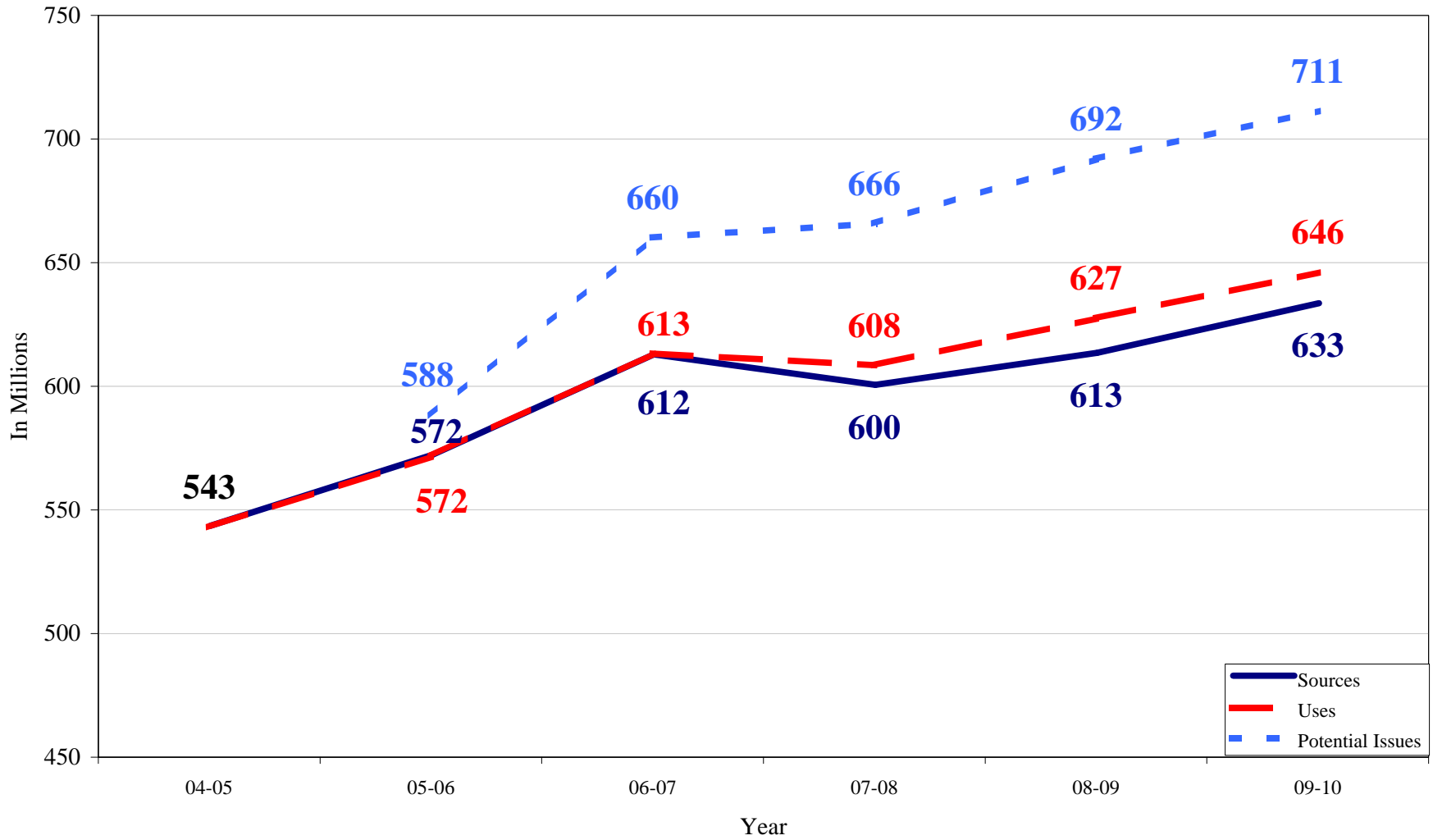


Strategic Financial Plan Summary



SFP April 2005
Fund Balance Available
4/1/2005

(\$ in millions)	4 Yr Hist Range	4 Year Avg.	5 Year Avg.	6/30/2004		6/30/2005		6/30 2006	6/30 2007	6/30 2008	6/30 2009
				Adopted	Final	Est.	Fund 099 Into Reserves				
				Fund level Revenues (GPR variance)	14-49	38.7	33.96				
Departmental NCC savings	49-85	64.1	69.02	64.0	88.7	65.0	65.0				
Prior Period Encumbrance Cancellations	13-18	15.2	14.88	9.1	13.6	10.0	10.0				
Budgeted & Unused Contingency (099)	Var			27.9	27.9	5.0	0				
Total	108-153			107.2	145.2	110.0	105.0	100.0	95.0	90.0	90.0

SFP April 2005 Update
 General Purpose Revenue Forecast
 4/1/2005

Comparison of General Purpose Revenues

Description	FY 05-06		FY 06-07		FY 07-08		FY 08-09		FY 09-10	
	1st AF	Chapman	County	Chapman	County	Chapman	County	Chapman	County	Chapman
Property Taxes	\$379.0	\$376.1		\$385.9		\$396.6		\$407.0		\$419.3
Sales and Other Taxes	8.8	7.5		8.0		8.3		8.8		9.2
Motor Vehicle License Fees	28.3	29.2		32.5		36.4		40.3		44.2
Property Tax Administration	10.4	9.6		10.0		10.3		10.7		11.1
Franchise and Rents	1.9	2.2		2.2		2.3		2.3		2.3
Interst Income	15.0	11.0		15.4		18.4		20.6		22.8
Miscellaneous	10.8	4.7		4.7		4.9		5.0		5.1
Subtotal	\$454.1	\$440.4	\$473.1	\$458.7	\$492.2	\$477.3	\$510.2	\$494.7	\$530.2	\$514.2
Operating Transfers	8.1	N/A	7.6	N/A	7.6	N/A	7.6	N/A	7.6	N/A
	\$462.2	\$440.4	\$480.7	\$458.7	\$499.8	\$477.3	\$517.8	\$494.7	\$537.8	\$514.2

Note:

Chapman Annual Growth

06-07

4.17%

07-08

4.03%

08-09

3.66%

09-10

3.93%

FY 05-06 Property Taxes have the \$27.7m shift added into the estimate

Source

Auditor-Controller First Available Financing Report
 Chapman General Revenue Forecast

SFP April 2005
 Funding of Retiree Medical
 4/1/2005

(\$ in millions)

Schedule of Costs	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Pay As You Go	0.0	2.2	2.5	2.8	3.2
Pay As You Go with 5 Year Reserve	2.5	2.3	2.3	2.3	2.3
Total	2.5	4.5	4.8	5.1	5.4

Scenario - Pay As You Go (Actual Costs)

Year	Severance Benefit	Medical Grant	1% of Pay	Add'l Funding	80/20 Rule 20% Portion
2006	2.745	17.994	10.911	9.828	1.966
2007	2.753	19.751	11.402	11.102	2.22
2008	2.736	21.713	11.915	12.534	2.507
2009	2.681	23.903	12.451	14.133	2.827
2010	2.595	26.319	13.011	15.903	3.181

Scenario - Pay As You Go with 5 Year Reserve (Actual Costs)

Year	Severance Benefit	Medical Grant	1% of Pay	Add'l Funding	NCC of 20%	Reserve Funding	Reserve Balance	Total Funding	80/20 Rule 20% Portion
2006	2.745	17.994	10.911	9.828	1.966	11.254	22.677	21.082	4.216
2007	2.753	19.751	11.402	11.102	2.22	11.254	34.271	22.356	4.471
2008	2.736	21.713	11.915	12.534	2.507	11.254	46.039	23.788	4.758
2009	2.681	23.903	12.451	14.133	2.827	11.254	57.984	25.387	5.077
2010	2.595	26.319	13.011	15.903	3.181	11.254	70.108	27.157	5.431

Source: Mercer Actuarial Valuation January 1, 2004

SFP April 2005
Reserves Schedule
4/1/2005

County of Orange
Schedule of Reserves

Schedule for Strategic Priority Reserve - Capital Improvements

Reserve Account Detail

	6/30/2004	FY 04-05	6/30/2005	FY 05-06	6/30/2006	FY 06-07	6/30/2007	FY 07-08	6/30/2008	FY 08-09	6/30/2009	FY 09-10	6/30/2010
	Balance	Activity	Balance	Activity	Balance	Activity	Balance	Activity	Balance	Activity	Balance	Activity	Balance
Child Support System Fed. Penalty	\$ 4,000,000	\$ 291,119	\$ 4,291,119	\$ (4,291,119)	\$ -		\$ -		\$ -		\$ -		\$ -
CAPS Upgrade	5,000,000		5,000,000	(1,500,000)	3,500,000	(3,500,000)	-		-		-		-
Assessment Tax System	9,200,000		9,200,000	(1,500,000)	7,700,000	TBD	7,700,000	TBD	7,700,000	TBD	7,700,000	TBD	7,700,000
Computer System	4,600,000		4,600,000	TBD	4,600,000	TBD	4,600,000	TBD	4,600,000	TBD	4,600,000	TBD	4,600,000
Los Pinos land acquisition	-	444,885	444,885	TBD	444,885	TBD	444,885	TBD	444,885	TBD	444,885	TBD	444,885
Other Capital Improvements	2,434,256	(2,434,256)	-										
Total	\$ 25,234,256	\$ (1,698,252)	\$ 23,536,004	\$ (7,291,119)	\$ 16,244,885	\$ (3,500,000)	\$ 12,744,885	\$ -	\$ 12,744,885	\$ -	\$ 12,744,885	\$ -	\$ 12,744,885

Schedule for Designated Special Revenue Fund - Fund 15S

Account Detail

	6/30/2004	FY 04-05	6/30/2005	FY 05-06	6/30/2006	FY 06-07	6/30/2007	FY 07-08	6/30/2008	FY 08-09	6/30/2009	FY 09-10	6/30/2010
	Balance	Activity	Balance	Activity	Balance	Activity	Balance	Activity	Balance	Activity	Balance	Activity	Balance
Relocate Animal Shelter	\$ 4,150,000	\$ (880,000)	\$ 3,270,000	\$ (1,635,000)	\$ 1,635,000	\$ (1,635,000)	-		-		-		-
Deferred Maintenance/ADA	13,320,000	(6,220,000)	7,100,000	(3,550,000)	3,550,000	(3,550,000)	-		-		-		-
Future Strategic Priorities	4,588,564	4,596,153	9,184,717	(4,592,359)	4,592,359	(4,592,359)	-		-		-		-
From Fund 13N - Loan Repayment			-	5,993,650	5,993,650	2,569,442	8,563,092	TBD	8,563,092	TBD	8,563,092	TBD	8,563,092
Total	\$ 22,058,564	\$ (2,503,847)	\$ 19,554,717	\$ (3,783,709)	\$ 15,771,009	\$ (7,207,917)	\$ 8,563,092	\$ -	\$ 8,563,092	\$ -	\$ 8,563,092	\$ -	\$ 8,563,092

Schedule for Departmental Reserves

Fund	Department	6/30/2004 Balance	FY 04-05 Activity	6/30/2005 Balance	FY 05-06 Activity	6/30/2006 Balance	FY 06-07 Activity	6/30/2007 Balance	FY 07-08 Activity	6/30/2008 Balance	FY 08-09 Activity	6/30/2009 Balance	FY 09-10 Activity	6/30/2010 Balance
14B	District Attorney	\$ 17,925,961	\$ -	\$ 17,925,961	(5,358,140)	\$ 12,567,821	(4,655,168)	\$ 7,912,653	(4,655,168)	\$ 3,257,485	(3,257,485)	\$ -		
14B	Sheriff	57,274,784	0	57,274,784	(30,961,116)	26,313,668	(26,313,668)	-						
Various	HCA (see detail below)	23,000,000	900,000	23,900,000	(5,400,000)	18,500,000	(5,000,000)	13,500,000	(5,700,000)	7,800,000	(5,000,000)	2,800,000	0	2,800,000
14T	SSA	7,800,540	(5,750,000)	2,050,540	(500,000)	1,550,540	(500,000)	1,050,540	(500,000)	550,540	(550,540)	-		
154, 2AJ	DCSS collections & incentives	4,586,246	0	4,586,246	(3,000,000)	1,586,246	(1,586,246)	-						
Total		\$ 110,587,531	\$ (4,850,000)	\$ 105,737,531	\$ (45,219,256)	\$ 60,518,275	\$ (38,055,082)	\$ 22,463,193	\$ (10,855,168)	\$ 11,608,025	\$ (8,808,025)	\$ 2,800,000	\$ -	\$ 2,800,000

Details of HCA Reserves available to offset NCC

Health Realignment	\$ 4,200,000	\$ 1,750,000	\$ 5,950,000	\$ (2,500,000)	\$ 3,450,000	\$ (2,500,000)	\$ 950,000	\$ (950,000)	\$ -					
MH Realignment	5,000,000	1,750,000	6,750,000	(2,500,000)	4,250,000	(2,500,000)	1,750,000	(1,750,000)	-					
Managed Care	10,800,000	0	10,800,000	0	10,800,000	0	10,800,000	(3,000,000)	7,800,000	(5,000,000)	2,800,000			2,800,000
AVSS	1,700,000	(1,700,000)	-											
EMSF	1,000,000	(600,000)	400,000	(400,000)	-									
Other	300,000	(300,000)	-											
Total HCA Reserves	23,000,000	900,000	23,900,000	(5,400,000)	18,500,000	(5,000,000)	13,500,000	(5,700,000)	7,800,000	(5,000,000)	2,800,000	0	0	2,800,000

SFP April 2005

Insurance, Workers' Compensation and Retirement Contribution Schedules

4/1/2005

Insurance and Workers' Compensation

#1 Increase to NCC Above the 3% Growth Rate

	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Employee Health Insurance*		2.6	2.6	2.7	2.7
Workers Compensation*		0.0	0.3	0.7	0.0
* These costs include NCC Offset =	20%				

#2 Calculations - (\$ in millions)

	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Employee Health Insurance	\$116.0	\$132.3	\$149.5	\$167.4	\$185.9
% Annual Increase		14.0%	13.0%	12.0%	11.0%
Amount above 3% growth		\$12.8	\$13.2	\$13.5	\$13.4
Workers Compensation	\$47.1	\$47.1	\$50.0	\$55.0	\$55.0
% Annual Increase		0.0%	6.1%	10.0%	0.0%
Amount above 3% growth		\$0.0	\$1.5	\$3.5	\$0.0

#3 Assumptions (\$ in millions)

Description	% Increase/ Actual Costs				
	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Employee Health Insurance	\$116.0	14.0%	13.0%	12.0%	11.0%
Workers Compensation	\$47.1	\$47.1	\$50.0	\$55.0	\$55.0

Source: Worker's Comp. Rate Report by CEO/Risk Management, Dec. 2004

Retirement Contributions

	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10
OCERS Retirement Contributions	\$188.2	\$197.6	\$207.5	\$217.9	\$228.8
% Annual Increase	0.0%	5.0%	5.0%	5.0%	5.0%
Amount above 3% growth	\$0.0	\$3.8	\$4.0	\$4.1	\$4.4
20% NCC Offset	0.0	0.8	0.8	0.8	0.9