changes to the CAO Recommended Operational Plan and approve the resolutions adopting the budget.

**RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER**

1. Approve the portion of the CAO Recommended Operational Plan Change Letter and CAO Recommended Operational Plan Change Letter Addendum pertaining to items as determined by County staff.
2. Consider change requests submitted after the close of the budget hearing, if applicable.
(4 VOTES)
3. If requests to revise the Recommended Budget are made after the close of the budget hearing and approved by the Board, continue recommendations 4-6 to June 26, 2024, if necessary.
4. Adopt a resolution entitled: ADOPTION OF THE BUDGET FOR THE COUNTY OF SAN DIEGO FOR THE FISCAL YEAR COMMENCING JULY 1, 2024.
5. Authorize the Auditor and Controller to carry-forward appropriations and applicable estimated revenue for prior year encumbrances in all County funds. **(4 VOTES)**
6. Approve appropriation of \$125.9 million of General Fund Reserve for Fiscal Year 2024-25 to help mitigate risk due to maintaining aging infrastructure, including capital improvements and new construction, and to promote the long-term fiscal health and stability of the County.
(4 VOTES)

EQUITY IMPACT STATEMENT

The County of San Diego promotes a government culture of equity, belonging, and racial justice. We serve the needs of communities with diverse groups including Black, Indigenous, people of Color, LGBTQIA+, people with disabilities, people of low-income, the young, the older, immigrants, refugees and communities that have historically faced inequality and inequity. The Chief Administrative Officer

(CAO) Recommended Operational Plan is intended to allocate resources to help address inequities in County programs and services in response to community input, data analysis identifying disparities, and meaningful assessment of outcome indicators. In 2021, a new Budget Equity Assessment Tool was implemented to help County departments prioritize services and resource allocations with equity in mind. This tool requires all County departments to annually identify equity components to evaluate budget changes that impact the department's capacity to deliver services and/or support the goals of the department. The questions are designed to ensure the County applies an equity lens in the development of the budget.

SUSTAINABILITY IMPACT STATEMENT

The County of San Diego is building a sustainable future for all. The County's strategic plan guides County activities to ensure sustainability as it relates to the region's economy, climate, environment, and communities. The County strives to strengthen communities in all interactions by actively pursuing legislative policies and collaborating with stakeholders to enhance services that allow residents to transition to self-sufficiency to increase economic sustainability and reduce poverty. County departments have contributed to this by implementing individual sustainability plans that reflect organizational priorities while informing financial planning and strategic decision-making. This ongoing effort also assists each department with increasing overall sustainability of internal operations. These collective efforts strengthen communities, ensure accountability, and protect public resources by aligning available resources through services and initiatives. The proposed budgetary plans presented in the Fiscal Years 2024-26 CAO Recommended Operational Plan support the County of San Diego's Strategic Initiative of Sustainability to align the County's available resources with services while maintaining fiscal stability and ensuring long-term solvency.

FISCAL IMPACT

Recommendation 1 includes total spending authority of \$46,851,866 which will result in ongoing expenditure requirements and staffing levels that will increase net General Fund costs, and will require allocation of ongoing resources beginning in Fiscal Year 2025-26.

Recommendation 4 provides spending authority of \$7,634,475,524 for the County Family of Funds (General Fund, Capital Outlay Funds, Debt Service Fund and Special Revenue Funds) for Fiscal Year 2024-25. The recommendation also provides spending authority of \$49,278,494 for the Enterprise Funds and \$720,171,093 for the Internal Service Funds.

Recommendation 5 authorizes the Auditor and Controller to carry over appropriations and any related revenues from the prior year. The exact amount of carry-forward budget is not known at this time and will not be finalized until the accounting cycle for Fiscal Year 2023-24 has been completed.

Recommendation 6 provides spending authority of \$125,858,259 of the General Fund Reserve for Fiscal Year 2024-25.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Vargas, seconded by Supervisor Anderson, the Board of Supervisors took the following actions:

1. Approved the portion of the CAO Recommended Operational Plan Change Letter and CAO Recommended Operational Plan Change Letter Addendum pertaining to items as determined by County staff. [Ref. Recommendation No. 1]
2. Adopted Resolution No. 24-062, entitled: ADOPTION OF THE BUDGET FOR THE COUNTY OF SAN DIEGO FOR THE FISCAL YEAR COMMENCING JULY 1, 2024. [Ref. Recommendation No. 4]
3. Authorized the Auditor and Controller to carry-forward appropriations and applicable estimated revenue for prior year encumbrances in all County funds. [Ref. Recommendation No. 5]
4. Approved appropriation of \$125.9 million of General Fund Reserve for Fiscal Year 2024-25 to help mitigate risk due to maintaining aging infrastructure, including capital improvements and new construction, and to promote the long-term fiscal health and stability of the County. [Ref. Recommendation No. 6]

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

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter