THE OFFICIAL ORANGE COUNTY BRAND
GROWN IN CALIFORNIA

# 2022
# STRATEGIC FINANCIAL PLAN


ORANGE COUNTY
OCgov.com
Our Community. Our Commitment.

# *Acknowledgement:*

*Cover images courtesy of CEO Communications*

*County Administration North Building*

*Santa Ana, CA*


ORANGE COUNTY
OCgov.com
Our Community. Our Commitment.

# Table of Contents

# Executive Summary

## Introduction

The County of Orange is dedicated to long-term strategic financial planning to ensure its ability to respond to economic changes and unanticipated events in a way that allows the County to preserve the range and quality of services provided to the community. The year leading up to the 2022 Strategic Financial Plan process evidenced below trend economic growth driven by persistently high inflationary pressures partially caused by geopolitical events, employment rate increases less than forecasted, low housing affordability due to increasing mortgage rates and high home prices, tapering consumer spending, and continuous domestic migration out of California. Given the unprecedented nature of the impact from the COVID-19 pandemic on the economy and high inflation which resulted in federal funds rate increases, economists project an increase in the likelihood of an economic contraction. While revenue growth in recent years has allowed the County to fund one-time projects and enhance service levels, future growth will dictate the impacts on projects and levels of service. Nevertheless, the County is committed to maintaining essential services and aligning discretionary projects and service delivery levels within available funding.

A disciplined approach to fiscal management of the County's limited resources will ensure alignment with countywide strategic priorities and values. Commitment to the Board of Supervisors' priorities of budget stabilization, preparation for contingencies, and funding of agency infrastructure, accentuates the need for long-term strategic planning including building a reserve balance that best positions the County to weather future economic variations with minimal impact on the community it serves. This strategic planning process enabled the County to clear a significant financial milestone and reach its Target Reserve amount, as recommended by the Government Finance Officers Association (GFOA). It is important for the County to maintain its reserve position, even during a downturn in the economy.

Although costs of doing business continue to grow, the County is committed to implementing key initiatives and moving toward a future that will enrich the lives of Orange County residents and visitors including:

- **OC CARES:** OC CARES links five systems of care in the County of Orange (Behavioral Health, Healthcare, Community Corrections, Housing and Benefits and Support Services) to provide full care coordination and services for individuals to address immediate and underlying issues and work towards self-sufficiency.

- **Behavioral Health:** In April 2021, the County opened the doors to the first Be Well behavioral health campus at Anita Drive in Orange. This facility provides stabilization assistance to people experiencing substance use, trauma or other mental health crises. The second of three planned behavioral health campuses, Be Well Irvine campus, is in the pre-construction stage and included as a Strategic Priority in this document. Another proposed Strategic Priority is to establish CARE Court to provide supervision of severely impaired homeless or incarcerated individuals with untreated mental health and substance use disorders. In addition, Probation and the Sheriff-Coroner Department propose an Emerging Initiative to provide mental health and substance use services to juveniles and transitional age youth moving through the community corrections system.

- **Healthcare:** Two proposed health care Emerging Initiatives address streamlining care coordination efforts and coordinating case management for individuals identified as high-utilizers within the County's System of Care. The project to streamline care coordination would complement current efforts and create efficiencies using the County's System of Care Data Integration System. The program to coordinate case management would perform outreach to high-utilizers, ensure discharge plans are followed, provide referrals to encourage self-sufficiency and provide overall support to the individual.

- **Community Corrections:** The County continues to assess Strategic Priorities addressing specialty court expansion, inmate programming services and a comprehensive reentry system for individuals released from county jails or state prison. Continuing Strategic Priorities include expansion of the public safety behavioral health response team, establishment of a diversion program for individuals pending arraignment and creation of a comprehensive juvenile corrections campus.

- **Housing:** In June 2018, the Board of Supervisors filed the Housing Funding Strategy with the goal of developing 2,700 units of permanent supportive housing in all areas of the County. To date, 874 units have been built, 1,008 are under construction and funding is in progress for another 520 units. The Housing Funding Strategy is currently in the process of being updated to address current housing estimates. A continuing Strategic Priority focuses on combining affordable housing assistance with voluntary support services to address the needs of chronically homeless individuals. In addition, new Strategic Priorities would establish transitional and permanent supportive housing as well as placement services for youths experiencing challenges on the path to a successful adulthood and establish temporary and long-term housing for foster youth 13 years of age and who also may have a history or propensity for engaging in delinquent behaviors that put them at risk of involvement with the juvenile justice system.

- **Benefits and Support Services**: The continuing Strategic Priority for enhancement of the Data Sharing Platform for Care Coordination would include data relevant to OC CARES and ensure the most efficient, effective and appropriate care and case management from all involved in an individual's care plan. There is also consideration on an Emerging Initiative proposing to develop and implement new programs, resource centers and/or establish facilities geared toward providing services for youth under the age of 12 in order to divert them from engaging in alleged criminal activity, prevent involvement with the juvenile justice systems, and promote public safety

- **Capital and Infrastructure Improvements:** The County continues to improve agency infrastructure in various areas including the Civic Center Facilities Strategic Plan (CCFSP), an initiative addressing the County's long-term occupancy in the Orange County Civic Center. The goals are to improve delivery of services to the community, space usage and departmental adjacencies; address the aging portfolio of County facilities; better manage long-term occupancy; and provide sustainable infrastructure that minimizes energy and water consumption and maintenance costs. As part of the CCFSP Phase 1 and 2, the County Administration South and County Administration North buildings were successfully completed. In addition, the County is also actively investing in the future by exploring options for development projects that would use County assets to generate ongoing revenue streams. Furthermore, the County is seeking innovative and efficient emergency preparedness strategies that are essential for the community and a major part of the County's critical infrastructure.

- **OC Builds:** The County seeks to develop safer and stronger bridges, roads, and flood control channels that prioritize the safety of Orange County residents and facilitate transportation. In addition, the County continues to enhance its airport infrastructure to provide a world-class airport that is safe, facilitates efficient travel, and provides an enjoyable customer experience. The goal is to develop greener, more sustainable infrastructure that reduces greenhouse gas emissions, prioritizes the use of renewable energy, preserves natural landscapes and resources, and decreases food waste and consumer waste. Similarly, the County continues to build its cybersecurity infrastructure to adapt to an ever-evolving threat landscape, by working with state and federal partners to ensure that cybersecurity funding from the Federal Infrastructure Investment and Jobs Act is allocated to targeted County cybersecurity projects.

- **Reserves:** The importance of having and maintaining healthy reserve balances became evident during the COVID-19 pandemic. Temporary utilization of reserves during COVID-19 aided Departments in offsetting decreases in revenue growth, funding reductions from various sources, and accommodating increased costs of doing business. As the County recovers to pre-pandemic conditions, it will continue to prioritize funding its reserves through responsible fiscal management, strategic planning and prudent allocation of resources. The goal is to ensure overall prudent reserve balances, while maintaining proper reserve designations and flexibility.

## The Process

The Strategic Financial Plan (SFP) is a financial component of the County's Strategic Plan providing short and long-term operational linkage between the County's Strategic Plan and the annual budget process. It offers a means to measure departments' needs and resources to ensure the County's financial position is sufficient to support ongoing services and long-term needs while ensuring actual sustainability within potential future economic restraints. The SFP provides policy makers with a tool for testing assumptions and evaluating the projected financial impact of policy decisions related to General Fund operations, capital requirements, strategic priorities and emerging initiatives.

The SFP provides the context for a five-year operating budget and prepares for development of the next fiscal year budget with the stipulation that assumptions used in developing the SFP may change over time. The SFP is developed with a goal of identifying any significant issues that must be addressed to achieve the County's mission, goals and long-term plan for financial stability. The County continues to focus on the following key fiscal goals:

- Budget stabilization and planning for contingencies
- Planning for and funding agency infrastructure

The primary focus of the SFP is the portion of the General Fund often referred to as discretionary funding or Net County Cost (NCC) which is funded by General Purpose Revenues. This is the funding source allocated to departments and approved by the Board of Supervisors for programs and activities not funded by specific revenue streams. The non-discretionary portion of the budget contains mandated activities such as benefit payments to clients, which the County provides on behalf of the State and Federal governments. Such activities are primarily funded with State and Federal revenues and include programs such as In-Home Supportive Services (IHSS), CalWORKs, CalFresh and Medi-Cal.

Non-discretionary revenues projected by General Fund departments over the five years of the SFP consist of the following in addition to the projected General Purpose Revenue:

(Amounts in Millions)

| Revenue Type | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
|---|---|---|---|---|---|
| State Revenue | $ 1,678.5 | $ 1,689.5 | $ 1,717.7 | $ 1,746.3 | $ 1,774.8 |
| Federal Revenue | $ 586.9 | $ 561.4 | $ 557.1 | $ 532.3 | $ 538.4 |
| Charges for Services | $ 576.8 | $ 590.7 | $ 591.0 | $ 601.5 | $ 604.2 |
| Other Financing Sources | $ 414.4 | $ 427.6 | $ 429.2 | $ 426.2 | $ 432.0 |
| Licenses, Permits & Franchises | $ 26.4 | $ 26.6 | $ 26.9 | $ 27.2 | $ 27.6 |
| Miscellaneous Revenues | $ 16.6 | $ 14.5 | $ 15.5 | $ 16.6 | $ 17.9 |
| Fines, Forfeitures & Penalties | $ 7.1 | $ 7.1 | $ 7.1 | $ 7.1 | $ 7.1 |
| Use of Money & Property | $ 3.8 | $ 3.9 | $ 4.1 | $ 4.1 | $ 4.1 |
| Other Governmental Agencies | $ 13.9 | $ 14.1 | $ 14.4 | $ 14.7 | $ 15.0 |
| ***Subtotal*** | ***$ 3,324.3*** | ***$ 3,335.5*** | ***$ 3,363.0*** | ***$ 3,376.1*** | ***$ 3,421.2*** |
| General Purpose Revenue | 1,049.9 | 1,083.5 | 1,117.8 | 1,150.8 | 1,187.5 |
| **Grand Total** | **$ 4,374.3** | **$ 4,419.0** | **$ 4,480.8** | **$ 4,526.9** | **$ 4,608.7** |

Note: General Purpose Revenue amounts include ongoing and one-time funding sources.

Particularly, state and federal revenue sources are reviewed and closely monitored to identify possible issues. Any concerns identified during the SFP process are reported to the County's Legislative Affairs unit, which then communicates with the County's State and Federal lobbyists as well as the California State Association of Counties (CSAC) and the National Association of Counties (NACo). In addition, County departments work closely with organizations such as the California Welfare Directors Association (CWDA), the County Health Executives Association of California (CHEAC), and the California State Sheriff's Association on any identified matters.

As in prior years, the SFP focuses on identifying General Fund fiscal gaps (comprised of departmental planned expenditures net of departmental revenues and NCC) and any imbalances to be addressed during the FY 2023-24 annual budget process. Summary analyses of capital and information technology (IT) project needs were also conducted. This year's SFP lays the groundwork for establishing budget priorities and funding solutions for FY 2023-24 prior to the usual timeframe of the annual budget process, thereby allowing more time for collaboration and thoughtful solutions.

The SFP also provides an opportunity to review the General Fund Reserves Policy, which is developed to provide governance over the maintenance and use of reserves and to reflect the County's continued commitment to sound fiscal policy. There are no recommended changes to the Reserve Policy.

Relevant economic data used in preparing the County's 2022 SFP includes:

- General Purpose Revenue forecast developed in conjunction with forecasts by the Auditor-Controller, the 2022-23 Local Assessment Roll of Values, and revenue receipt trends.
- Various projections for capital and operating inflationary factors, as developed by governmental or industry experts in the related field.
- Continued monitoring of economic forecasts published by Chapman University, University of California, Los Angeles, the State Legislative Analyst Office and other various sources.

Economic data compiled in August 2022 was included as part of the 2022 SFP instructions. As changes occur in the economy, projections will be updated during the FY 2023-24 annual budget development process.

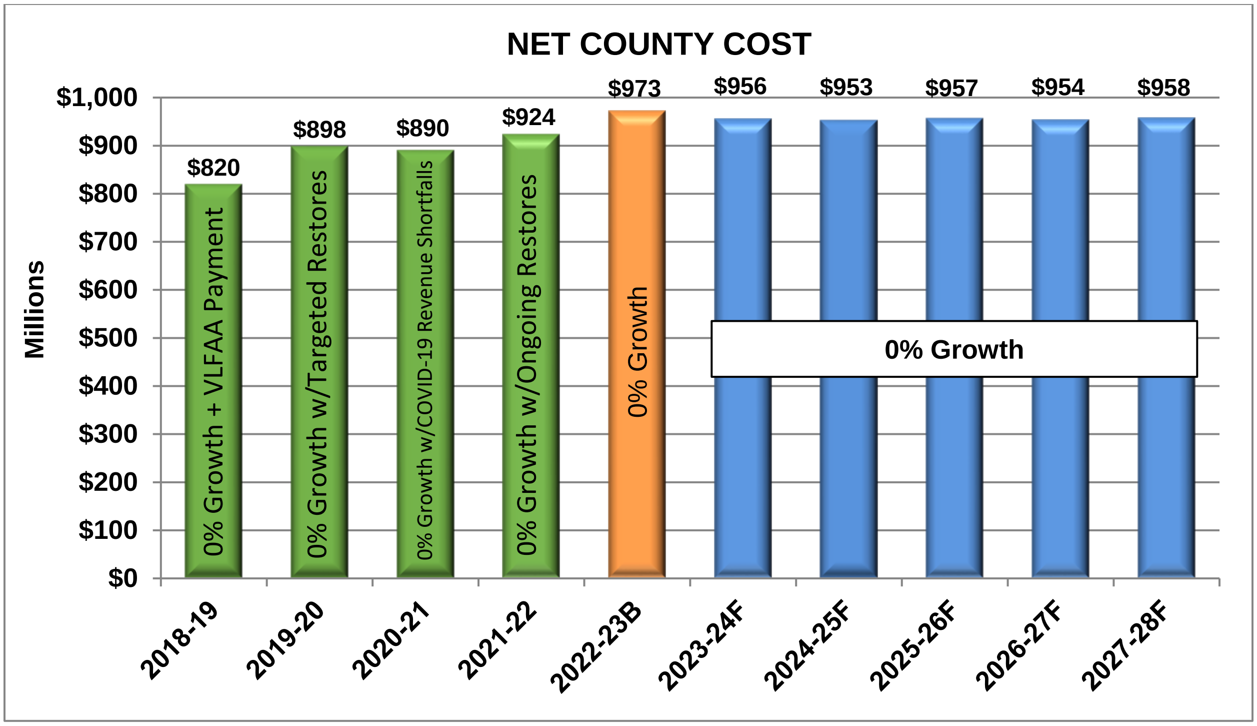
Key Assumptions:

- The total cost of salaries and benefits is expected to increase over the five-year SFP and includes the following assumptions:
  - Salary growth factors include general salary increases consistent with existing memorandum of understanding (MOU) terms. Assumptions for salary increases beyond the existing MOU terms include 0% growth for Years 1 through 5 of the SFP. In addition, salary projections include a merit increase assumption for incumbents that are not at the top step of the salary schedule. Salary projections are developed independently and not in consultation with Human Resource Services or the Board of Supervisors. The use of growth factors is for planning purposes only and does not represent a commitment for bargaining purposes.

Included in the assumptions for the 2022 SFP are the following economic and demographic assumption changes adopted by the Orange County Employees Retirement System (OCERS) Board on August 17, 2020:

- Reduced the assumed rate of price inflation from 2.75% to 2.50%, while the COLA for retirees assumption remained at 2.75%.
- Introduced the use of retirement rates structured as a function of age and years of service, which separated out retirement rates for legacy plans for years of service above and below 30 years. This resulted in higher assumed rates of retirement for legacy plan members with over 30 years of service. As such, retirement contribution rates for Non-Safety members increased.
- Adopted the use of public benefit-weighted mortality tables, which illustrated Safety mortalities were higher than previously projected using headcount-weighted mortality tables. This resulted in lower contribution rates of retirement for Safety members.

- Retirement Rate Assumptions (Tier II) utilize the assumed investment rate of return of 0.00% for 2022 and 7.00% for all other years, which resulted in the following retirement contribution rates over the five-year SFP:
  - Safety Rate ranges from 60.6% to 67.2% (3@50; excludes retiree medical)
  - Non-Safety Rate ranges from 33.2% to 36.2% (2.7@55; excludes retiree medical)
  - Retiree Medical for Safety ranges from 0.9% to 1.2% (1.9% to 2.5% for Law Enforcement Management)
  - Retiree Medical for Non-Safety ranges from 2.7% to 3.2%
- Health Benefit Cost Assumptions
  - 5-Year Growth from $240 million to $320 million, a 33.6% increase
- Departmental NCC limits were set for ongoing baseline operations (current levels of service). FY 2023-24 NCC limits were projected using the adopted FY 2022-23 limits ($973 million) as a starting point, with amendments for technical adjustments and removal of one-time items resulting in proposed baseline limits for FY 2023-24 of $956 million. Departments have identified $31 million in appropriation reductions that would be required to meet the FY 2023-24 NCC limits. After factoring in NCC limit growth of 0% in FY 2023-24 through year five of the SFP, removal of any one-time items, and use of one-time funding sources to supplement General Purpose Revenue, funding sources are projected to be sufficient to cover department base budgets and forecasted restore augmentation requests; however, projected funding sources are insufficient to grant all department expand augmentation and strategic priority requests. The following table summarizes historical budgeted and forecasted NCC.




The following table summarizes prior and current year Adopted Budget and SFP year projected NCC by program:

| Program | 18-19 | 19-20 | 20-21 | 21-22 | 22-23B | 23-24F | 24-25F | 25-26F | 26-27F | 27-28F |
|---|---|---|---|---|---|---|---|---|---|---|
| Public Protection | $441.67 | $506.60 | $601.08 | $550.16 | $577.88 | $557.93 | $557.93 | $557.93 | $557.93 | $557.93 |
| Community Services | 129.43 | 152.32 | 178.05 | 182.92 | 173.13 | 172.45 | 172.45 | 172.45 | 172.45 | 172.45 |
| Infrastructure | 37.10 | 35.71 | 36.41 | 36.31 | 36.80 | 36.80 | 36.47 | 36.47 | 36.47 | 36.47 |
| General Government | 116.25 | 140.98 | 130.18 | 136.59 | 158.84 | 162.11 | 159.92 | 164.02 | 160.71 | 164.68 |
| Capital Improvements | 22.93 | 53.81 | 28.96 | 21.99 | 16.13 | 16.13 | 16.13 | 16.13 | 16.13 | 16.13 |
| Debt Service | 0.24 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |
| Insurance, Reserves & Misc. | 72.38 | 9.00 | (84.64) | (3.93) | 9.98 | 10.11 | 10.19 | 10.36 | 10.44 | 10.53 |
| **GRAND TOTAL NCC** | **$820.00** | **$898.47** | **$890.09** | **$924.09** | **$972.81** | **$955.60** | **$953.15** | **$957.42** | **$954.19** | **$958.26** |

Note: FY 2022-23B NCC is the adopted budget. SFP years are forecasted (F).

## Outlook and Opportunities

In general, key economic indicators reflect below trend growth as consumers adapt to persistently high inflationary pressures. The County will continue to monitor the State budget due to its projected $25 billion deficit in FY 2023-24, and prepare contingency plans to address any possible adverse funding impacts, if needed. Continued rising costs of salaries and benefits and other costs of doing business may exert pressure on the

County's ability to fund current and future service levels. Please see further discussion of economic impacts in the *Economic Forecast* section of this document.

Development of this SFP takes into account modest General Purpose Revenue growth consistent with current and projected economic conditions. The County should continue to follow fiscal policies that will maintain department budget stability, prepare for contingencies, and address and fund agency infrastructure.

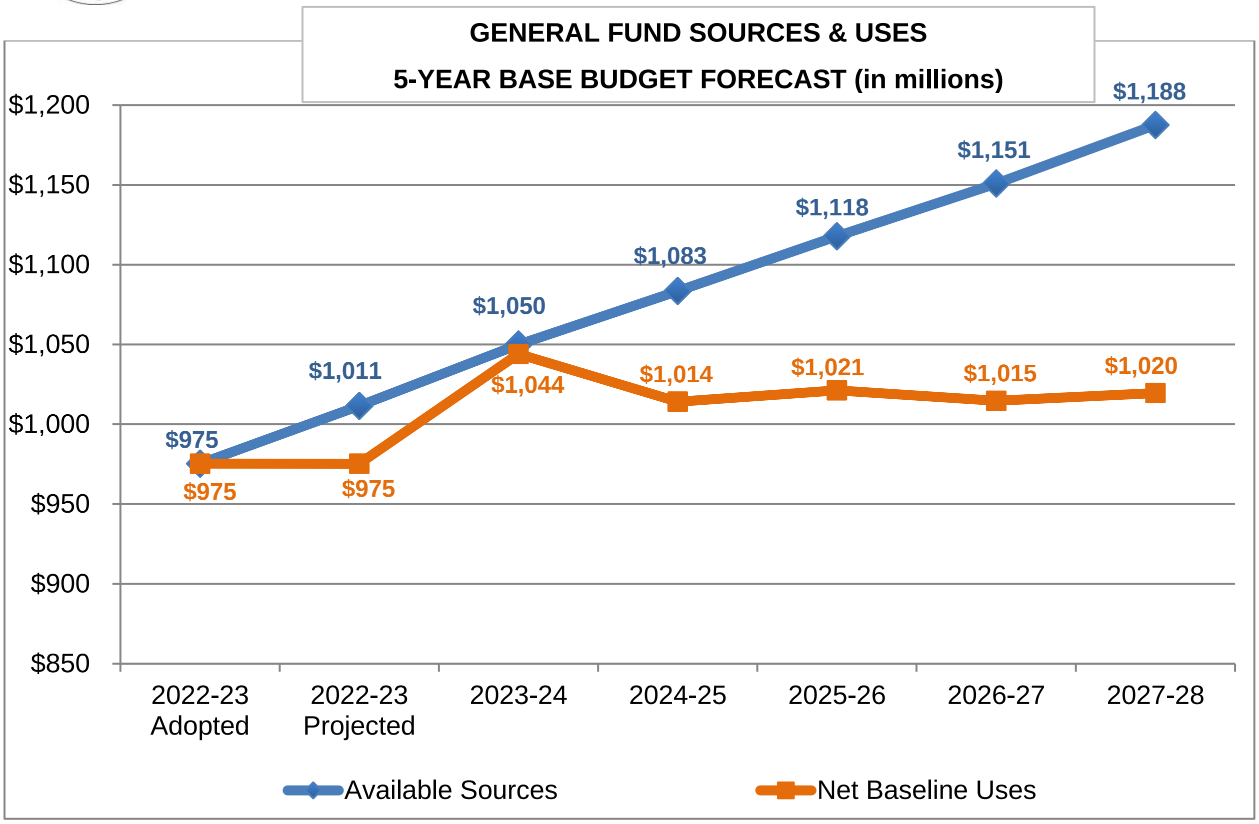
## Expenditures

Key Issues include:

- The cost of doing business continues to grow.
- Competing needs exist for General Funds, including the need to fund new and deferred capital and information technology projects, ongoing strategic priority requests, and reserve position.

The following chart illustrates the projected General Fund Sources and Uses. The Net Baseline Uses encompasses department NCC requests including restore augmentations and Budget Stabilization and other reserve increases.

The gap between sources and uses begins at a positive $6 million in the first year of the SFP and continues to grow in a positive trend; however, these positive variances only consider maintaining existing levels of service and do not include department expand augmentation and strategic priority requests for additional resources. In addition, the positive variances do not include any salary and benefit assumption increases over the five year SFP as a result of upcoming negotiations with all the County's labor groups, as all MOUs expire in June 2023. The projected cumulative surplus inverts to a projected cumulative deficit of $125 million for the five years if all expand and strategic priority requests were granted.




Notes:
[1] Available Sources is General Purpose Revenue and may include use of one-time revenue sources
[2] Net Baseline Uses is NCC limits plus restore augmentations and Budget Stabilization and other reserve increases

It is important to note that unexpected shifts in economic conditions could cause the gaps between available sources and net baseline uses to narrow or invert. In addition, changes to the following assumptions could cause variations in the gaps shown above:

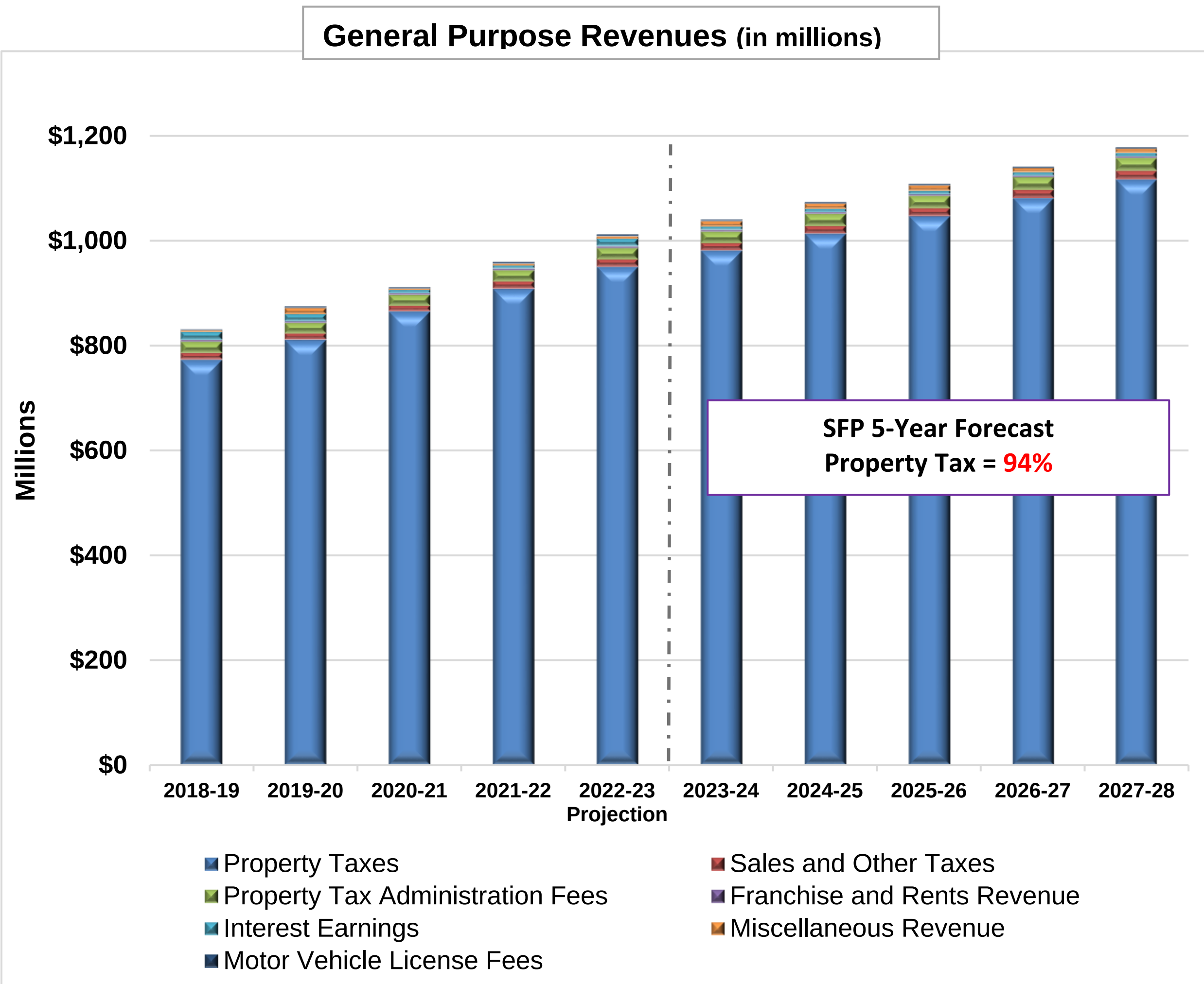
- The FY 2022-23 projection assumes that departments remain within budgeted Net Baseline Uses.
- The Net Baseline Uses assumes 0% growth for Years 1 (FY 2023-24) through 5 (FY 2027-28) of the SFP for salary increases beyond the existing MOU terms.

Over the five years of the SFP, departments requested a total of $11 million in expand augmentation requests primarily to fund increased staffing and equipment needs. In addition, departments requested a total of $590 million in strategic priority requests including $57 million related to OC CARES programs with the remaining $533 million related to department-specific requests.

## Revenues

As previously illustrated, departmental base revenues (sources) are projected to grow slowly, slightly above departmental base expenditures (uses).

The SFP forecasts moderate increases in General Purpose Revenue (GPR) consistent with current economic trends. The following chart summarizes historical and forecasted growth in GPR. Detailed analysis of each component of GPR and Fund Balance Unassigned is provided in the *General Purpose Revenue Forecast* section of this document.



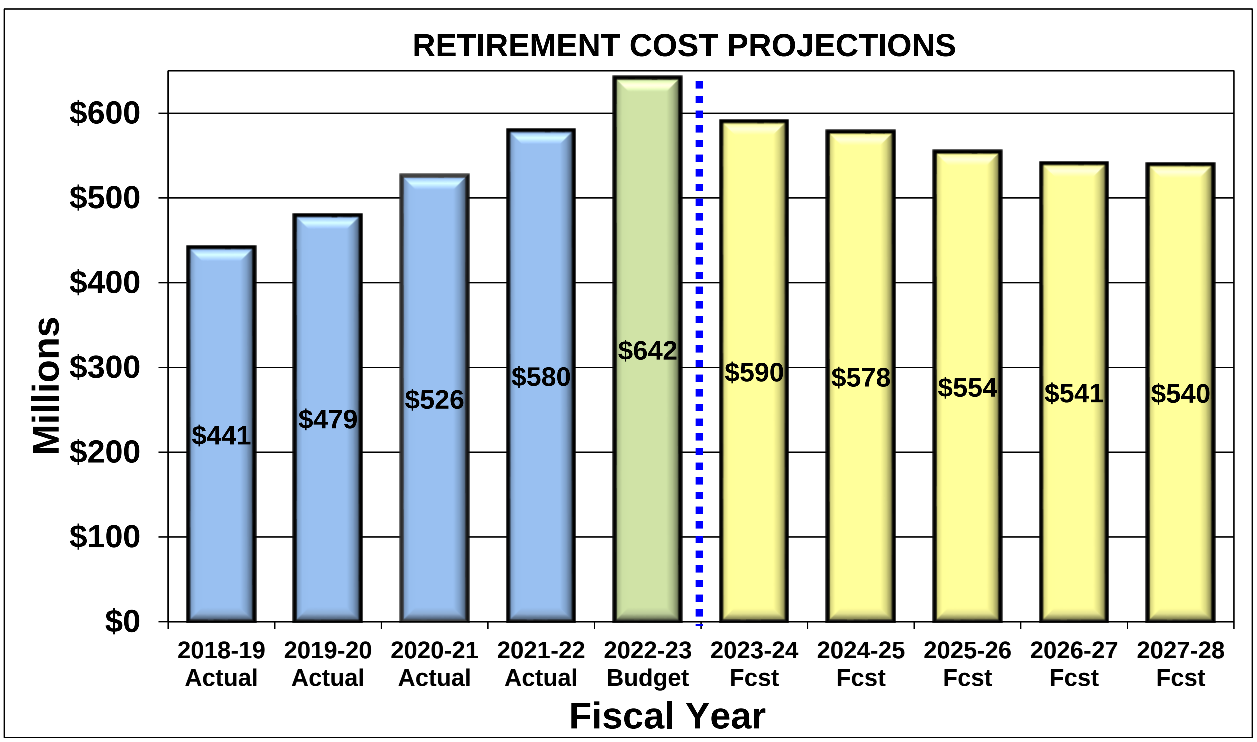

Note: Miscellaneous Revenue includes transfers in from other funds.

## Retirement

For the 2022 SFP, the County's projected cost of retirement shows an average 5.8% decrease over the 2021 SFP forecast primarily due to the following:

- There were favorable investment returns after smoothing. The 2018 market losses of 2.46% are offset by the recognition of investment gains from 2017 (14.79%), 2019 (14.79%), 2020 (12.01%) and 2021 (17.71%).
- Actual 2021 salary increases were less than the expected salary increase of 3.0%.
- Offsetting the above decreases was the 2022 COLA increase of 3.0% provided to retirees, which was greater than the assumed COLA of 2.75%. In addition, as a result of the 4.0% CPI calculation, retirees have an additional 1.0% in their COLA banks

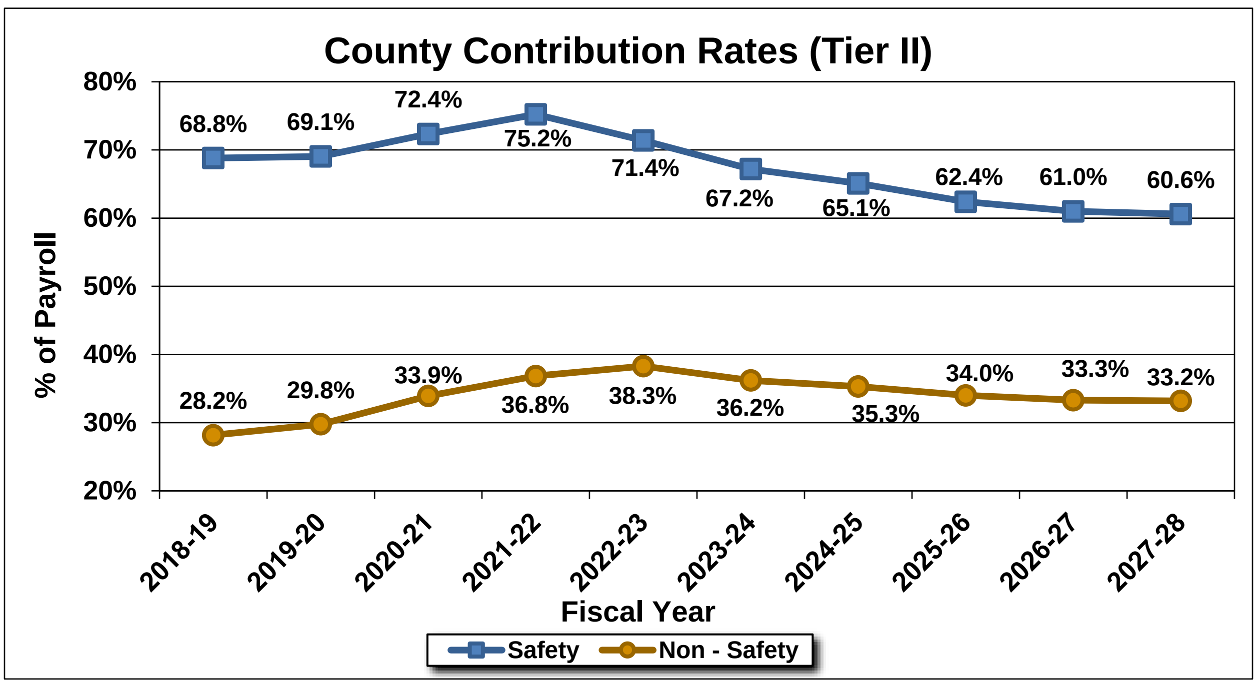
Due to these impacts and a 0% salary growth assumption beyond existing MOU terms, as illustrated in the table below, the 2022 SFP forecast for retirement annual costs reflects a decrease of 15.9% from $642 million in FY 2022-23 to $540 million in FY 2027-28. Retirement costs are a percentage of salaries, therefore any salary increases beyond the 0% COLA assumption included in this SFP will result in increased retirement costs.




**Note: All years exclude Pension Prepayment and Retiree Medical.**

The following chart of actual and projected County Contribution Rates for Tier II employees reflects an actual decrease in FY 2023-24 retirement rates for Non-Safety and Safety. Over the plan, assuming all actuarial assumptions are met in the future and there are no future changes in any of the actuarial assumptions, retirement rates are expected to decline as the Unfunded Actuarially Accrued Liability (UAAL) is paid down over the 20-year amortization period.

In addition, a long-term positive impact on the County's cost of retirement is expected due to the reduced retirement benefits established under the California Public Employees' Pension Reform Act of 2013 (PEPRA). New County employees hired on or after January 1, 2013, who are considered "New Members" within the meaning of PEPRA, are enrolled in lower cost PEPRA retirement plans. As of September 2022, the County had 7,506 (approximately 47%) employees enrolled in PEPRA retirement plans, an increase from 6,726 (approximately 42%) employees as of September 2021.




**Notes: All years exclude Retiree Medical.**

## Pension Unfunded Actuarial Accrued Liability (UAAL) – Funding Progress

The County participates in the Orange County Employees' Retirement System (OCERS), a cost sharing multiple-employer, defined benefit pension plan. The County's funding policy is to make annual contributions to OCERS in amounts such that, when combined with employee contributions and investment income, fully provide for member benefits by the time they retire. At the end of each calendar year, OCERS conducts an actuarial valuation which establishes the employer and employee retirement contribution rates. The total employer retirement contribution rate includes two components: the Normal Cost Component; and the current year's cost for the Unfunded Actuarial Accrued Liability (UAAL). The Normal Cost Component is the cost to pay for the current year's value of retirement benefits as earned. The UAAL Component is the accrued liability for past services which were not funded by prior contributions and investments. Ideally, all benefits are funded through the Normal Cost Component only. However, a UAAL can arise due to the following factors:

- Benefit enhancements are retroactively applied
- Actuarial losses due to actual growth in factors such as the number of retirees, improved mortality rates, salaries or investment return losses
- Changes in actuarial assumptions for factors such as the assumed rate of return, member mortality rates, rate of salary increases, rates of retirement or age at retirement

Large long-term unfunded pension liabilities can impact the financial position of a County, such as:

- Potential negative impact on a County's credit rating, which could lead to higher costs of borrowing.
- Unfunded pension liabilities mean a larger portion of retirement costs are funded by the taxpayer instead of investment returns.
- Increased financial resources being paid towards annual retirement costs instead of the provision of services. In FY 2021-22, the County's total annual retirement cost was approximately $579.8 million, with an estimated UAAL cost of $394.8 million or approximately 68.1% of total retirement costs.

**Accelerated Funding Plan Analysis** – During the 2017 SFP process, the County evaluated the concept of accelerating payments toward the UAAL to improve its financial position. The following challenges were identified which determined accelerated funding payments towards the UAAL was not feasible for the County:

- General Fund discretionary funding is limited, and the funding priority is for County mandates.

- Applicable guidelines for many program funding sources do not allow for the advance payment of unfunded pension liabilities.
- Numerous County programs have limited program funding which is currently being fully utilized to cover existing expenditures and service levels.
- Additional sources of funding, such as program user fees, would have to be increased to cover the cost of additional payments toward the unfunded pension liability.
- Charges to contract partners would have to be increased to cover the cost of additional payments toward the unfunded pension liability.

However, as a result of the following steps taken by the County and the OCERS Board of Retirement to ensure adequate funding of the retirement system, it is projected that the County will achieve 100% funding of the UAAL by 2033:

- In 2013, the OCERS Board adopted a funding policy to reduce the amortization period of the UAAL from 30 years to 20 years, which was a sound financial decision to ensure a timelier payment of the UAAL, eliminating an additional ten years of interest payments.
- OCERS has adopted realistic assumptions to ensure contributions are sufficient to fully fund the retirement system's obligations. Each year the actual experience of the retirement system is compared to the assumptions used in determining contributions rates to assess whether changes in annual contribution requirements are necessary. In addition, triennially, OCERS conducts an experience study to decide whether or not to adjust the underlying assumptions used in determining contributions rates. Based on these experience studies, the OCERS Board has adopted the following past significant changes in assumptions:
    - **Investment Rate of Return** – On December 5, 2012, the OCERS Board voted to reduce the assumed investment rate of return from 7.75% to 7.25%. The reduction was phased in over a two-year period beginning July 2014 at 7.5% and reducing to 7.25% effective July 2015. On October 16, 2017, the OCERS Board adopted a reduction in the assumed investment rate of return to 7.00% effective July 2019. The assumed rate of return reduction had the impact of increasing contribution rates of members and plan sponsors.
    - **Rate of Inflation** – On September 23, 2014, The OCERS Board adopted a decrease in the inflation assumption from 3.25% to 3.00% per annum. On October 16, 2017, the OCERS Board adopted a further decrease in the inflation assumption to 2.75%. On August 17, 2020, the OCERS Board adopted another decrease in the inflation rate assumption to 2.50%, while maintaining the post-retirement COLA at 2.75%. The reduction in the assumed inflate rate had the impact of reducing contribution rates of members and plan sponsors.

- **Mortality Rates** – On October 16, 2017, the OCERS Board adopted the application of generational tables to project mortality rates, which demonstrated projected life expectancy increases with each new generation. This change in assumption had the impact of significantly increasing contribution rates of members and plan sponsors. On August 17, 2020, the OCERS Board adopted the use of public benefit-weighted mortality tables projected generationally, which indicate benefit (or salary for employees) is a significant predictor of mortality difference. In addition, the new tables are based exclusively on public sector experience, unlike the prior tables. These new tables indicated that public Safety member rates of mortality are higher, which led to a reduction in contribution rates for members and plan sponsors for Safety.

- To control and reduce the growth of the UAAL, the County implemented a hybrid retirement plan (1.62% @ 65) prior to implementation of PEPRA, which reduces the cost of retirement benefits.

**Funding Progress** – Based on the OCERS December 31, 2021 actuarial valuation, the funding ratio for the retirement system is 81.15%, which is an increase from 76.51% in 2020. OCERS' UAAL decreased from $5.38 billion ($4.48 billion attributable to the County) to $4.53 billion ($3.88 billion attributable to the County). The decrease in the UAAL was primarily attributable to favorable investment returns (after smoothing) and actual salary increases less than the expected salary increases of 3.0%, offset slightly by the 2022 COLA increases for retirees greater than the expected COLA increases of 2.75%. The following table summarizes the County's UAAL and current funding ratio by the County's four Rate Groups:

**County of Orange**
**Unfunded Actuarial Accrued Liability (UAAL) and Funding Level by Rate Group**
Based on OCERS Actuarial Valuations Prepared by Segal Consulting

| | | | December 31, 2021 Valuation | | December 31, 2020 Valuation | |
|---|---|---|---|---|---|---|
| **Rate Group** | **Rate Group Members** | **Retirement Formula (1)** | **UAAL (2)** | **Funding Ratio (2)** | **UAAL (2)** | **Funding Ratio (2)** |
| 1 | American Federation of State, County and Municipal Employees (AFSCME) & Sheriff Deputy Trainees | 1.67% @ 57 | $ 24,895,000 | 93.70% | $ 42,142,000 | 88.90% |
| 2 | General Employees | 2.7% @ 55 | 2,759,863,000 | 76.90% | 3,125,094,000 | 72.50% |
| 6 | Probation | 3.0% @ 50 | 161,071,000 | 83.90% | 207,237,000 | 78.22% |
| 7 | Law Enforcement | 3.0% @ 50 | 934,471,000 | 80.20% | 1,105,871,000 | 75.26% |
| **County Total** | | | **$ 3,880,300,000** | **78.52%** | **$ 4,480,344,000** | **73.90%** |
| **Portion Funded by General Fund General Purpose Revenues (3)** | | | **$ 915,416,315** | | **$ 1,056,974,975** | |

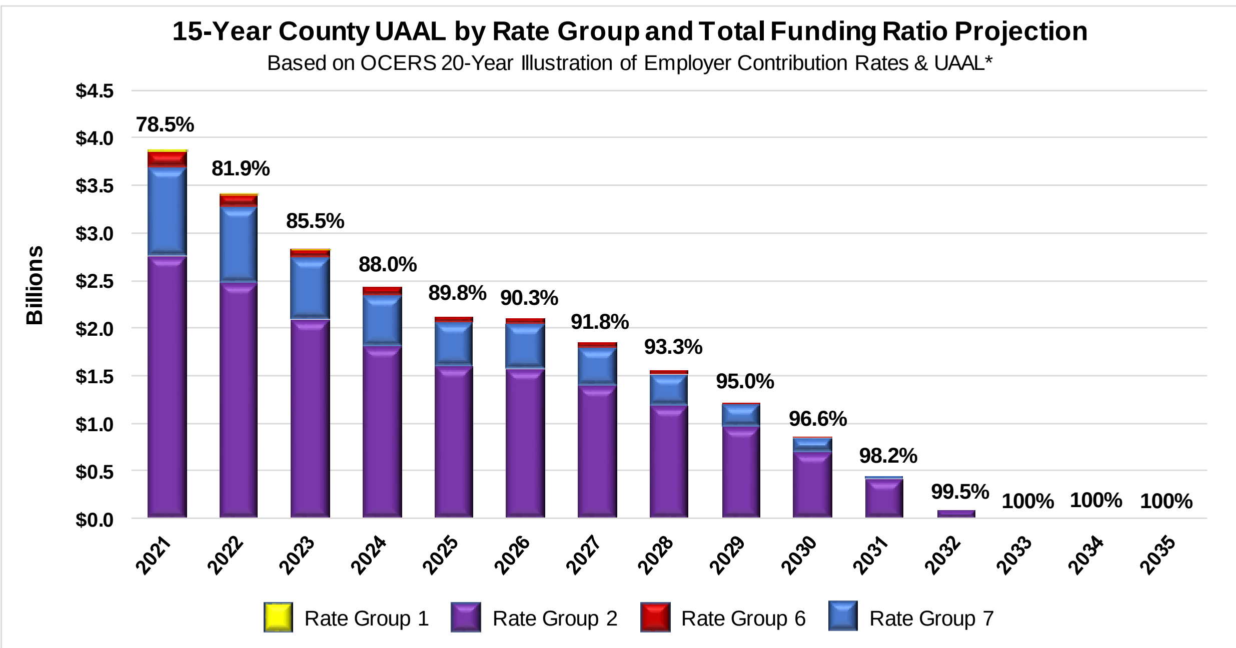
(1) For informational purposes, the retirement plan formulas shown represent the largest employee group for each rate group.

(2) UAAL and current funding ratio data provided by OCERS.

(3) Based on FY 2022-23 Budget, an estimated 23.6% of the UAAL is funded by General Fund General Purpose Revnenues.

Annually, OCERS' actuary, Segal Consulting, prepares a 20-year projection of employer contribution rates and UAAL based on the latest actuarial valuation. Utilizing the information provided in the analysis with the following major assumptions, the table below illustrates the County's projected annual UAAL and funding ratio:

- Investment rate of return: 0% for 2022 and 7% for all years thereafter
- Inflation rate: 2.50%
- COLA for Retirees: 2.75%
- Salary Increases: 3.00% is assumed for all years where negotiated salary increases are not included in existing MOU terms. This assumption varies from the 2022 SFP which includes salary increases consistent with existing MOU terms and 0% growth for Years 1 through 5 of the SFP, where applicable.

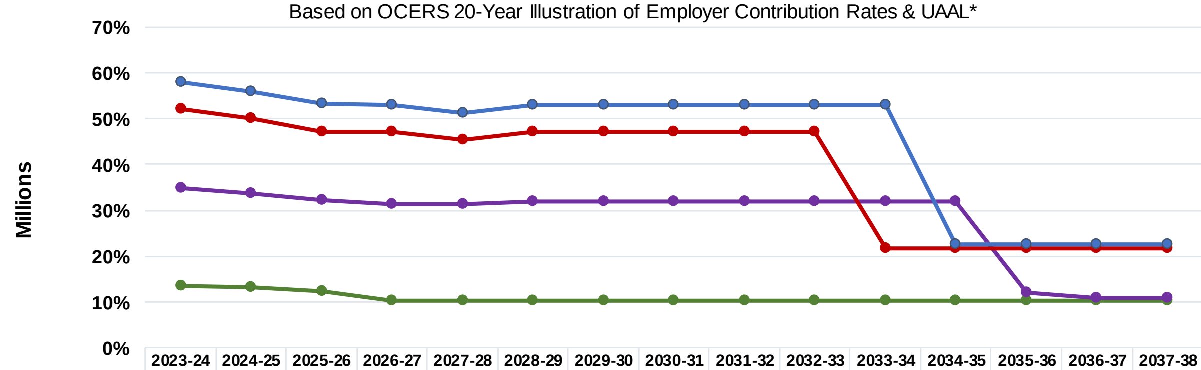



*Results prepared by OCERS' actuary, Segal Consulting, based on the OCERS December 31, 2021 Actuarial Valuation.

Demonstrated in the table above, the County will achieve a pension funding level above 80% in 2022 and 100% in 2033. The table below provides the 15-year illustration for the County's projected aggregate contribution rates for retirement for each of its four Rate Groups:

**15-Year County Aggregate Contribution Rate Projection by Rate Group**

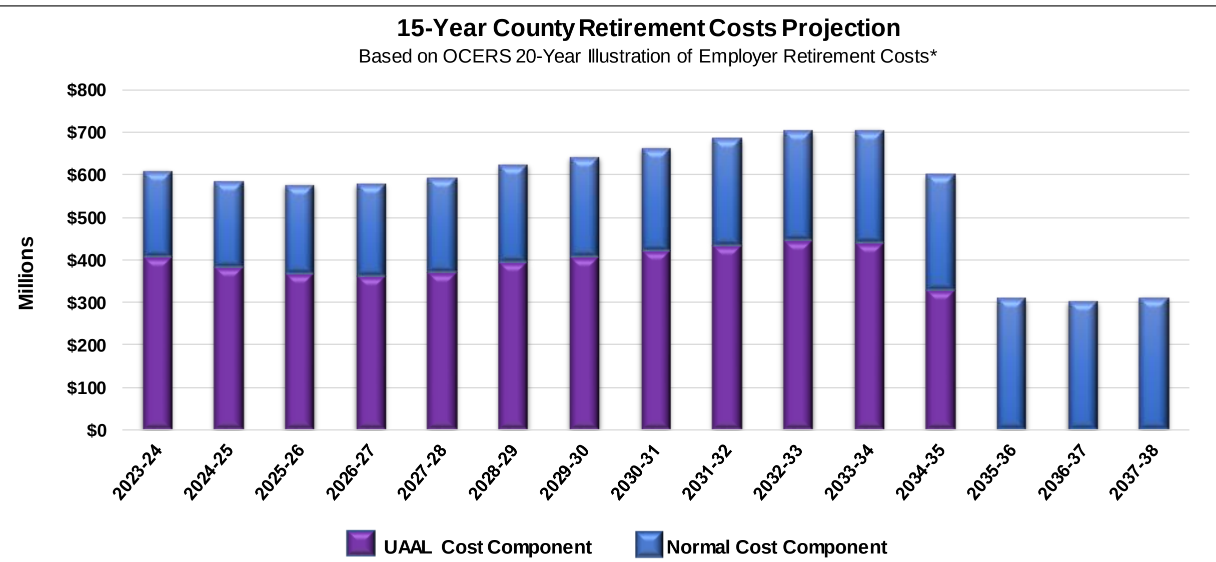
Based on OCERS 20-Year Illustration of Employer Contribution Rates & UAAL*




| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 | 2035-36 | 2036-37 | 2037-38 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Rate Group 1 | 13.52% | 13.06% | 12.26% | 10.20% | 10.27% | 10.20% | 10.20% | 10.20% | 10.20% | 10.20% | 10.20% | 10.20% | 10.20% | 10.20% | 10.20% |
| Rate Group 2 | 34.77% | 33.69% | 32.20% | 31.46% | 31.23% | 32.03% | 32.03% | 32.03% | 32.03% | 32.03% | 31.98% | 31.81% | 11.92% | 10.93% | 10.93% |
| Rate Group 6 | 52.29% | 50.17% | 47.27% | 47.06% | 45.36% | 47.14% | 47.14% | 47.06% | 47.06% | 47.06% | 21.74% | 21.74% | 21.74% | 21.74% | 21.74% |
| Rate Group 7 | 58.02% | 55.98% | 53.20% | 52.97% | 51.36% | 52.97% | 52.97% | 52.97% | 52.97% | 52.97% | 52.97% | 22.42% | 22.41% | 22.41% | 22.41% |

*Results prepared by OCERS' actuary, Segal Consulting, based on the OCERS December 31, 2021 Actuarial Valuation.

As shown in the table above, retirement contribution rates as a percentage of payroll are expected to decline as a result of the favorable investment returns after smoothing, as discussed in the Retirement section above. After that period, rates are expected to stabilize until the UAAL is fully funded. After the UAAL is fully funded, which varies by the Rate Group, retirement contribution rates will only include the Normal Cost Component. The table below presents the 15-year projected total cost of retirement, including a breakdown of retirement costs between the Normal and UAAL Cost Components:



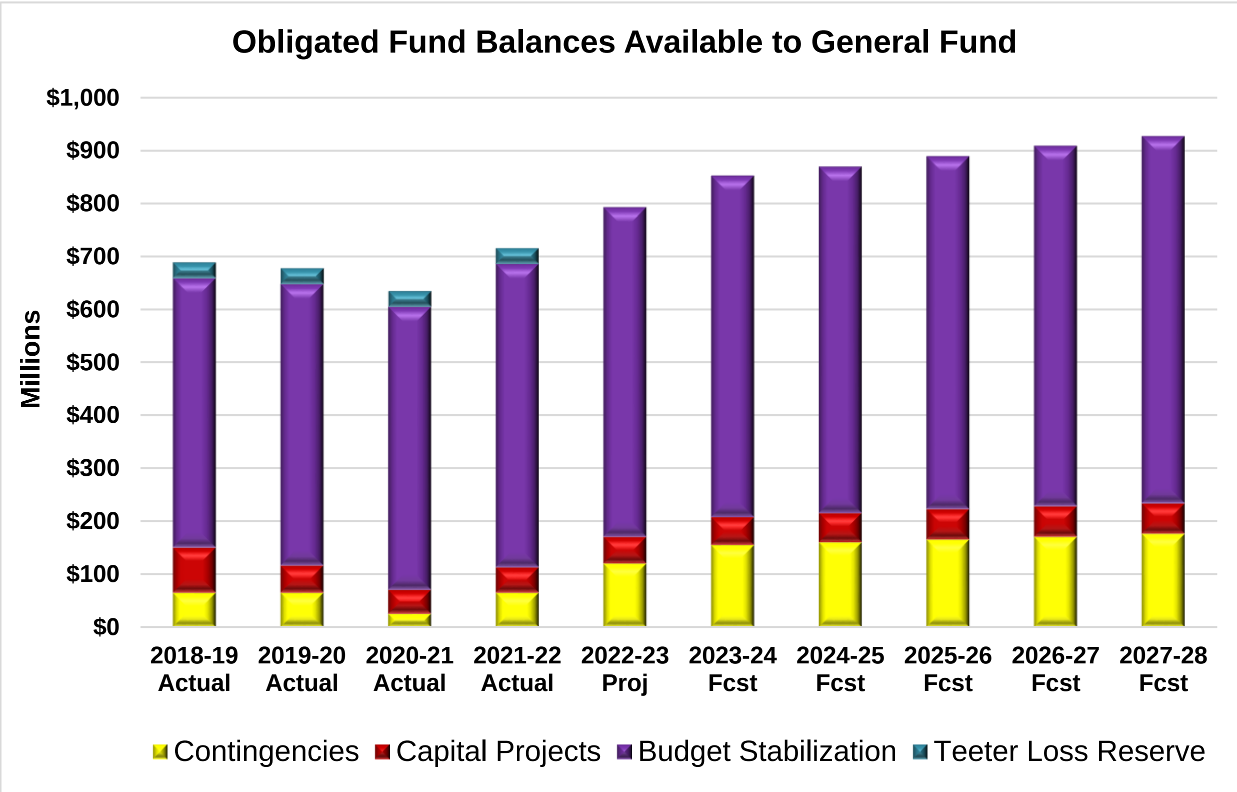

*Results prepared by OCERS' actuary, Segal Consulting, based on the OCERS December 31, 2021 Actuarial Valuation.

As demonstrated in the table above, costs are expected to decline from FY 2023-24 through FY 2026-27 due to the smoothing of the investment returns. From FY 2027-28 through FY 2033-34, retirement costs are projected to increase due to the 3% salary increase assumption and the projected stable retirement rates over that period. After that period, retirement costs are expected to decrease dramatically due to the projected payoff of the UAAL, where the County will only be contributing the normal cost of retirement.

Due to the steps taken by OCERS and the County, the County is well on its way to achieving a significant level of funding for its pension obligations by 2023 and full funding by 2033 with no need to pursue an accelerated funding plan. The County will continue to focus on evaluating and pursuing other opportunities to build upon and improve the County's financial position by reducing long-term liabilities in other areas.

## Obligated Fund Balances and Cash

The County maintains an established Reserves Policy (please see the *Reserves Policy* portion of this document) to mitigate cash flow impacts, maintain best debt ratings and positive borrowing position, and to provide liquidity in the event of a catastrophic event.

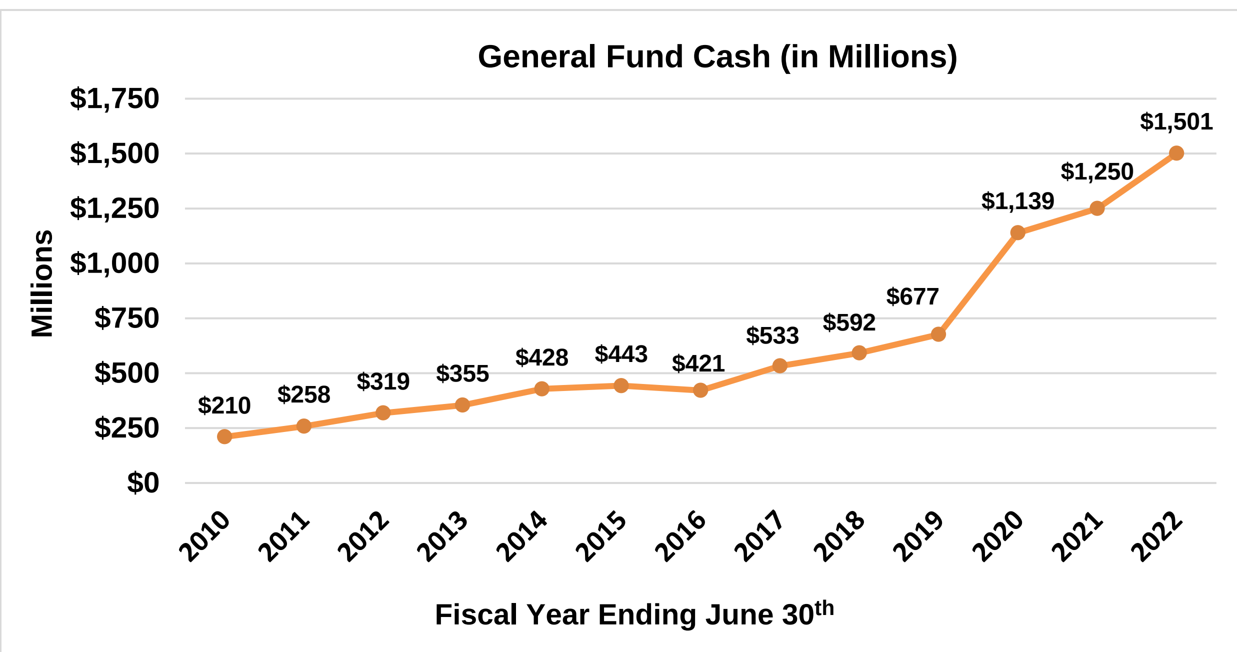



(Note: Balances exclude accounts held by other authorities/agencies such as balances held by the Orange County Employees Retirement System [OCERS].)

During economic downturns, reserves have been used to reduce the severity of impacts to clients and departments. The County has been committed to building reserves back to a level that provides flexibility to maintain service levels and protects the County's cash position in order to meet its obligations. The COVID-19 pandemic had a financial impact, resulting in the County Fund Balance Unassigned (FBU) ending FY 2020-21 with a deficit and necessitating draws from contingency and budget stabilization reserves to balance the General Fund. However, through responsible fiscal management, strategic planning and prudent allocation of resources, the County was able to replenish its reserves to pre-pandemic levels and met the GFOA recommended target for FY 2022-23 Budget Stabilization Reserve. The current and projected obligated fund balances available to the General Fund reflect a healthier reserve position.

Over the five years of the SFP, increases primarily to the contingency and budget stabilization reserves are forecasted in order to meet and/or maintain the GFOA recommended target reserve in each of the SFP years. In accordance with Board of Supervisors Resolution 10-136, any excess Fund Balance Unassigned recorded at fiscal year-end is transferred to reserves by the Auditor-Controller during the year-end closing process.

The County is diligent in maintaining an adequate balance of General Fund cash to address timing variances that occur throughout the year between expense and revenue transactions. Based on the current cash management plan, it is anticipated that cash balances will remain stable throughout the financial planning period. The following chart reflects historical cash balances through June 30, 2022. Cash balances dipped between 2015 and 2016 due to timing of Health Care Agency Behavioral Health programs cash receipts. In the following year, the cash increase from 2016 to 2017 was due to the release of a yield-restricted investment to general fund cash. The increase to cash from 2018 to 2019 is primarily due to increase in property tax revenues, realignment and public safety tax revenues and one-time SB90 revenue and interest payments from the State. Finally, the increase to cash from 2019 to 2022 is due to the receipt of one-time Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) revenues.




Note: Cash balances are as of June 30 of each year as reported in the Annual Comprehensive Financial Report (ACFR). Cash balance for 2022 is preliminary as of November 14, 2022.

## Infrastructure & Capital Expenditures

Economic conditions and competing priorities for General Funds influence how the County addresses capital spending. The County continues to use a portion of the modest growth in revenues to fund previously deferred critical projects such as the James A. Musick facility construction, the Sheriff's jail electronic security control system, Emergency Operations Center audio-visual and security system upgrades, renovations and American with Disabilities Act upgrades to various facilities. In addition, one-time revenues are being utilized to fund a new Emergency Medical Services Operating Facility, a second Be Well Campus and a new Juvenile Corrections Campus. Furthermore, the County is exploring options for use of existing facility space to establish an alternate Emergency Operations Center supporting future countywide emergency preparedness needs.

## Strategies

It is essential that departments continue to review programs and operations to determine the best practices when sizing programs for future economic conditions and to ensure services to the community are maintained and performance goals are met within the boundaries of available resources. Departments and the County Executive Office are currently planning for the FY 2023-24 budget process with a goal of preserving the capacity to provide quality services to the community. Seeking opportunities for additional funding to maintain ongoing operations is essential to the process including efforts undertaken in development of the County's Legislative Platform.

## Sustainability

The County is pursuing various efforts aimed towards environmental sustainability and green technologies. As a governmental entity, the human, social, and economic aspects of sustainability continue to be the core functions of the County. As part of these efforts, the County is focusing on reducing its carbon footprint by replacing older vehicles with low to zero-emission vehicles, and building electric vehicles (EV) charging infrastructure and EV stations to comply with California's Air Resource Board's initiative for EVs. In addition, the County is upgrading its countywide facilities with best practices for efficiencies by retrofitting building-wide lighting systems with LED lighting, replacing lighting control systems with more effectively managed motion-based occupancy detection, installing solar panels and mechanical systems that regulate utility resources. The County is continuing the use of telecommuting, virtual meetings, working towards becoming paperless, accepting and submitting digital invoices with electronic signatures and payments via Electronic Fund Transfer (EFT), recycling, minimizing waste and natural resources conservation.

Furthermore, the County is developing a Green Infrastructure Plan that focuses on ongoing development of green infrastructure specifications and long-term operation and maintenance plans, which complies with various regulatory requirements and future drought and climate action needs. Environmental sustainability is the next phase to be incorporated into the County's core functions and daily operations. This movement aligns with state and federal priorities and fundings opportunities.

## Conclusion

The County's long-term commitment to a balanced budget and early action has proven successful in maintaining core services with minimum impact to service recipients. Through their commitment to fiscal prudence, the Board of Supervisors developed a vision for the County to address critical community, capital, and organizational needs while also allowing for accommodation of new fiscal challenges and opportunities as they arise.

An ongoing commitment to fiscal prudence will be required as the County attempts to balance the funding of identified needs and priorities and strives to provide high quality services and advance major initiatives. The combined efforts of the Board of Supervisors and County employees toward careful and responsible fiscal management will position the County to overcome new challenges as they arise, while continuing to fulfill the County's mission.

The Board of Supervisors will be apprised of the County's fiscal status on an ongoing basis via the annual and mid-year budget reporting processes and other methods, as appropriate. Carrying out vital services and assurance of responsible management requires that:

- Impacts continue to be evaluated and communicated timely;
- The County maintains disciplined financial management;
- Structural balance focused on values and core services continues to be a priority;
- The County remains committed to seeking creative alternatives and partnerships.

Coordinated efforts of the Board of Supervisors and the County employees make it possible to practice fiscal stewardship and to maintain government core services and priorities.

# Economic Forecast

## Introduction - General Economy

The 2022 Strategic Financial Plan economic forecast is informed primarily by projections developed by Chapman University and University of California, Los Angeles (UCLA). This overview discusses key economic indicators impacting Orange County including gross domestic product, consumer price index, consumer confidence, personal income, employment, housing, and taxable sales.

The economy is projected to experience below trend growth and persistently high inflation according to the September 2022 UCLA Anderson Forecast. Economic growth, as measured by real gross domestic product (GDP), is forecasted to remain low at 1.5% in 2022, slowing to 0.3% in 2023 and a slight rebound of 2.0% in 2024. Although the economy is experiencing below-trend growth and continued inflation, the consensus forecast indicates there is currently no recession nor is it believed that there is more than 50% chance there will be a recession during the next year (UCLA Anderson).

Inflation, as measured by the Consumer Price Index (CPI), is projected at 7.8% in 2022, declining to 4.3% in 2023 and 3.1% in 2024. The geopolitical events such as the war in Ukraine add to the effects of higher inflation in the short term as Russia and Ukraine are major exporters in energy and food markets. The magnitude of the effect will depend on how long the conflict lasts and its impact on global markets. (Congressional Budget Office, May 2022). The unemployment rate is estimated to increase to 3.7% by the end of 2022, up to 4.2 % in 2023 and reach 4.0% by the end of 2024, as inflation subsides and economic growth accelerates (UCLA Anderson).

Consumer sentiment, also known as consumer confidence, is a statistical measurement and an indicator of consumers' perceived overall health of the economy. Both the University of Michigan and the Conference Board survey consumers and report findings about their expected level of spending. These survey results are relevant to Orange County as they measure people's confidence in their income stability and how confidence impacts their economic decisions, like spending activity. During times of low confidence, the County expects less revenue and growth than in periods with high confidence and economic prosperity. The survey results are also used by news and investment outlets to report on economic conditions. Updates from these sources suggest a similar outlook. The University of Michigan reports that consumer sentiment is essentially unchanged from an index of 58.6 in September 2022 to 59.8 in October 2022 and although it is now

9.8 points above the all-time low reached in June 2022 it continues to depress due to the uncertainty of the future prices, economies, and financial markets around the world. In the same manner, the Conference Board's Consumer Confidence Survey reports that consumer confidence declined from an index of 107.8 in September 2022 to 102.5 in October 2022 due to inflation concerns. Inflationary pressures will continue to be a major factor in the consumer confidence, which could result in restrained spending going forward.

The Federal Reserve Board, as of September 2022, raised the federal funds rate target range to 3% to 3.25% and it anticipates continuing to increase until maximum employment and inflation reach and remain at 2% over the long run. The decision to raise the rate target range supports the Federal Reserve's price stability and maximum employment goals. Economic indicators point to modest growth in spending and production, strong job gains in recent months, and low unemployment rate. However, inflation remains elevated and continues to reflect supply and demand imbalances related to the COVID-19 pandemic, higher food and energy prices, including broader price pressures. The timing and scope of future adjustments to the range will factor in readings on public health, labor market conditions, inflation pressures and expectations and financial and international developments.

## National Economy

The Congressional Budget Office (CBO) *Monthly Budget Review: September 2022* approximates that the fiscal year 2022 federal budget deficit totaled $1.4 trillion, about half of last year's deficit of $2.8 trillion. While outlays decreased by 8% primarily due to the decline of COVID-19 pandemic spending, revenues increased by 21% in all major categories, but most notably in the individual income taxes category. The major sources of government revenues, individual income taxes and social insurance taxes are estimated to increase by 29% and 13%, respectively.

Based on *The Budget and Economic Outlook: 2022 to 2032* from the CBO in May 2022, the budget deficit is estimated at 3.9% of GDP in 2022 and 3.7% in 2023, and subsequently increasing to 6.1% of GDP in 2032 due to increased interest costs and benefit programs spending, such as Medicare and Social Security. The CBO projects outlays at 24% of GDP in 2022, continuing to dip in the following years and subsequently increasing again to 24% in 2032. Revenues are estimated at 20% of GDP in 2022, decreasing over the next few years before rising again in 2026 and 2027 and then stabilizing.

The following table provides CBO forecasts of key national indices.

| National Indices | Notes | 2023 | 2024 | Annual Average | |
|---|---|---|---|---|---|
| | | | | 2025-2026 | 2027-2032 |
| Real GDP | 1 | 2.2% | 1.5% | 1.5% | 1.7% |
| CPI | 1 | 2.7% | 2.3% | 2.3% | 2.4% |
| Unemployment Rate | 2 | 3.6% | 3.8% | 4.1% | 4.5% |
| 3-Month Treasury Bill | 3 | 2.0% | 2.5% | 2.6% | 2.3% |
| 10-Year Treasury Note | 3 | 2.9% | 3.1% | 3.3% | 3.8% |
| Deficit | 4 | (3.8%) | (3.9%) | (4.7%) | (5.4%) |

Source: Congressional Budget Office The Budget and Economic Outlook: 2022 to 2032, May 2022

Notes:
1 – Fourth Quarter to Fourth Quarter, Percentage Change
2 – Fourth Quarter Level, Percent (Annual averages reflect value for last year in the range)
3 – Annual Average, Percent
4 – Gross Domestic Product, Percentage of

## California Economy

On June 27, 2022, the Governor signed the FY 2022-23 State Budget, which is projected to end with $27.7 billion in general fund reserves, consisting of $23.3 billion in the Budget Stabilization Account (BSA), $3.5 billion in the Special Fund for Economic Uncertainties, and $900 million in the Safety Net Reserve. As outlined by the Legislative Analyst's Office (LAO) in *The 2022-23 Budget: Overview of the California Spending Plan* publication, the budget commits a general fund surplus of $55 billion, allocating 96% to one-time or temporary spending and 4% to ongoing; major features of the spending plan include one-time programmatic expansions, revenue reductions and tax refunds. The FY 2022-23 General Fund revenues and transfers budget of $219.7 billion is estimated to decrease from the prior year level by 3.2%, mostly due to several policy changes impacting the corporation tax revenues. The General Fund expenditure budget totals $234.4 billion, a decrease of 3.5% or $8.5 billion over the revised prior year level.

The *June 2022 Chapman University Economic & Business Review* anticipates a continued but short-lived job growth in 2022 as there are a larger number of unemployed individuals available to return to the labor force and less stringent COVID-19 policies. As California's job growth continues to bounce back, it has still not fully recovered from the COVID-19 recession mostly due to other factors such as a continuous negative domestic migration which is projected to have a significant impact in the long run. The *September 2022 UCLA Anderson Economic Forecast* indicates the largest gains in jobs over the last three months have been leisure and hospitality, health care and social services; however, the gains in major employment centers remained difficult and resulted in an incomplete recovery. Growth in the technology, information and construction sectors will continue to drive the California economy.

The following table provides forecasts by local economists of key state indices.

| California Indices | Notes | Chapman | UCLA | | |
|---|---|---|---|---|---|
| | | 2022 | 2022 | 2023 | 2024 |
| CPI | 1 | N/A | 7.8% | 4.9% | 3.4% |
| Taxable Sales | 1 | 10.0% | 9.7% | 0.0% | 2.7% |
| Personal Income | 1 | 4.2% | 1.9% | 5.2% | 5.9% |
| Payroll Employment | 1 | 5.5% | 4.9% | 1.5% | 0.7% |
| Unemployment Rate | 2 | N/A | 4.3% | 4.4% | 4.8% |

Sources: Chapman University Economic & Business Review, June 2022; UCLA Anderson Forecast, September 2022
Notes: 1 – Percentage Change; 2 – Not Percentage Change

## Orange County Economy

In Orange County, Chapman University forecasts that growth will continue to be moderate. Economic indicators at the local level will generally follow national and state trends. Job growth in the County is projected to increase aligned with the forecasted increase for California. In Orange County, most jobs are forecasted to be created in leisure and hospitality and services sectors, such as those for transportation & warehousing, utilities, information, and state & local governments.

Two of the County's major funding sources are property taxes and sales taxes, which commonly fluctuate with changes in the housing sector and taxable sales activity. Chapman University forecasts increases of 9.3% for the medium price of all homes and 10.6% for taxable sales in 2022.

The following table provides trends in key local indices, followed by a discussion of the economic indicators.

| **Orange County Indices** (Year-To-Year Changes) | **2018** | **2019** | **2020** | **2021** | **2022 Forecast** |
|---|---|---|---|---|---|
| Payroll Employment | 2.0% | 1.3% | (8.5%) | 3.1% | 5.1% |
| Total Personal Income | 3.8% | 4.2% | 6.5% | 8.3% | 4.4% |
| Taxable Sales | 3.6% | 3.3% | (8.4%) | 22.3% | 10.6% |
| Residential Permits | (21.3%) | 27.0% | (42.6%) | 26.5% | (11.7%) |
| Existing Homes Price Index, Single-Family (Base Year = 2009) | 6.1% | 0.8% | 7.9% | 16.4% | 9.3% |

Source: Chapman University Economic & Business Review, June 2022

**Employment** – According to the California Employment Development Department, Orange County payroll employment increased by 4.6% from September 2021 to September 2022 in nearly all industries except for financial activities and government. The following table provides payroll employment changes.

| Industry | Payroll Employment Percent Change from September 2021 to September 2022 |
|---|---|
| Construction | 7.2% |
| Educational & Health Services | 6.2% |
| Financial Activities | (2.9%) |
| Government | (0.8%) |
| Information | 5.8% |
| Leisure & Hospitality | 12.9% |
| Manufacturing | 5.6% |
| Other Services | 5.4% |
| Professional & Business Services | 4.5% |
| Trade, Transportation & Utilities | 1.3% |

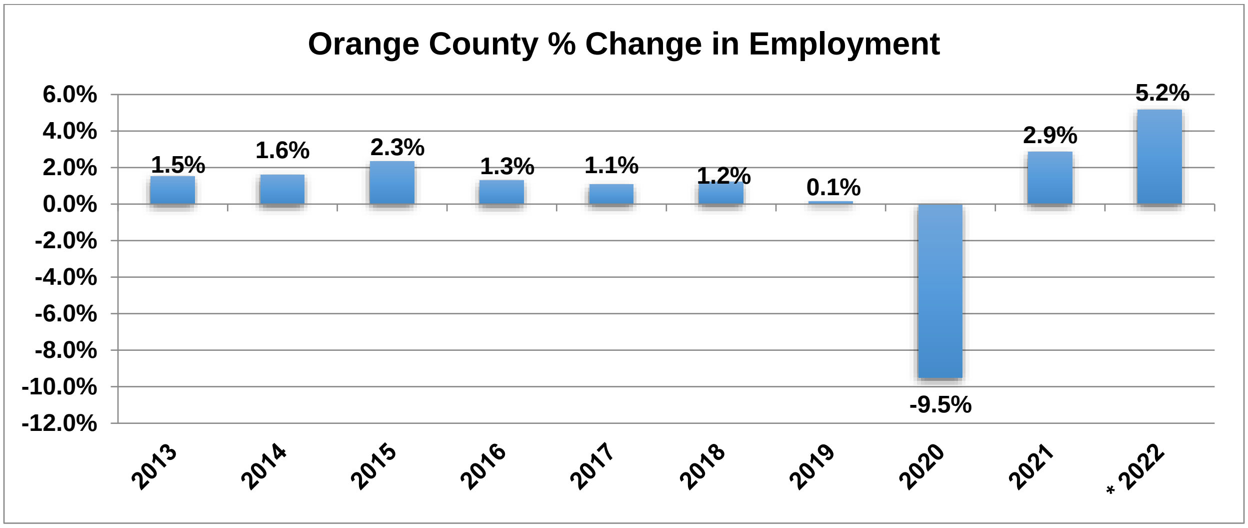
Source: State of California Employment Development Department, October 21, 2022

Orange County's unemployment rate was 2.7% in September 2022, below the nation's 3.3%, the State's 3.7% and all surrounding Southern California counties. The following table provides key employment indices for Orange County and surrounding Southern California counties.

| COMPARATIVE EMPLOYMENT STATISTICS | | | |
|---|---|---|---|
| **County** | **Total Labor Force** | **Total Employment** | **Unemployment Rate** |
| Los Angeles | 4,942,300 | 4,721,500 | 4.5% |
| **Orange** | **1,603,800** | **1,560,000** | **2.7%** |
| Riverside | 1,166,600 | 1,120,500 | 4.0% |
| San Bernardino | 1,020,300 | 981,400 | 3.8% |
| San Diego | 1,584,800 | 1,536,200 | 3.1% |
| Ventura | 413,700 | 400,200 | 3.3% |

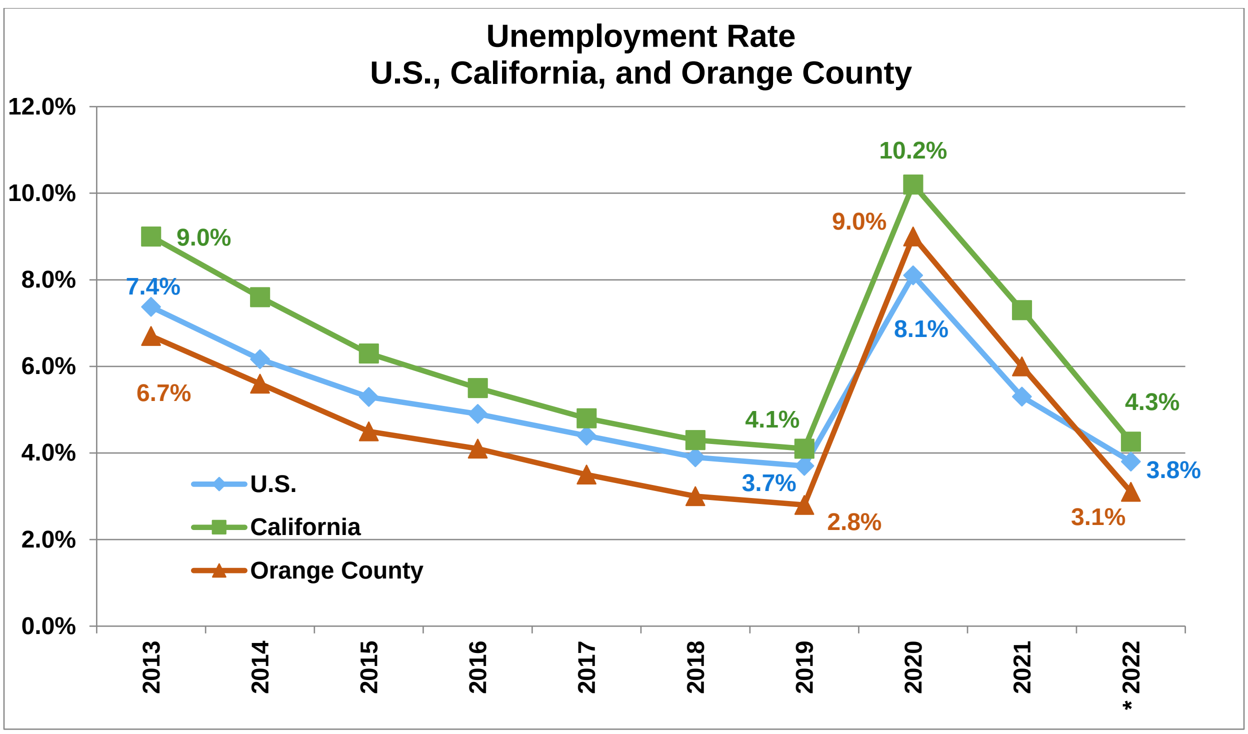
Source: State of California Employment Development Department, October 21, 2022

Job growth in the County is projected to increase in 2022 by 5.1%, closely under the forecasted 5.5% increase for California. Orange County's growth is largely due to the leisure and hospitality sector, bringing in 42% of the total jobs increase within the last year.




*Reflects change between 2021 annual employment and 8-months average ending August 31, 2022.

Source: State of California Employment Development Department




*Reflects 8-months average unemployment rate.

Sources: U.S. Bureau of Labor Statistics (National); State of California Employment Development Department (State and County); Annual average for the calendar year.

**Housing** – Chapman University projects a 23.7% decrease in housing affordability from an index of 84.9 in 2021 to 61.2 in 2022, as the Orange County median home price grows beyond $1 million.

The California Association of Realtors August Home Sales and Price Report indicates that Southern California home sales decreased by 28.8% from August 2021 to August 2022, with more substantial sales decreases in all counties in this region. Double-digit median home sales price increases continued in Southern California, with an increase of 4.6% year-over-year to $795,000. For Orange County, the median home sales price increased by 9.1% while unit sales decreased by 30.2% year-over-year. In comparison to surrounding counties, Orange County exhibited the highest median sales price for existing single-family homes.

Residential Building Permit Valuation is an estimate of the total cost of residential building construction. In Orange County, it is expected to decrease by 4.6% in 2022 (Chapman University).

The following table provides key housing indices for the Southern California region.

| COMPARATIVE HOUSING STATISTICS | | | | | |
|---|---|---|---|---|---|
| | **Median Sales Price** (single family homes, as of August) | | | **Unit Sales** (single family homes, as of August) | **Median Household Income** |
| | **2021** | **2022** | **% Change** | **% Change (from prior year)** | **Last 12 Months** |
| Los Angeles County | $830,070 | $854,960 | 3.0% | (29.1%) | $77,456 |
| **Orange County** | **$1,100,000** | **$1,200,000** | **9.1%** | **(30.2%)** | **$100,559** |
| Riverside County | $570,000 | $620,000 | 8.8% | (27.4%) | $79,024 |
| San Bernardino County | $435,000 | $472,750 | 8.7% | (32.6%) | $74,846 |
| San Diego County | $835,000 | $885,000 | 6.0% | (27.7%) | $91,003 |
| Ventura County | $853,000 | $884,000 | 3.6% | (24.0%) | $96,454 |
| Southern California | $760,000 | $795,000 | 4.6% | (28.8%) | N/A |

Sources: California Association of Realtors August Home Sales and Price Report; U.S. Census Bureau, 2021 American Community Survey SI901 ACS 1-Year Estimates of Median Household Income in past 12 months.

Based on County of Orange Clerk-Recorder's Office data, 1,349 notices of default were issued and 70 trustee deeds were filed (completed and recorded) for the first nine months of 2022, which increased by 83.8% and decreased by 14.6%, respectively, from the same period in 2021. The increase in defaults is due to the low number of notices issued during the COVID-19 pandemic; however, the number of default notices remains below the same period in 2019 (pre-COVID-19).

**Taxable Sales** – Taxable sales represent consumer spending transactions that are subject to sales and use taxes. Taxable sales provide an indication of economic activity and contribute to County funding sources such as General Purpose Revenue sales taxes and General Fund department sources such as Public Safety Sales Tax and Realignment Revenue. General Fund sales tax receipts typically trend with taxable sales.

The following table provides taxable sales for Orange County, including historical annual activity from 2013 through 2021 with growth projected at an increase of 10.3% in 2022.

| Orange County Annual Taxable Sales | | |
|---|---|---|
| **Year** | **Taxable Sales (Billions)** | **% Change** |
| 2022 Forecast | $86.4 | 10.3% |
| 2021 | $78.3 | 22.6% |
| 2020 | $63.8 | (8.4%) |
| 2019 | $69.7 | 3.3% |
| 2018 | $67.5 | 3.6% |
| 2017 | $65.1 | 3.3% |
| 2016 | $63.1 | 1.8% |
| 2015 | $61.9 | 3.0% |
| 2014 | $60.1 | 4.4% |
| 2013 | $57.6 | 4.3% |

Sources: California Department of Tax and Fee Administration for 2013-2021; Chapman University Economic & Business Review, June 2022, for 2022 forecast

Taxable sales tend to increase when personal income increases. Chapman University forecasts a 4.4% increase in total personal income for Orange County in 2022.

## Conclusion

The national, state, and local economies are expected to experience below trend growth, and continued high inflation; nevertheless the forecast does not indicate a current recession, but the likelihood of a recession with the next year has increased. In addition, the County will continue to monitor the State budget, including updates and prepare contingency plans to address any possible adverse funding impacts. The County remains committed to public health and safety as it navigates through these economic changes. Through diligent departmental endeavors and deliberate and timely action by the Board of Supervisors, the County is committed to continue delivering high quality public services, leveraging limited resources for one-time projects and priorities, and seeking creative alternatives and partnerships for expanding or establishing new programs and services.

The County will continue to ensure that measures taken now do not create long-term, unintended consequences. It is a County priority to judiciously plan for today and the future in an effort to achieve the goal of enriching the lives of Orange County residents and visitors.

# General Purpose Revenue Forecast

## Introduction

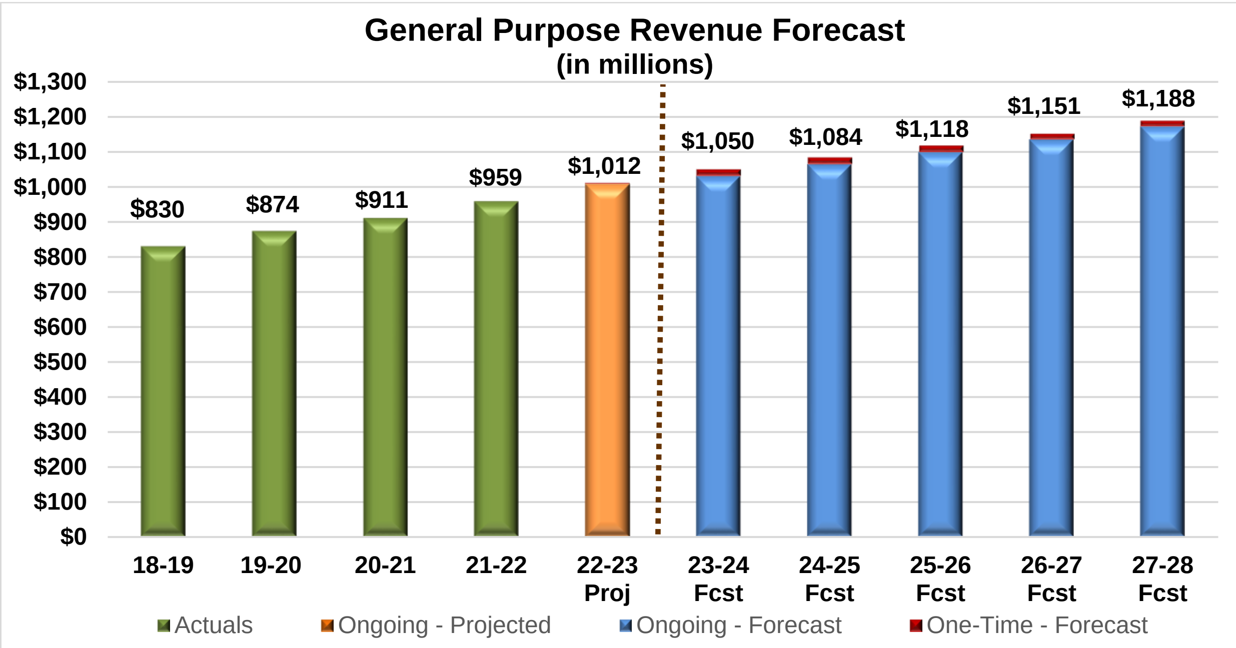
The General Purpose Revenue forecast is a critical component of the Strategic Financial Plan (SFP). The forecast provides projections for the portion of the budget over which the County has some discretion. The County uses approximately 88% of the General Purpose Revenue to meet its mandated services requirements that are not fulfilled by the state and federal governments such as match or maintenance of effort requirements for Community Services programs and operational expenses of the Public Protection and General Government Services departments. Forecasted General Purpose Revenues includes projections for the following sources, which comprise approximately 98% of total ongoing General Purpose Revenues (listed from greatest to least):

1. Property Taxes
2. Property Tax Administration Fees
3. Sales and Other Taxes
4. Interest Income
5. Miscellaneous Revenue
6. Franchises and Rents

The County Executive Office (CEO) prepared the projections considering historical and current revenue and economic trends, forecasts from the Auditor-Controller and various governmental entities such as the Orange County Fire Authority and local economists (e.g. Chapman University and UCLA). Due to continued uncertainty in the economy and volatility in General Fund revenue sources, the SFP projections are monitored closely and may be modified, if needed, during the FY 2023-24 annual budget development process.

## General Purpose Revenue Forecast

The estimated General Purpose Revenue, excluding Fund Balance Unassigned (FBU – defined as funding carried over from the previous year) and use of General Fund reserves, is projected at $1,012 million for FY 2022-23. Over the next five years, the ongoing revenue growth forecast, on average, is about 4% annually, and reaches $1.2 billion in FY 2027-28.

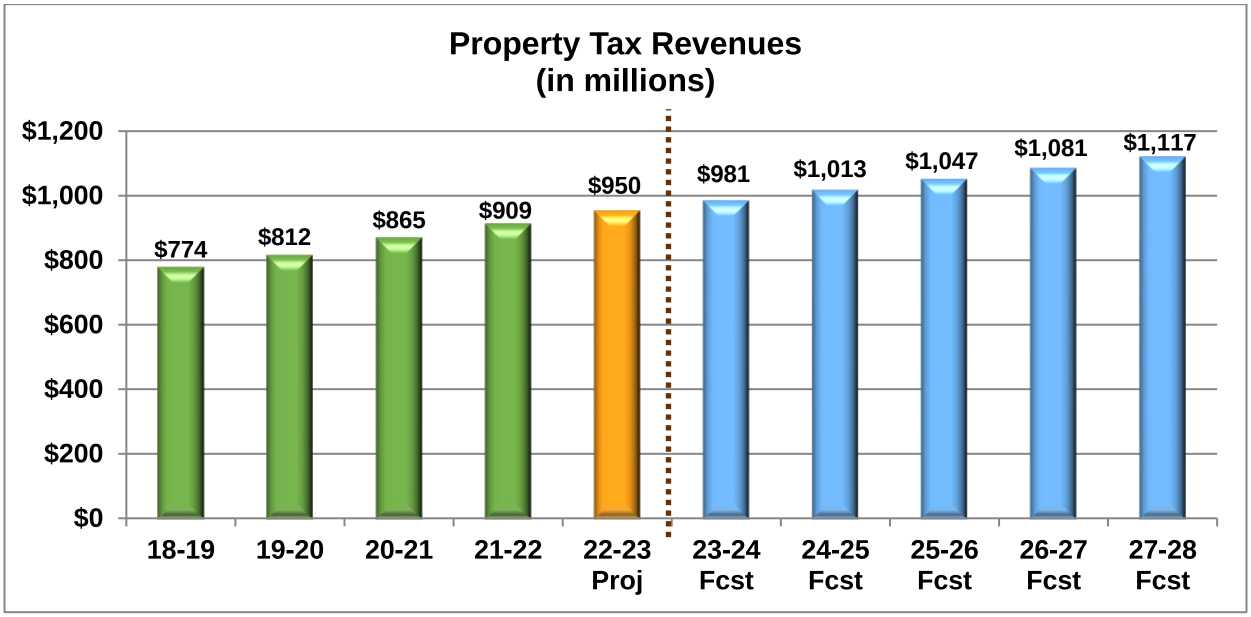



The following table provides detail of the ongoing and one-time revenue sources assumptions (in millions):

| | | One-Time Sources & Transfers In | | | |
|---|---|---|---|---|---|
| **Fiscal Year** | **Ongoing** | **Teeter** | **OCERS** | **OC Animal Care Loan Repayment** | **Total** |
| 2021-22* | 959.2 | 0.0 | 0.0 | 0.0 | 959.2 |
| 2022-23* | 1,009.0 | 0.0 | 0.0 | 2.5 | 1,011.5 |
| 2023-24 | 1,031.4 | 6.0 | 10.0 | 2.5 | 1,049.9 |
| 2024-25 | 1,065.0 | 6.0 | 10.0 | 2.5 | 1,083.5 |
| 2025-26 | 1,099.3 | 6.0 | 10.0 | 2.5 | 1,117.8 |
| 2026-27 | 1,134.8 | 6.0 | 10.0 | 0.0 | 1,150.8 |
| 2027-28 | 1,171.5 | 6.0 | 10.0 | 0.0 | 1,187.5 |

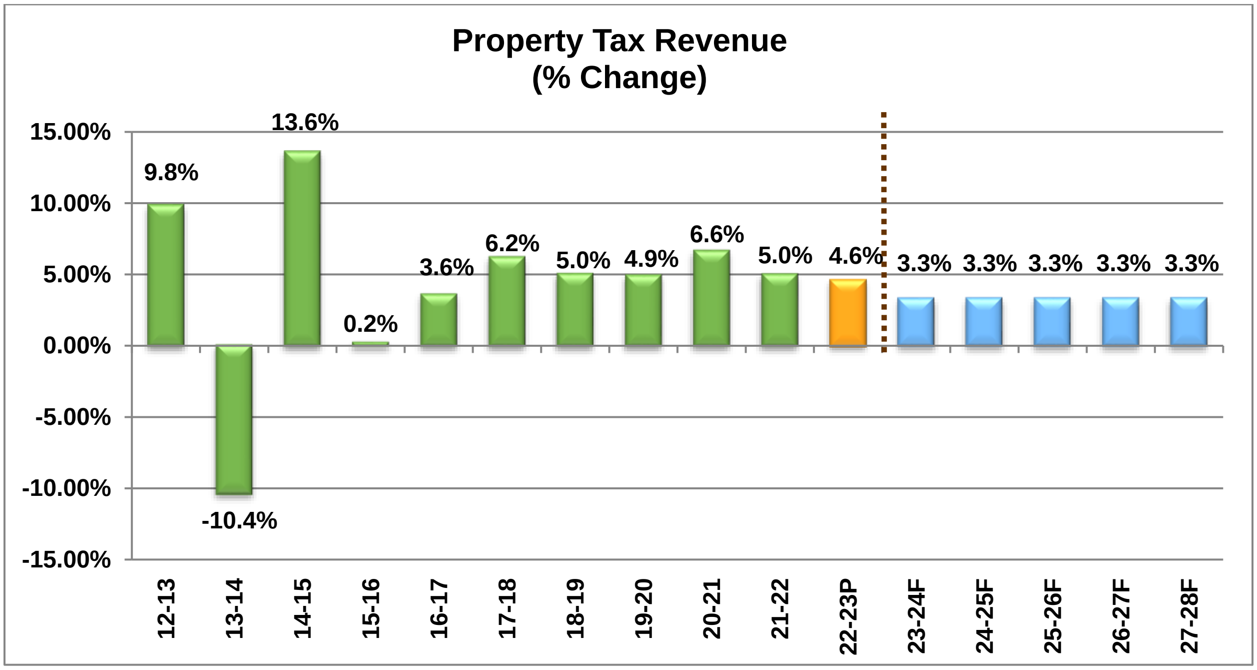
*** FY 2021-22 included use of $21.1M & FY 2022-23 includes use of $10M in OCERS reserves and the FY 2021-22 OC Animal Care repayment were budgeted in Miscellaneous, Budget Control 004, rather than with the General Purpose Revenue.**

**Property Taxes** are the largest and most important source of General Purpose Revenues. From FY 2006-07 to FY 2010-11, property taxes accounted for approximately 80% of all General Purpose Revenues. As of November 2022, property taxes were forecasted to account for almost 94% of all General Purpose Revenues. The following chart illustrates the projected growth of property tax revenues over the forecasted period.




In Orange County, housing prices continued to rise, with a year-over-year 9.1% increase in the median sales price for newly built and existing homes in August 2022, as reported in the California Association of Realtors August Home Sales and Price Report on September 16, 2022. However, as a whole, Orange County sales volume decreased by 30.2% from the prior year which is not projected to negatively impact overall property tax revenues. The Orange County Assessor's Secured Roll of Values for FY 2022-23 includes an increase of 6.4%.

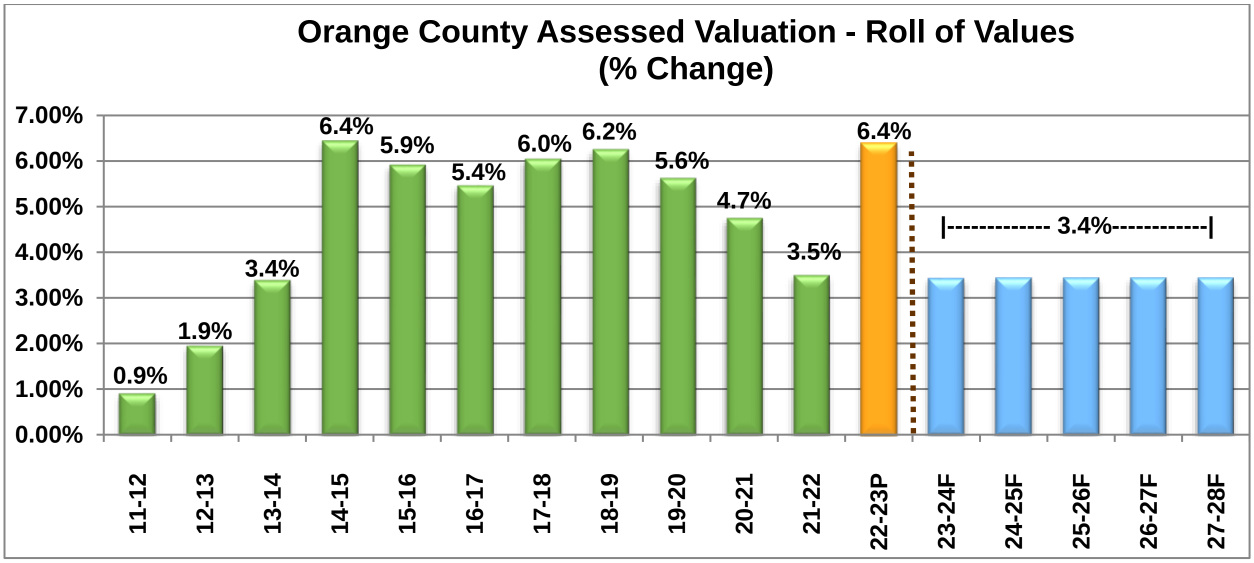
The following chart illustrates the history of property tax revenue growth rates as well as forecasts for the five years of the SFP.




The percentage changes shown in the chart above demonstrate wide property tax variances from FY 2012-13 through FY 2016-17, and the following table provides explanations:

| Fiscal Year | Gross % Change | Adjusted % Change | Variance Explanation |
|---|---|---|---|
| 2012-13 | + 9.8% | + 12.1% | Gross % includes SB8 funds of $50 million and VLFAA retention of $75.0 million |
| 2013-14 | - 10.4% | + 10.7% | Adjusted % change assumes exclusion of VLFAA revenue impacts |
| 2014-15 | + 13.6% | + 5.7% | Gross % includes one-time Teeter Penalty Tax Loss Reserves of $46.7 million |
| 2015-16 | + 0.2% | + 5.8% | Gross % includes a net decrease of $35.0 million due to prior year and current year one-time Teeter Penalty Tax Loss Reserves adjustments |
| 2016-17 | + 3.6% | + 5.4% | Gross % includes a decrease of $11.6 million in prior year one-time Teeter Penalty Tax Loss Reserves adjustments |

The following chart illustrates historical percentage changes in the Assessment Roll of Values based on the Orange County Assessor's annual press release. The chart also exhibits projected increases in the secured roll over the forecasted period.



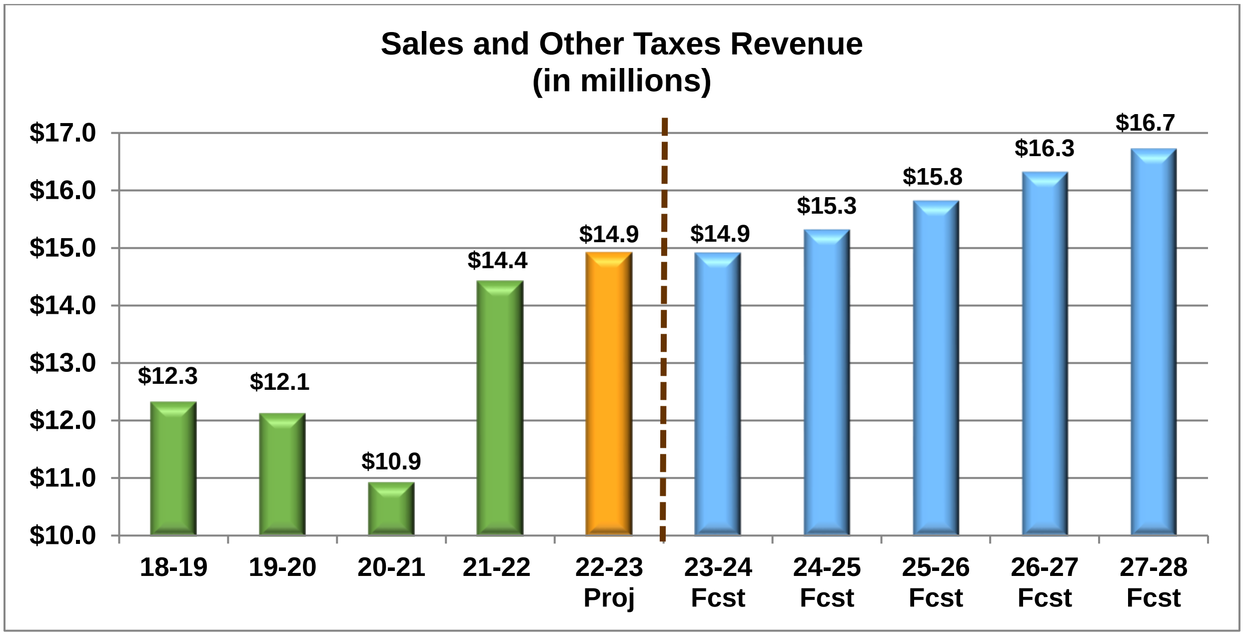

Projections for FY 2023-24 through FY 2027-28 were developed early in the SFP process and incorporated review of economic trends and data. The current SFP projects growth in secured revenue of 6.5% and unsecured revenue of 1.7% in FY 2022-23. The Assessed Roll of Values is potentially affected by new construction, the current commercial market climate, and economic impacts from unemployment, financing, and foreclosures.

**Property Tax Administration Fees** revenue ranges from $22.4 million to $24.7 million annually in the forecast period, averaging 2.3% of total Property Tax Revenue.

**Sales & Other Taxes** revenue is mostly comprised of sales and other taxes from unincorporated county areas, as well as aircraft tax revenues. Sales tax is levied on purchases and certain leases that occur in unincorporated county areas. Use tax is also collected on items purchased for business use and on taxable property purchased without paying California tax if the use of the property is not for resale. Exemptions to the sales tax generally include food for home consumption, prescription drugs, and electricity.

The County's sales tax revenue does not incorporate the half-cent tax levied for Public Safety. The Public Safety Sales Tax is distributed separately and is restricted for public safety uses. Sales and Other Taxes revenue on average comprise less than 2% of total

General Purpose budgeted revenues. Forecasted sales tax revenues take into consideration the continued slow, below trend growth in the economy.

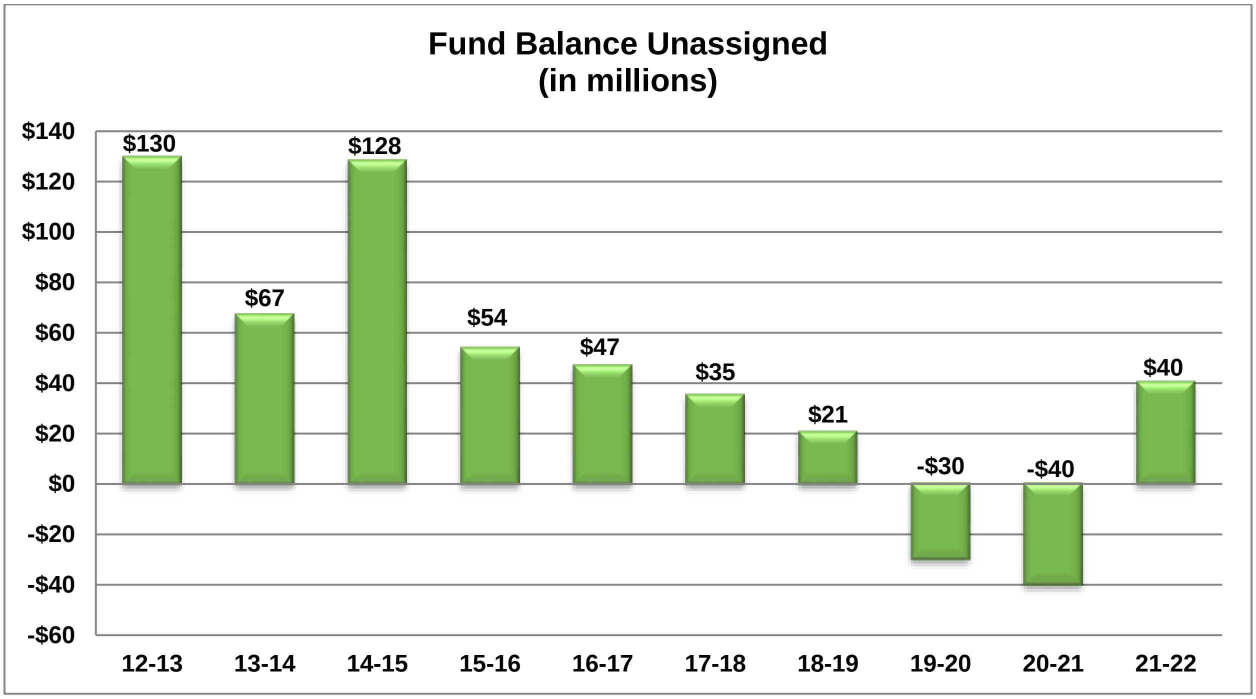



**Interest income** is earned on public funds County funds invested by the Treasurer-Tax Collector in compliance with criteria in the Investment Policy Statement approved annually by the Board of Supervisors. The duration of these pooled investments as of September 30, 2022 was 0.63 years (230 days). Interest income yields for FY 2022-23 have significantly increased from last fiscal year due to the Federal Open Market Committee (FOMC) sharply raising short-term interest rates from 0.00% to 4.00% as of November 2, 2022 and have also caused the yield curve to invert. The FOMC anticipates additional rate increases in calendar year 2022 and 2023. Based on the current FOMC rate range of 3.75% to 4.00% and no new rate increases, the apportionment yield for FY 2022-23 is forecasted to be 1.80% and a higher apportionment yield forecast for FY 2023-24. However, if short-term rates continue to rise as anticipated by the FOMC, the yield is expected to further rise in both this and next fiscal year.

**Other General Fund Sources** include transfers in from the Teeter debt service fund (Teeter), OC Animal Care Center loan repayment and use of OCERS Investment Account reserves. In FY 2022-23, the County budgeted transfers in primarily from the Teeter fund and OC Animal Care Center loan repayment at $6 million and $2.5 million, respectively. Over the five years of the SFP, projections of annual transfers in from the Teeter fund are $6 million per year, while projections of annual transfers in for the OC Animal Care Center loan repayment are $2.5 million per year through FY 2025-26. In addition, the County General Fund can draw from the OCERS Investment Account reserves toward the cost of retirement. The actual draw was $10 million in FY 2022-23 and is projected at $10 million per year for all five years of the SFP beginning with FY 2023-24; however, actual use of the OCERS Investment Account reserves is determined annually and contingent upon earning sufficient investment returns, without impacting the principal balance.

**Fund Balance Unassigned (FBU)** is the final component accounted for in the revenue projection for FY 2022-23. If expenditures occurred as planned in the annual budget, FBU would be zero. However, variances in projections of revenues and expenditures result in positive or negative balances recorded as increases or decreases to obligated fund balance. In FYs 2012-13 and 2014-15, receipt of one-time revenues positively affected the FBU balances. However, since FY 2015-16 FBU balances have been on a downward trajectory falling from $54 million in FY 2015-16 to $21 million in FY 2018-19 as costs of doing business outpace revenue growth and departments are unable to achieve prior levels of savings. In FY 2019-20 and FY 2020-21, due to the COVID-19 pandemic FBU was a negative $30 million and $40 million respectively, necessitating a draw from contingency and budget stabilization reserves to balance the General Fund. In FY 2021-22, through responsible fiscal management, strategic planning and prudent allocation of resources, FBU closed with a positive balance of $40 million, which was transferred to the Budget Stabilization Reserve to meet Government Finance Officers Association recommended target for FY 2022-23.

As approved by the Board with adoption of the FY 2010-11 Annual Budget, any positive year-end General Fund FBU is transferred to Obligated Fund Balance Assigned. Due to continued moderate growth, the County projects a FBU forecast of $0 for all five years of the forecast period.




Note: In FY 2012-13, total FBU of $130 million less State payback, budgeted reserve draw, and one-time RDA revenue leaves net FBU of $29 million. FY 2014-15 FBU includes $47M in one-time Teeter-related revenue and a $49M one-time SB90 reimbursement from the State.

## Conclusion

The County's General Purpose Revenues are projected to grow in the current fiscal year and increase slightly over the five years of the SFP. Growth is expected to be moderate and below prior peak experience. The County uses approximately 88% of the General Purpose Revenue to meet its mandated services or provide required funding to meet state and federal grant and allocation requirements.

## Other Revenue Sources Forecast

**Introduction**

In addition to the General Purpose Revenue forecast, discussed in the previous section, the County's Strategic Financial Plan (SFP) includes a wide variety of other financing sources. Key revenue sources comprise approximately 96% of the County's total funding for the 2022 SFP and include (listed from greatest to least):

1. Intergovernmental Revenues
2. Charges for Services
3. Other Financing Sources
4. Miscellaneous Revenues
5. Tax Revenue

Departments prepare revenue projections using various tools and techniques, including institutional forecasts, national, state and local economic indicators, trend analysis, and outside consultants. Projections for FY 2023-24 through FY 2027-28 were developed at the beginning of the SFP process and due to continued uncertainty in the economy and volatility in various revenue sources, the SFP projections are monitored closely and may be modified, if needed, during the FY 2023-24 annual budget development process.

**Other Revenue Sources Forecast**

**Intergovernmental Revenues** are monies obtained from federal, state, and local governments and can include grants for use in performing specific functions, shared taxes, and contingent loans and advances. State and federal sources are estimated by departments based on established funding allocation formulas, caseload projections, and the latest state and federal budget information. The estimated intergovernmental revenues are projected at $3.1 billion for FY 2023-24. Over the first two years of the SFP, intergovernmental revenues are projected to remain flat at $3.1 billion, slightly decrease to $3.0 billion in years three and four and then increase back to $3.1 billion in year five.

The following table provides details of the ongoing intergovernmental revenues forecast over the five-year SFP:

(Amounts in Millions)

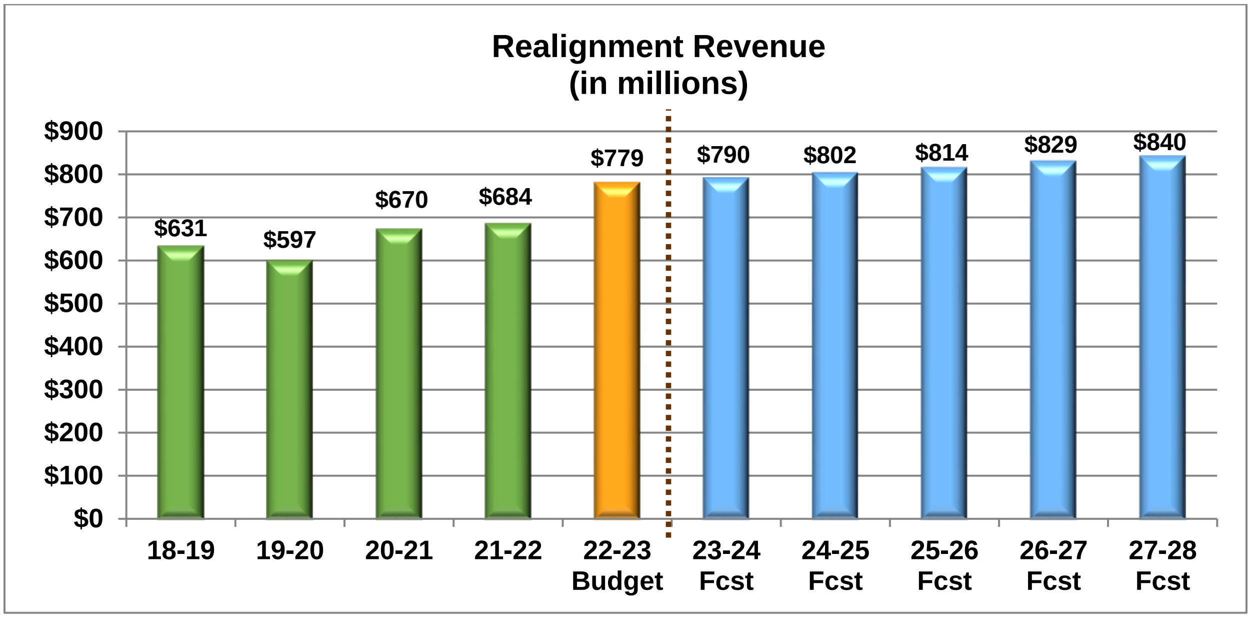
| Revenue Type | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
|---|---|---|---|---|---|
| Intergovernmental Revenue | $ 3,126.3 | $ 3,052.5 | $ 3,030.9 | $ 2,999.1 | $ 3,050.2 |

Major County intergovernmental revenues include:

- **Realignment** revenue is a major and important revenue source for multiple County departments such as the Health Care Agency, Social Services Agency, Sheriff-Coroner Department, District Attorney – Public Administrator, Probation and Public Defender. There have been three legislative acts whereby programs and services were realigned to the County level with funding provided and limited to those realigned services. The following provides a brief summary:
  - 1991 Realignment – In FY 1991-92, the State approved the Health & Welfare Realignment Program which involved a shift of fiscal and programmatic responsibilities for many health and human services from the State to the counties. This shift was funded through a corresponding shift of new dedicated Sales Tax and Vehicle License Fee revenues.
  - 2011 Realignment – Part of the FY 2011-12 Budget plan, the State enacted another major shift of fiscal and programmatic responsibilities for various criminal justice, mental health, and social services programs from the State to the counties. This shift was funded through a corresponding shift of existing state and local tax revenues.
  - Juvenile Justice Realignment – On September 30, 2020, Senate Bill (SB) 823, Juvenile Justice Realignment: Office of Youth and Community Restoration, was chaptered. This legislation realigned the responsibility of the youth formally eligible to serve commitments at the Department of Juvenile Justice to the counties' juvenile corrections systems to serve their custodial commitments within their home counties and undergo in-custody program/treatment and receive transitional/reentry services as ordered by the Juvenile Court.

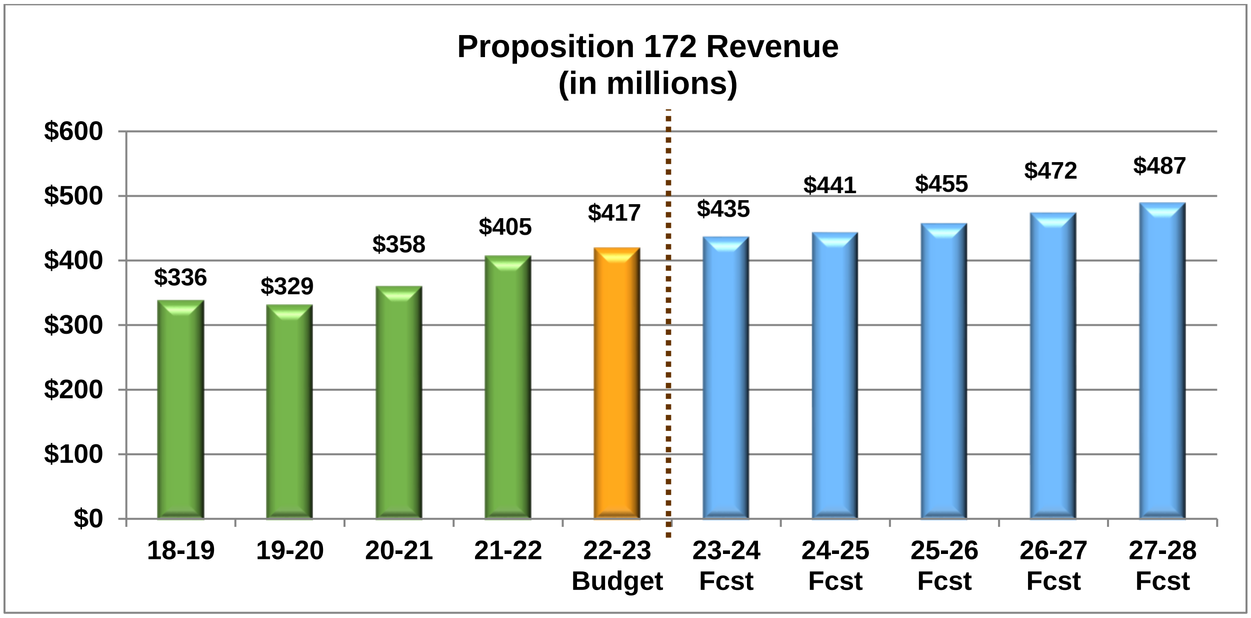
  Realignment revenue is purpose restricted to support and sustain State mandated programs. This revenue stream fluctuates with the economy, but based on current trends, Realignment revenue is projected at $789.9 million in FY 2023-24. Over the next five years, the ongoing revenue growth forecast, on average, is about 1.5% annually, and reaches over $840.3 million in FY 2027-28.

  The following chart illustrates the history of Realignment revenue growth as well as forecasts for the five years of the SFP.



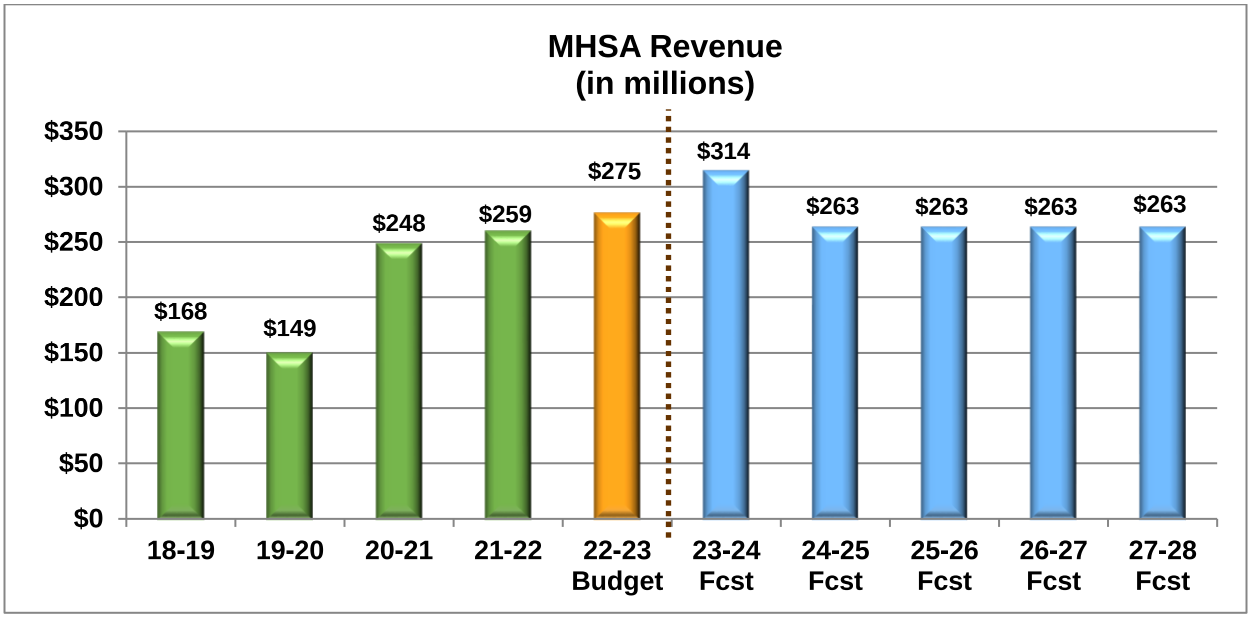

- **The Public Safety Sales Tax (Proposition 172)** is a half-cent sales tax revenue and is a significant revenue source for the OC District Attorney (OCDA) and Sheriff-Coroner Department (OCSD). The County's Public Safety Sales Tax revenue is distributed to OCDA (20%) and OCSD (80%) separately and is restricted for public safety uses. Forecasted Proposition 172 revenue takes into consideration the continued below trend growth in the economy. Based on current trends, Proposition 172 revenue is projected at $434.6 million in FY 2023-24. Over the next five years, the ongoing revenue growth forecast, on average, is about 3.1% annually, and reaches over $487.2 million in FY 2027-28.

  The following chart illustrates the history of Proposition 172 revenue growth as well as forecasts for the five years of the SFP.




- **Mental Health Services Act (MHSA)** – In 2004, California voters approved Proposition 63 and the MHSA was enacted in 2005 by placing a one percent tax on personal income above $1 million. This funding is restricted for county mental health programs for all populations: children, transitional age youth, adults, older adults, families, and, most especially, the unserved and under-served. In addition, this funding is also designed to provide a wide range of prevention, early intervention, and treatment services, including the necessary infrastructure, technology, and enhancement of the mental health workforce to support it. Based on current trends, MHSA revenue is projected at $313.8 million in FY 2023-24; however, in year two of the SFP, MHSA revenue is projected to decline and then remain leveled through year five of the SFP.

  The following chart illustrates the history of MHSA revenue growth as well as forecasts for the five years of the SFP.




**Charges for Services** include revenues received for contract law enforcement services and County-provided services, such as mental health, institutional care, health, road and street, and sanitation. Fees and charges recover the cost of services provided and ensure services continue in the future. Charges for services are projected at $1.0 billion in FY 2023-24. Over the next five years, the ongoing charges for services revenue growth forecast, on average, is about 1.7% annually, and reaches $1.1 billion in FY 2027-28.

The following chart illustrates the projected growth of Charges for Services revenue over the five years of the SFP.

(Amounts in Millions)

| Revenue Type | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
|---|---|---|---|---|---|
| Charges for Services | $ 1,014.4 | $ 1,040.4 | $ 1,052.0 | $ 1,064.0 | $ 1,072.9 |

**Other Financing Sources** consist of transfers between county funds and long-term debt proceeds, both of which can vary significantly annually depending on departmental funding needs, particularly related to capital projects and debt service. Other financing sources are projected at $655.1 million in FY 2023-24. Over the next five years, the Other Financing Sources are projected to decline slightly to an estimated $642.4 million in FY 2027-28.

(Amounts in Millions)

| Revenue Type | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
|---|---|---|---|---|---|
| Other Financing Sources | $ 655.1 | $ 660.7 | $ 633.1 | $ 630.7 | $ 642.4 |

**Miscellaneous Revenues** are mostly comprised of tobacco or other settlements, other sales, welfare repayments, insurance premiums, principal payment on demand bonds and money or other assets donated, paid or transferred to the County from private agencies, persons or other sources. The estimated miscellaneous revenues are projected at $472.1 million in FY 2023-24. Over the next five years, the ongoing miscellaneous revenue growth forecast, on average, is about 4.3% annually, and reaches $605.9 million in FY 2027-28.

(Amounts in Millions)

| Revenue Type | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
|---|---|---|---|---|---|
| Miscellaneous Revenues | $ 472.1 | $ 500.2 | $ 533.9 | $ 570.2 | $ 605.9 |

Miscellaneous revenues also include:

- **Opioid Abatement Funds** – The County is scheduled to receive an estimated $3.4 million annually for 18 years, pursuant to the Nationwide Settlement of Claims against Opioids Distributors agreement. This allocation includes the County's allotment plus the allotment of 16 cities within County boundaries that have elected to reallocate their funds to the County. The Opioid remediation funds shall be used towards various abatement strategies including prevention, education, and intervention by leveraging current systems and infrastructure for maximum benefit for the community. The following plan has been developed to address the opioid crisis in Orange County:
    - Addressing the needs of criminal justice-involved individuals with Opioid Use Disorder (OUD) by providing Medicated Assisted Treatment (MAT) and offering recovery support via transition to continued MAT upon release along with harm reduction support.
    - Addressing the needs of pregnant or parenting women and their families, including babies with neonatal abstinence syndrome by providing perinatal services and support for OUD moms and affected babies through referrals received from Maternity Wards in Orange County. This strategy will help meet federal requirements of Plan of Safe Care (POSC) for infants with prenatal substance exposure.
    - Preventing misuse of opioids through evidence-based or evidence-informed strategies specific to adults and juveniles by leveraging and adding onto current

substance use disorder prevention campaigns such as the award-winning Life is Greater than Drugs campaign.
- Preventing overdose deaths and other opioid related harms through evidence-based or evidence-informed strategies that include training and education for the community and purchase and distribution of free overdose prevention kits.

The initial plan was developed based on prevention strategies to address the OUD in the County and to ensure resources are deployed to communities with highest risk first. These strategies meet the OUD and opioid overdose needs of Orange County by focusing on the most critical issues such as education, prevention, perinatal interventions and community awareness campaigns by leveraging current resources for mental health and recovery services and from community coalitions. In addition, the plan aligns with a critical component in the County's 2025 Vision for OC CARES, Justice through Prevention and Intervention.

**Tax Revenues** consist of property tax, sales and use tax, Mello-Roos taxes for Community Facilities Districts, and other tax revenues. For SFP purposes, the tax revenue forecast included in this section is net of General Fund property tax revenue, which is included in the *General Purpose Revenue* forecast. The estimated tax revenues are projected at $333.3 million in FY 2023-24. Over the next five years, the ongoing tax revenue growth forecast, on average, is about 1.1% annually, and reaches $372.4 million in FY 2027-28.

The following chart illustrates the projected growth of tax revenues over the forecasted period.

(Amounts in Millions)

| Revenue Type | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
|---|---|---|---|---|---|
| Tax Revenue | $ 333.3 | $ 342.7 | $ 355.5 | $ 360.5 | $ 372.4 |

## Conclusion

The County projects revenues to grow in the current fiscal year and increase slightly over the five years of the SFP. The growth is expected to be moderate and below prior peak experience and is monitored on a continuous basis to allow for budgetary modifications, as needed.

## Plan Summary

The Strategic Financial Plan Summary provides a high-level overview of forecasted sources and uses of funding supporting general County operations and obligations. Sources of funding include Fund Balance Unassigned and General Purpose Revenues (discussed in detail in the *General Purpose Revenue Forecast* section of this document). The Fund Balance Unassigned projection is zero in each of the five years of the SFP.

The Planned Use of Reserves portion of the summary indicates reserve draws for previously approved priorities and projects, for which funds were set aside for future use. Typical use of Reserves is for one-time needs, such as large, multi-year capital projects. The Planned Increases to Reserves section of the summary indicates increases to reserves anticipated over the five Plan years.

Net County Cost (NCC) Limits, established at the beginning of the Strategic Financial Plan process, are set for ongoing baseline operations (current levels of service). NCC Limit growth is 0% for all five Plan years (FY 2023-24 through FY 2027-28) and increases will be strategically allocated based on need and the County's priorities, rather than as a percentage of base limits.

The reported variance is the result of total General Purpose Revenue (GPR) including transfers in plus draws from reserves and minus the NCC Limits; restoration requests from departments and increases to reserves needed to maintain the County's Budget Stabilization Reserve at the Government Finance Officers Association (GFOA) recommended level of two months of General Fund operating revenue in each of the five Plan years. Departments submit Restore Level of Service Requests when the assigned NCC Limit is insufficient to maintain current service levels. The NCC Limits plus restore level of service requests is the projected funding required to keep current operations and staffing. The variance, inclusive of restore level of service requests, demonstrates either overages or shortfalls in funding availability for departmental operations.

Expand level of service requests include additions of new positions or programs, or higher service levels with funding requirements of less than $1 million in any one year of the SFP. Strategic Priority funding requests are for major initiatives, both programmatic and infrastructure related, not currently addressed in the baseline operations of the County departments, or which have high community awareness, and exceed $1 million in any one year of the SFP. The Strategic Priorities section of this Plan includes further discussion and detail.

## 2022 STRATEGIC FINANCIAL PLAN SUMMARY
## Forecasted Sources and Uses

| | Final FY 2021-22 | Adopted FY 2022-23 | Projected FY 2022-23 | FY 2023-24 |
|---|---|---|---|---|
| **SOURCES** ($ Millions) | | | | |
| **Fund Balance Unassigned (FBU) Beginning** | $0.0 | $0.0 | $0.0 | $0.0 |
| **General Purpose Revenues (GPR)** (1) | | | | |
| Property Taxes (+3.3%, +3.3%, +3.3%, +3.3%, +3.3%) | 908.6 | 919.9 | 950.2 | 981.3 |
| Sales & Other Taxes (-0.2%, 2.6%, 3.2%, 3.1%, 3.0%) | 14.4 | 13.8 | 14.9 | 14.9 |
| Motor Vehicle License Fees | 3.1 | 2.4 | 3.1 | 2.4 |
| Property Tax Administration | 21.7 | 21.1 | 21.9 | 22.4 |
| Franchises and Rents | 2.7 | 2.6 | 2.7 | 2.7 |
| Interest (1.9%, 1.9%, 1.9%, 1.9%, 1.9%) | 6.0 | 5.2 | 14.4 | 6.1 |
| Miscellaneous | 2.9 | 1.7 | 1.7 | 1.7 |
| ***Subtotal - GPR before Transfers In*** | ***$959.2*** | ***$966.8*** | ***$1,009.0*** | ***$1,031.4*** |
| Transfers In | 0.0 | 8.5 | 2.5 | 8.5 |
| Use of OCERS (2) | 0.0 | 0.0 | 0.0 | 10.0 |
| **Total GPR (excluding FBU/Use of Reserves)** | **$959.2** | **$975.3** | **$1,011.5** | **$1,049.9** |
| **Planned Use of Reserves** | | | | |
| Catastrophic Event Contingencies (9741) | 0.0 | 0.0 | 0.0 | 0.0 |
| Reserve for Maintenance & Construction (9743) | 1.1 | 0.0 | 0.0 | 0.0 |
| Reserve for Capital Projects (9744) (3) | 0.0 | 0.0 | 0.0 | 0.0 |
| Reserve for Budget Stabilization (9745)(4) | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total Planned Use of Reserves** | **$1.1** | **$0.0** | **$0.0** | **$0.0** |
| **GRAND TOTAL - SOURCES** | **$960.3** | **$975.3** | **$1,011.5** | **$1,049.9** |
| **Planned Increases to Reserves** | | | | |
| Assigned Reserve (9740) | 0.0 | 0.0 | 0.0 | 0.0 |
| Catastrophic Event Contingencies (9741) (3) | 39.8 | 0.0 | 55.0 | 34.7 |
| Reserve for Capital Projects (9744) (2) | 2.6 | 2.5 | 2.5 | 2.5 |
| Reserve for Budget Stabilization (9745) (3) | 47.7 | 0.0 | 40.2 | 22.5 |
| **Total Planned Increases to Reserves** | **$90.0** | **$2.5** | **$97.8** | **$59.8** |
| **USES** ($ Millions) | | | | |
| **NCC Limits [0%, 0%, 0%, 0%, 0%]** | **$800.9** | **$972.8** | **$972.8** | **$955.6** |
| Restore Level of Service Requests | | | | 28.7 |
| **NCC Limits Plus Reserve Increases & Restore Level of Service** | | | | **$1,044.1** |
| Variance Including Restore Requests | | | | 5.9 |
| Cumulative Variance | | | | 5.9 |
| Expand Level of Service Requests | | | | 2.4 |
| Strategic Priority Requests | | | | 82.7 |
| **Total Restore, Expand & Strategic Priority Requests** | | | | **$113.9** |

**Notes:**

(1) Beginning in FY 2022-23, up to $4.4 million in additional revenue may be available due to various real estate initiatives.

(2) FY 2022-23 includes use of $10 million in OCERS reserves, budgeted in Miscellaneous Fund, Budget Control 004 rather than with the General Purpose Revenue.

(3) Annual repayment from participating cities for the OC Animal Care Center is projected at $2.5 million per year, through FY 2025-26, and will be used to replenish the General Fund Capital projects reserve.

(4) The County will continue to strategically increase the Budget Stabilization & Contingencies Reserves to maintain the GFOA recommended target in all five years of the Plan. The County anticipates using General Purpose Revenue growth to increase reserves; however, Federal Emergency Management Agency (FEMA) revenues could be used instead if received in the denoted fiscal year.

## 2022 STRATEGIC FINANCIAL PLAN SUMMARY
## Forecasted Sources and Uses

| FIVE-YEAR FORECAST | | | | |
|---|---|---|---|---|
| FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | |
| | | | | **SOURCES** ($ Millions) |
| | | | | |
| $0.0 | $0.0 | $0.0 | $0.0 | **Fund Balance Unassigned (FBU)** |
| | | | | |
| | | | | **General Purpose Revenues (GPR)** |
| 1,013.4 | 1,046.7 | 1,081.1 | 1,116.8 | Property Taxes (+3.3%, +3.3%, +3.3%, +3.3%, +3.3%) |
| 15.3 | 15.8 | 16.3 | 16.7 | Sales & Other Taxes (-0.2%, 2.6%, 3.2%, 3.1%, 3.0%) |
| 2.4 | 2.4 | 2.4 | 2.4 | Motor Vehicle License Fees |
| 23.3 | 23.7 | 24.2 | 24.7 | Property Tax Administration |
| 2.7 | 2.7 | 2.7 | 2.7 | Franchises and Rents |
| 6.2 | 6.3 | 6.5 | 6.6 | Interest (1.9%, 1.9%, 1.9%, 1.9%, 1.9%) |
| 1.7 | 1.7 | 1.7 | 1.7 | Miscellaneous |
| ***$1,065.0*** | ***$1,099.3*** | ***$1,134.8*** | ***$1,171.5*** | ***Subtotal - GPR before Transfers In*** |
| 8.5 | 8.5 | 6.0 | 6.0 | Transfers In |
| 10.0 | 10.0 | 10.0 | 10.0 | Use of OCERS |
| **$1,083.5** | **$1,117.8** | **$1,150.8** | **$1,187.5** | **Total GPR (excluding FBU/Use of Reserves)** |
| | | | | |
| | | | | **Planned Use of Reserves** |
| 0.0 | 0.0 | 0.0 | 0.0 | Catastrophic Event Contingencies (9741) |
| 0.0 | 0.0 | 0.0 | 0.0 | Reserve for Maintenance & Construction (9743) |
| 0.0 | 0.0 | 0.0 | 0.0 | Reserve for Capital Projects (9744) |
| 0.0 | 0.0 | 0.0 | 0.0 | Reserve for Budget Stabilization (9745) |
| **$0.0** | **$0.0** | **$0.0** | **$0.0** | **Total Planned Use of Reserves** |
| | | | | |
| **$1,083.5** | **$1,117.8** | **$1,150.8** | **$1,187.5** | **GRAND TOTAL - SOURCES** |
| | | | | |
| | | | | **Planned Increases to Reserves** |
| 0.0 | 0.0 | 0.0 | 0.0 | Assigned Reserve (9740) |
| 5.0 | 5.2 | 5.3 | 5.5 | Catastrophic Event Contingencies (9741) |
| 2.5 | 2.5 | 0.0 | 0.0 | Reserve for Capital Projects (9744) |
| 9.4 | 12.1 | 14.3 | 13.0 | Reserve for Budget Stabilization (9745) |
| **$17.0** | **$19.7** | **$19.7** | **$18.5** | **Total Planned Increases to Reserves** |
| | | | | |
| | | | | **USES** ($ Millions) |
| | | | | |
| **$953.2** | **$957.4** | **$954.2** | **$958.3** | **NCC Limits [0%, 0%, 0%, 0%, 0%]** |
| | | | | |
| 44.1 | 44.1 | 40.9 | 42.9 | Restore Level of Service Requests |
| | | | | |
| **$1,014.2** | **$1,021.3** | **$1,014.7** | **$1,019.6** | **NCC Limits Plus Reserve Increases & Restore Level of Service** |
| | | | | |
| 69.3 | 96.5 | 136.1 | 168.0 | Variance Including Restore Requests |
| 75.1 | 171.7 | 307.7 | 475.7 | Cumulative Variance |
| | | | | |
| 2.1 | 2.1 | 2.0 | 2.1 | Expand Level of Service Requests |
| 155.8 | 120.9 | 117.5 | 112.7 | Strategic Priority Requests |
| | | | | |
| **$201.9** | **$167.1** | **$160.4** | **$157.7** | **Total Restore, Expand & Strategic Priority Requests** |

# Financial Plans, Policies and Oversight

## Introduction

The County implemented a number of financial plans, policies and oversight tools to strengthen its internal controls. These tools continue to be refined and are embedded in the County's robust financial management processes. The following provides a brief description of these tools.

## Plans

### Board of Supervisors Long-Term Strategic Priorities

In 2012 and reaffirmed in 2015, the Board of Supervisors (Board) adopted long-term Strategic Priorities. These priorities are included in the annual budget adopted by the Board each year. They provide a framework and serve as the basis for budget recommendations. The three long-term financial-related priorities include: Stabilize the Budget, Prepare for Contingencies, and Address and Fund Agency Infrastructure.

### Strategic Financial Plan (SFP)

In 1997, the County initiated an annual strategic financial planning process that includes a five-year revenue and expense forecast as well as identification of strategic priorities and emerging initiatives. This process provides a framework for testing budget assumptions and aligning available resources with operating requirements. In testing assumptions, the SFP serves as the basis for the development of the upcoming fiscal year budget. Additionally, the SFP includes capital and information technology (IT) project proposals facilitating early evaluation of project viability and economic feasibility. Finally, a ten-year forecast for strategic priorities is used in the SFP to assess the County's ability to fund new programs, initiatives, and priorities requiring more than one million dollars in any one year of the SFP.

### Capital Improvement Plan

The County and its departments develop the following capital improvement plans:

- The SFP Capital Improvement Plan is developed each year with a five-year projection of capital needs for projects requiring general funds and for department-funded projects. Projects requiring general funds are reported in a summary format and department-funded projects, reported with brief detail, typically include Sheriff, Social Services Agency, County Tidelands – Newport Bay, OC Dana Point Harbor, OC Public

Libraries, OC Parks, OC Road, OC Flood, OC Waste & Recycling, John Wayne Airport, and OC Information Technology.

- OC Public Works in collaboration with OC Community Resources, develops a Seven-Year Capital Improvement Program (CIP) for OC Road, OC Flood, OC Parks and OC Public Libraries projects in preparation of the upcoming fiscal year's budget. Inclusion of a project in the CIP indicates the County's plan to develop and construct the project. However, implementation is always subject to funding and resource availability. The plan is presented to the Board for approval.

- OC Parks submitted the first Strategic Plan (Plan) to the Board in 2007 to define its mission, vision and values in addition to evaluating issues of open space stewardship, capital and maintenance funding, and identification of the department's core function. In January 2017, the Board approved a consultant contract to assist OC Parks with development of an updated Plan to build on the existing Plan and to refine the vision, mission and values as well as identify long-term strategic goals. The Board approved the revised Plan on December 4, 2018.

Information Technology Plan

The County compiles a five-year Information Technology (IT) Plan of significant IT projects as part of the SFP. The projects include both those requesting General Funds from Data Systems Development Projects, Budget Control 038, as well as proposed projects funded by non-General Fund sources. This document is updated annually with the SFP to reflect the changing needs and fiscal outlook of the County.

## Policies

In addition to the following formal policies, the County exercises a "No Backfill" policy with regard to programs funded by specific grants or by the state or federal government sources. These programs are sized to the level of funding available unless a Maintenance of Effort requirement exists.

Budget Development Policies

The Annual Budget includes a description of budget policies and guidelines used by all departments in developing their budgets. Chief among the requirements is consistency with the Strategic Financial Plan as well as uniform projections of salaries and benefits.

Debt Management Policy

The County's Debt Management Policy provides guidance for the issuance of bonds and other forms of indebtedness to finance capital improvements, acquire equipment, improve cash flow, and meet other identified needs. The Board approved the initial Debt Management Policy on December 6, 2016, as included in the 2016 Strategic Financial Plan, and approved the most recent amendments to the policy on June 4, 2019. Each year, the Strategic Financial Plan includes the most recent approved policy.

Funding Allocation Policy and Process (FAPP) for Distributing Federal Housing and Community Development Funds

The FAPP outlines the methods used by the Urban County Program to distribute federal and local funds to applicants that request funding for housing and community development activities benefitting low and moderate-income communities and individuals. The Board approves the FAPP on an annual basis.

Information Technology Governance Policy

Central to the IT Policy is a governance structure that includes CEO advisory committees representing end users, technology experts, and department heads. The governance policy addresses IT issues impacting the public, staff, and investments. IT investments in excess of $150,000 annually are subject to review through the IT governance process. The policy fosters quality, innovative, fiscally responsible, and secure IT solutions that support the County's business needs as a whole, now and into the future.

Investment Policy Statement

Each calendar year, the Board approves an Investment Policy Statement and delegation of authority, which authorizes the Treasurer-Tax Collector to invest public funds for the year.

Pension Funding

The County participates in the Orange County Employees Retirement System (OCERS) and is committed to contributing the full Annual Required Contribution (ARC) for retirement to OCERS. The full payment is considered mandatory when developing the County's annual Strategic Financial Plan and budget. When offered by OCERS and determined to be in the best financial interest of the County and approved by the Board, the County takes advantage of the OCERS Contribution Prepayment Program, which provides a discount to the County that reduces the cost of the ARC for the full advance payment. The OCERS Board has established policies related to administration of the retirement system found at https://www.ocers.org/board-charters-and-policies.

Position Policy
The Position Policy, established in 2016, provides guidance to departments seeking to add new positions, fill vacancies, as well as establishes conditions under which aged positions will be deleted. In addition, the Board approved a vacant position policy effective July 1, 2018 to establish a standard protocol for managing vacant positions not filled within a reasonable period of time. Positions vacant for more than twelve months, or eighteen months in the case of public protection positions, are automatically deleted.

Reserves Policy

The County's General Fund Reserves Policy provides guidance in the creation, maintenance, and use of reserves. The policy covers formal and informal reserves and includes provisions for reserves such as appropriations for contingencies, reserve-like appropriations, and reserve-like funds held by others such as the OCERS Investment Account. The policy also recognizes whether funds are legally required or discretionary or have special restrictions. The County's Reserves Policy is presented annually to the Board in the Strategic Financial Plan.

**Oversight**

Audit Oversight Committee
In 1995, the Board established the Audit Oversight Committee (AOC) as an advisory committee to the Board on issues related to the County's Internal Audit function and the County's external audit coverage including financial statements and federal and state audits. The AOC assists the Board in ensuring the independence of the Internal Audit functions, reviews and recommends approval of the Internal Audit Department's Annual Audit Plan, reviews internal audit reports, and guarantees that corrective action is taken on audit findings.

Public Financing Advisory Committee
The Board established the Public Financing Advisory Committee (PFAC) in 1996. The purview of PFAC includes review and recommendation of all proposed public financings, and selection of financing professionals engaged in public financings.

Treasury Oversight Committee
The Board established the Treasury Oversight Committee (TOC) in 1995. The TOC reviews and monitors the annual investment policy prepared by the Treasurer, ensures an annual audit is conducted to determine the Treasurer's compliance with the Investment Policy Statement, submits an annual report to the Board regarding the Treasurer's compliance with governing laws and policies, and investigates any identified irregularities in the Treasurer's operations.

# Reserves Policy

**Obligated Fund Balances and Reserves Available to the General Fund**

**Introduction**

The County of Orange General Fund Reserves Policy provides guidance in the creation, maintenance and use of reserves. The policy covers formal and informal reserves and includes provisions for reserves such as appropriations for contingencies, reserve-like appropriations, and reserve-like funds held by others such as the OCERS Investment Account. The policy also recognizes whether funds are legally required or discretionary or have special restrictions.

The importance of having and maintaining healthy reserve balances became evident during the Great Recession and more recently with the COVID-19 pandemic. Temporary utilization of fund balance or reserves aided departments in offsetting decreases in revenue growth, funding reductions from various sources, and accommodating increased costs of doing business.

The General Fund Reserves policy strategy is to provide flexibility to the County and offer:

- Resources to address unanticipated or cyclical economic conditions.
- Resources for emergencies and/or catastrophic events.
- Mitigation of the volatility of revenues and expenditures in managing temporary cash flow shortages.
- Capacity to cover unexpected large one-time expenses and opportunities.
- Capacity to fund capital investments.
- Capacity to minimize borrowing costs.
- Capacity to provide some level of protection against statutory changes to County revenues and impacts from Federal and State actions.

The County has a variety of reserve funds available to both the General Fund and Non-General Funds including:

- Fund Balance Assigned for Contingencies – This reserve was established through the Strategic Financial Plan process for the purpose and use of covering unanticipated and severe economic downturns, major emergencies, or catastrophes that cannot be covered with existing appropriations. The current target for this reserve is 15% of ongoing annual General Purpose Revenues.

- Fund Balance Assigned for Capital Projects – This reserve was established through the Strategic Financial Plan process for the purpose and use of funding future capital projects, including information technology projects. Funds are withdrawn from this reserve and appropriated in the fiscal year in which the projects are expected to be encumbered or expended.

- Fund Balance Assigned for Maintenance and Construction – This reserve, established through the quarterly budget report process, is for the purpose and use of funding of future construction and maintenance projects. Appropriation of funds withdrawn from this reserve occurs in the fiscal year in which the projects are expected to be encumbered or expended.

- Fund Balance Assigned for Teeter Loss Reserve – On October 28, 2014, Board Resolution 14-096 established this reserve to maintain a balance not less than 25% of the total delinquent secured taxes and assessments for participating entities in the County as calculated by the Auditor-Controller at the end of each fiscal year. This reserve provides flexibility to cover losses that may occur if tax-defaulted property sells for less than the amount necessary to cover outstanding tax and assessment liens on that property. In addition, this reserve may be used to pay down note purchases or cash finance the Teeter plan in the future.

- Fund Balance Assigned for Budget Stabilization – This reserve, established through the quarterly budget report process, ensures prudent reserve levels that are maintained and replenished on a regular basis. The current year target, based on the Government Finance Officers Association's (GFOA) best practice, is set at two months (approximately 17%) of General Fund operating revenues as budgeted in FY 2022-23.

- Reserve-like Appropriations – These are informal reserve amounts annually appropriated in the budget such as the Miscellaneous Contingency Reserve and Annual Leave Payouts.

- Reserve-like Funds – The reserve held by the Orange County Employees Retirement System (OCERS) on behalf of the County and established with the proceeds of the 1994 Pension Obligation Bonds is an example of a reserve-like fund. The purpose and use of this account includes the offset of County retirement expenses and reducing the County's share of the retirement system unfunded liability. Use of this account to offset the County's retirement expenses may free up existing or future General Fund resources for other purposes.

- Department Type Reserves – These are restricted reserves set aside in non-General Funds for specific purposes. Department type reserves are limited to the purpose and use for which the non-General Fund was established.

All the aforementioned reserves customarily are modified at the time of budget adoption (Government Code Section 29085) or at fiscal year-end (in accordance with GASB 54 requirements). Changes to reserve amounts at other times require a 4/5 vote of the Board of Supervisors in order to make such reserves available for appropriation to spend, if needed, during the fiscal year (Government Code Section 29130).

The County has provided for General Fund Obligated Fund Balances, developing specific targets for each reserve type based upon recommendations by GFOA and best practices based upon review of reserve policies implemented by other local governments. The County's policy follows GFOA's current recommendation, which states that, "at a minimum, general-purpose governments, regardless of size, maintain unrestricted fund balance in their General Fund of no less than two months of regular General Fund operating revenues or regular General Fund operating expenditures."

As part of the 2010 Strategic Financial Plan, the Board granted the County Executive Office approval to implement GFOA best practice for funding reserves and to continue reviewing the management of those reserve funds. Regular monitoring of reserves ensures effective control and consolidation of resources, if appropriate, while maintaining proper designations and flexibility. There is no request to change the existing reserve policy with this Strategic Financial Plan.

**Reserve Targets and Descriptions**

Under GFOA recommended practice, the County establishes an overall reserve target, and allocates the calculated target among the classes of obligated fund balances as appropriate. The County may fund more or less to each reserve class, for a variety of reasons such as current financial conditions, the need to set aside for particular goals or directives, the need to bridge one-time gaps, etc. The goal is to ensure regular maintenance and replenishment of a prudent reserve balance.

In implementing the GFOA's best practice, the County elected to establish a funding target based upon two months of General Fund operating revenues to lessen current and future risks such as revenue shortfalls and unexpected expenditures. As such, the current year target is set at two months (approximately 17%) of General Fund operating revenues as budgeted in FY 2022-23 as follows:

| | |
|---|---|
| General Fund Budgeted Revenues FY 2022-23 | $ 4,799,682,237 |
| Less: Non-Operating Items | (479,651,101) |
| Less: One-Time Items – COVID Relief | (587,596,555) |
| Net FY 2022-23 Operating Revenues | 3,732,434,581 |
| Target – 2 Months General Fund Operating Revenues | $ 622,072,430 |

The following table summarizes the current reserves by classification. Due to strategic and prudent allocation of one-time funding and sources, the Budget Stabilization Reserve for FY 2022-23 met the GFOA recommended target of $622,072,430. Going forward, as General Fund budgeted revenues are expected to increase over the five years of the SFP, the goal is to increase the Budget Stabilization and Contingencies Reserves in each year to maintain the GFOA recommended target amounts. Increases to maintain the targets could be achieved by allocation of General Purpose Revenue growth, allocation of one-time funding and sources, re-allocation of specific-use reserve balances, or any combination of the three. The 2022 SFP assumes use of General Purpose Revenue growth each year to meet the target amounts; however, the ability to achieve this will be determined during the annual budget development process.

| | Balance at 6/30/2022 | Changes | | Projected Balance at 6/30/2023 |
|---|---|---|---|---|
| | | Actual | Projected | |
| **Budget Stabilization Reserve** | | | | |
| Reserve for Budget Stabilization | $ 581,822,679 | $ 40,249,751 | $ - | $ 622,072,430 |
| **Budget Stabilization Reserve Target** | **$ 574,287,074** | | | **$ 622,072,430** |
| Stabilization Reserve Over/(Under) Target | $ 7,535,605 | | | $ (0) |
| | | | | |
| **Specific-Use Reserve Classification** | | | | |
| Assigned (9740) | $ 40,249,751 | $ (40,249,751) | $ - | $ - |
| Catastrophic Event Contingencies [Goal = 15% of GPR = $145M] | 65,000,000 | | 55,000,000 | 120,000,000 |
| Reserve for Capital and IT Projects [Goal = $50M] | 47,643,909 | | 2,536,420 | 50,180,329 |
| Reserve for Maintenance & Construction | 6,696,539 | | - | 6,696,539 |
| Teeter Loss Reserve | 30,000,000 | | (30,000,000) | 0 |
| ***Subtotal - General Fund Specific-Use Reserves*** | ***$ 189,590,199*** | ***$ (40,249,751)*** | ***$ 27,536,420*** | ***$ 176,876,868*** |
| **Grand Total - General Fund Total Reserves** | **$ 771,412,878** | **$ -** | **$ 27,536,420** | **$ 798,949,298** |

An alternate approach used by some credit rating agencies is to evaluate the County's available fund balance as a ratio of the General Fund's assigned and unassigned fund balances (from the County's Annual Comprehensive Financial Report [ACFR]) as a percentage of total expenditures. A threshold of 15% of expenditures or greater is considered strong. On a Generally Accepted Accounting Principles (GAAP) basis, the County's percentage in FY 2020-21 was 6% of expenditures and the preliminary percentage for FY 2021-22 is 14%. The County prepays its pension contribution and reports the prepaid amount as Non-Spendable Fund Balance rather than Unassigned Fund Balance in the ACFR as required by Governmental Accounting Standards Board (GASB) Statement Number 54. However, if the prepaid costs for General Fund short term Taxable Pension Obligation Bonds (POB) were to be considered as available, which they are, the percentages change to 19% and 27% for fiscal years 2020-21 and 2021-22 (preliminary), respectively. The following table demonstrates the available fund balance for FYs 2020-21 and 2021-22 (preliminary):

Amounts in thousands

| | 2020-21 ACFR [1] | 2020-21 ACFR [2] | 2021-22 Prelim ACFR [1] | 2021-22 Prelim ACFR [2] |
|---|---|---|---|---|
| Fund Balance | | | | |
| Non-Spendable | $ 515,879 | $ 1,428 | $ 517,721 | $ 2,153 |
| Non-Spendable-POB | | 514,451 | | 515,568 |
| Restricted | 97,998 | 97,998 | 164,954 | 164,954 |
| Assigned | 108,268 | 108,268 | 316,809 | 316,809 |
| Unassigned | 13,582 | 13,582 | 115,651 | 115,651 |
| Total Fund Balances | $ 735,727 | $ 735,727 | $ 1,115,135 | $ 1,115,135 |
| General Fund Expenditures | $ 3,970,479 | $ 3,970,479 | $ 4,155,053 | $ 4,155,053 |
| Calculated % | 6% | 19% | 14% | 27% |

[1] Fund balance amounts in ACFR are calculated by Auditor-Controller based on Generally Accepted Accounting Principles (GAAP)

[2] Calculated % assumes that the non-spendable fund balance associated with the County's short-term Taxable Pension Obligation Bonds (POB) is available, which it is, to the General Fund.

It is important to note that the 2020-21 ACFR numbers were atypical in two particular ways:

1. Unassigned Fund Balance was much lower than in FY 2019-20 due to reserve draws of approximately $80 million necessitated by COVID-19 pandemic relief spending not yet offset by pending Federal Emergency Management Agency (FEMA) revenues. Regardless, since then and prior to FY 2021-22 year-end close, through responsible fiscal management, strategic planning and prudent allocation of resources the County was able to replenish its reserve draws.
2. General Fund Expenditures were substantially higher than in the prior year due to one-time Coronavirus Aid, Relief, and Economic Security Act (CARES) and American Rescue Plan Act of 2021 (ARPA) expenditures totaling approximately $480 million (not adjusted for GAAP).

If the FY 2020-21 ACFR numbers were adjusted for the differences in Fund Balance Unassigned (from $735,727 to $815,353) and General Fund Expenditures (from $3,970,478 to $3,490,264) the calculated percentages would be 9% and 23% respectively.

## General Fund Obligated Fund Balances

Obligated Fund Balances are formal reserves and currently include Fund Balance Assigned for Contingencies, Fund Balance Assigned for Operations, Fund Balance Assigned for Capital and IT Projects, Fund Balance Assigned for Maintenance and Construction, Fund Balance Assigned for Teeter Loss Reserve and Fund Balance Assigned for Budget Stabilization. The reserves defined in the following pages are General Fund Obligated Fund Balances that are neither restricted nor committed as defined by GASB Fund Balance Reporting policy.

## Contingencies

| | |
|---|---|
| Target | 15% of ongoing annual General Purpose Revenues (excluding FBA, transfers & other one-time revenue) or, currently, $145,020,041 |
| Projected Balance @ June 30, 2023 | $120,000,000 (12.4% of ongoing General Purpose Revenues) |
| Variance from target | $25,020,041 below target |

This compares to GFOA guidelines for funding contingencies at 15% or higher. A review of surrounding counties found contingency targets are based on varying percentages and criteria. The targets are set from 17% to 25% of either a percentage of annual expenses, estimated discretionary revenue or locally funded appropriations.

The County anticipates an increase of $55,000,000 ($30,000,000 transferred from the Teeter Loss reserve and $25,000,000 transferred from Teeter Debt Service Fund 15Y) to the Contingencies reserve with no draws anticipated in the current fiscal year.

Please see the following table for specific details of the contingency reserve:

| **Reserve for Contingencies** | |
|---|---|
| Fund Number | 100 |
| Authority | Government Code Section 29085 |
| When established | Budget Adoption |
| Budgeted | Schedule 3 of the County Budget |
| Board approval required | 4/5 vote to change amount during the year or to appropriate and make available for use during the year (Government Code Section 29130) |
| Expiration Date | Ongoing |
| Interest Earnings | Credited to General Fund |
| Plan for reducing the variance | This Strategic Financial Plan proposes to increase this reserve by $55M. Additional contributions to the reserve will be recommended from General Purpose Revenue growth or fund balance and will be allocated through the Annual Budget adoption process and/or the Mid-Year Budget Report. |

## Assigned for Capital Projects

| | |
|---|---|
| Target | $50,000,000 |
| Projected Balance @ June 30, 2023 | $50,180,329 |
| Variance from target | $180,329 above target |

Budgeted additions to the Capital Project reserve total $2,536,420 with no draws anticipated in the current fiscal year.

The following table provides specific details of the capital projects reserve:

| **Reserve for Capital Projects** | |
|---|---|
| Fund Number | 100 |
| Authority | Adopted Strategic Financial Plan (SFP) |
| When established | June 20, 2004 |
| Budgeted | Schedule 4 of the County Budget |
| Board approval required | 4/5 vote to change amount during the year or to appropriate and make available for use during the year |
| Expiration Date | Upon completion of designated projects |
| Interest Earnings | Credited to the General Fund |
| Plan for reducing the variance | This Strategic Financial Plan recommends no change to this reserve. |

**Assigned for Maintenance and Construction**

| | |
|---|---|
| Projected Balance @ June 30, 2023 | $6,696,539 |

The following table provides specific details of the maintenance and construction projects reserve:

| **Reserve for Maintenance and Construction** | |
|---|---|
| Fund Number | 100 |
| Authority | Approved Quarterly Budget Report |
| When established | November 17, 2015 |
| Budgeted | Schedule 4 of the County Budget |
| Board approval required | 4/5 vote to change amount during the year or to appropriate and make available for use during the year |
| Expiration Date | Upon completion of designated projects |
| Interest Earnings | Credited to the General Fund |
| Plan for reducing the variance | N/A |

**Assigned for Teeter Loss Reserve**

| | |
|---|---|
| Target | Varies with fluctuations in delinquent secured taxes and assessments, but use could include the following: possible transfer back to Fund 656 in the event of an economic downturn; pay down notes; future cash financing of Teeter plan |
| Projected Balance @ June 30, 2023 | $0 |

The County anticipates transferring $30,000,000 to the Contingencies reserve in the current fiscal year. In the event of an economic downturn funds from the Contingencies reserve will be used for this purpose.

The following table provides specific details of the Teeter Loss reserve:

| **Reserve for Teeter Loss** | |
|---|---|
| Fund Number | 100 |
| Authority | Board Resolution No. 14-096 in accordance with R&T Code 4703.2 |
| When established | October 28, 2014 |
| Budgeted | Schedule 4 of the County Budget |
| Board approval required | 4/5 vote to change amount during the year or to appropriate and make available for use during the year |
| Expiration Date | N/A |
| Interest Earnings | Credited to the General Fund |

**Assigned for Budget Stabilization Reserve**

| | |
|---|---|
| Target | $622,072,430 |
| Projected Balance @ June 30, 2023 | $622,072,430 |
| Variance from target | At target |

Please see the following table for specific details of the Target reserve:

| **Reserve for Budget Stabilization** | |
|---|---|
| Fund Number | 100 |
| Authority | Approved Quarterly Budget Report |
| When established | November 17, 2015 |
| Budgeted | Schedule 4 of the County Budget |
| Board approval required | 4/5 vote to change amount during the year or to appropriate and make available for use during the year |
| Expiration Date | N/A |
| Interest Earnings | Credited to the General Fund |
| Plan for reducing the variance | This Strategic Financial Plan recommends no change to this reserve; however, additional contributions to the reserve will be recommended from General Purpose Revenue growth or fund balance and will be allocated through the Annual Budget adoption process and/or the Mid-Year Budget Report. |

## Appropriated Reserve-type Funds

### Miscellaneous Contingency Reserve & Annual Leave Payouts

These appropriations are maintained in the Miscellaneous Fund, Budget Control 004, within the County General Fund. The purpose and use of the appropriations is to provide additional appropriations to General Fund Departments through the end of the fiscal year for budgetary shortfalls, unanticipated one-time expenditures, emergencies, and opportunities. The appropriations are typically distributed during the mid-year budget report process and require a 4/5 Board of Supervisors vote for transfers of these funds per Government Code Section 29125(a)(2).

The FY 2022-23 beginning balance is $32,423,799 with an additional $1,000,000 earmarked by the Board on November 23, 2010 to establish funding for unanticipated annual leave payouts impacting small departments (approximately 100 employees or less). Five to ten million dollars is typically budgeted each year. The FY 2022-23 amount is higher than usual to provide flexibility during this unprecedented time, but is expected to return to the Target amount in future fiscal years. Future Strategic Financial Plans may recommend changes to the current balance as funds are needed or become available.

Please see the following specific details of the Miscellaneous contingency and Annual Leave Payouts appropriations:

| **Miscellaneous Contingency Reserve & Annual Leave Payouts** | |
|---|---|
| Fund/Budget Control Number | 100-004 |
| Authority | Board adoption of the Final Budget |
| Budgeted | Yes |
| Board approval required | 4/5 Board of Supervisors vote to transfer funds |
| Target | $10,000,000 |
| Expiration Date | Re-budgeted annually |
| Interest Earnings | Credited to the General Fund |

**Reserve Type Funds – OCERS Retirement Investment Account**

The balance of this account at June 30, 2022 was $135,745,141. The assets held in the Investment Account are invested with the OCERS portfolio. As such, the balance in the account will change based on the performance of the investment assets and any draws from the account.

Reserves in this account are projected to fall by the end of the current fiscal year due to a planned reserve draw of $10,000,000 for the FY 2023-24 OCERS annual required contribution and due to projected net investment losses of $4,597,688.

| | |
|---|---|
| Projected Balance @ June 30, 2023 | $121,147,453 including projected net investment earnings/<losses> and draws |

Please see the following table for specific details of the OCERS Investment Account:

| **Retirement Investment Account** | |
|---|---|
| Fund Number | Held by OCERS |
| Authority | Board agreement with OCERS |
| When established | 1994 |
| Interest Earnings | Credited to this account |

# Debt Management Policy

## Introduction

The County of Orange Debt Management Policy provides guidance for the issuance of bonds and other forms of indebtedness to finance capital improvements, equipment acquisition, improve cashflow, and meet other identified needs.

The Debt Management Policy is intended to guide the County of Orange to:

- Maintain long-term financial stability by ensuring that its long-term financing commitments are affordable and do not create undue risk or burden
- Provide guiding principles for the use of debt as one source of financing to provide the proper funding for infrastructure needs identified in the Capital Improvements section of the Strategic Financial Plan and the annual budget
- Achieve and maintain high credit ratings
- Minimize debt service interest expense and issuance costs
- Provide accurate and timely financial disclosure and reporting
- Comply with applicable State and Federal laws and financing covenants

The Debt Management Policy is intended to improve the quality of decisions, provide guidance for the structure of debt issuance, and demonstrate a commitment to long-term financial planning. Adoption and adherence to a debt management policy is one factor by which rating agencies assess financial management practices. This policy governs all debt issued by the County of Orange (County), including bonds and other securities issued through any joint powers authority where the Board of Supervisors (BOS) acts as the legislative body.

The County is committed to fiscal responsibility and sustainability, as demonstrated by its Strategic Financial Plan, annual budget development and administration, maintenance of appropriate reserve levels, accurate and timely financial reporting, and management of debt and other long-term liabilities. As repeatedly stated in the Strategic Financial Plan, the County is dedicated to long-term strategic financial planning to ensure its ability to respond to economic fluctuations and unanticipated events in a manner that allows the County to maintain the quality and range of services provided to the community. This policy is intended to help ensure that, in managing its debt and other long-term liabilities, the County is able to meet these planning goals and objectives.

The County Executive Office (CEO), through the County Budget and Finance Office, is responsible for County debt management, including debt issuance, administration of proceeds, timely debt service payments, financial reporting, and continuing compliance with disclosure and other post-issuance obligations with exception of enterprise funds that are responsible for post-issuance administration and compliance.

## Acceptable Uses of Debt

The County will consider financing for the acquisition, substantial refurbishment, replacement or expansion of major physical assets that would be unreasonable to cash finance from current revenues. Debt financing may also be appropriate for certain other extraordinary expenditures and for managing cashflows over a period of time.

The primary purpose of County debt is to finance one of the following:

1. Acquisition of a capital asset with a useful life of five or more years
2. Construction or reconstruction of a facility or other public improvement
3. Refunding, refinancing, or restructuring debt and similar obligations, subject to refunding objectives and parameters
4. The costs associated with a debt-financed project, including project planning, design, engineering and other preconstruction efforts; project-associated furniture, fixtures and equipment; and the costs of the financing itself, including capitalized interest, a debt service reserve, underwriter's discount and other costs of issuance
5. Interim or cashflow financing to better match revenues and expenditures, such as tax and revenue anticipation notes, or to provide temporary financing pending a more permanent financing plan
6. Prepaying a portion of the annual pension contribution to Orange County Employees Retirement System (OCERS) to receive an early payment discount that exceeds the cost of the borrowing
7. Paying for an extraordinary expense such as financing a major judgment or loss exceeding insurance

## Prohibited Uses of Debt

The County will not use debt to defer obligations in a way that unduly burdens future taxpayers, rate payers or residents.

## Types of Financing Instruments

Many different types of financing instruments are available to the County, the use of which will depend on the source of repayment and the use of proceeds. Some of these instruments are used to finance County projects, while others are used to provide tax-exempt financing to projects that are primarily for third parties where public benefit can be achieved while minimizing public risk. The following are the types of debt the County is most likely to issue.

## Direct Debt Obligations

The following are considered "direct debt" obligations by rating agencies and other market participants, meaning that the debt is serviced out of tax or other general revenues.

1. General Obligation Bonds

   General Obligation (GO) Bonds need approval of 2/3 of those voting in an election as required by California State Constitution Article 16. GO bonds are secured by the levy of additional ad valorem property taxes to pay debt service. Uses of bond proceeds are limited to the acquisition and improvement of real property and costs of issuance.

2. Lease Revenue Bonds or Certificates of Participation

   Lease Revenue Bonds (LRBs) and lease-backed Certificates of Participation (COPs) are debt obligations serviced by a lease payment from the County's general fund. California courts have determined that such long-term contracts do not require voter-approval under California law (and therefore, are not "indebtedness" under the State Constitutional Debt Limit) as long as the lease meets certain conditions. These financings are typically secured by a lease-back agreement between the County and another public entity (e.g., South Orange County Public Financing Authority).

   To qualify as a valid lease, payments are due only to the extent that the County has use and occupancy of the leased property. The judicial decisions that define a valid lease financing effectively require that the fair rental of the leased property be equal to or greater than the lease payment that secures debt service. The governmental lessee is obligated to appropriate in the Annual Budget the rental payments that are due and payable during each fiscal, and to secure insurance to ensure that the property stays available for use.

Because it is paid from the General Fund and does not require voter approval, lease financing is the most common form of financing used by counties. Therefore, establishing thresholds for the appropriate levels for this form of "debt" is one of the critical goals of a debt policy. There are few external guidelines for the appropriate amount of lease debt. Agencies that set limits on "affordability" have established limits from 4% to 10% of General Fund expenditures or revenues (referred to as "lease burden").

Rather than establish a specific limit on lease-backed debt, the County has a limit on long term General Fund debt obligations. Annual principal and interest payments on long term General Fund debt obligations will not exceed 4% of general fund revenue. The appropriate level of General Fund appropriation debt should also be considered in the development of the County's Annual Strategic Financial Plan and Annual Budget process.

**Revenue and other Special Fund Obligations**

Debt secured by the County's enterprise funds and certain other special funds can also be issued without voter approval. These obligations are payable solely from the dedicated revenues, and do not have recourse to ad valorem taxes or general fund revenues of the County.

- Revenue Bonds and Certificates of Participation (COPs)

  Revenue Bonds are obligations payable from revenue generated by an enterprise fund. These obligations can be in the form of revenue bonds issued under an indenture, or COPs secured by an installment sale agreement. Two County enterprise funds that have supported revenue debt in the past are John Wayne Airport and Orange County Waste and Recycling.

  In accordance with the agreed upon bond covenants, the revenues generated by these enterprise funds must be sufficient so that net revenues, after the payment of operating expenses, are greater than debt service so as to maintain required coverage levels. The revenue bond issuer covenants to revise the rates, fees and charges of the enterprise to maintain the required net revenue coverages.

In determining whether to issue revenue bonds, the County should consider similar principles that it would for the incurrence of other governmental debt: the extent it is more appropriate to spend the cost of capital improvements over time, without unduly increasing the capital costs, rather than pay for them out of current revenues. Other factors include the County's ability to maintain the rate covenants that will be required by the bond market.

**Interim Financing**

The County may consider the use of various debt instruments to better match short-term revenues and expenditures.

1. Tax and Revenue Anticipation Notes

   Tax and Revenue Anticipation Notes (TRANs) are short-term notes payable out of current year revenues, proceeds of which allow a municipality to cover the periods of cash shortfall resulting from a mismatch between timing of revenues and timing of expenditures.

   The County may issue TRANs if necessary to meet General Fund cashflow needs in the upcoming fiscal year, which consist primarily of salaries and benefits, in anticipation of the receipt of property taxes and other revenues later in the fiscal year. The cashflow needs are determined by projections prepared by Auditor- Controller and CEO that require an estimate of a cashflow deficit during the fiscal year. The County's municipal advisor is required to review and concur with the County's cashflow projections if a TRANs is to be considered. As property tax payments and other revenues are received, they are used in part to repay the TRANs.

2. Prepayment of Annual Employer Pension Contribution

   The County may receive notification from OCERS that the Board of Retirement approved a discount in the amount due if paid early. Typically, the payment must be received by mid-January to fund the next fiscal year's annual employer contribution to OCERS, a period of no longer than eighteen months. The County prepares an analysis, to determine the budget savings achieved from the OCERS discount, to evaluate whether to recommend financing the prepayment. While these borrowings are essentially a cashflow financing such as TRANs, they are structured as a short-term pension obligation bond to allow the obligation to extend beyond the fiscal year in which it is issued.

3. Teeter Financing

Under the alternative method of allocating taxes commonly referred to as the "Teeter Plan," a county can advance property taxes to its taxing jurisdictions whether or not they are received, in exchange for retaining the penalties and interest received from late payments. These advances can be financed with funds of the County or by an external borrowing. For a number of years, the County issued commercial paper to finance these advances (Teeter Program). Commercial paper (CP) is an obligation maturing in less than 270 days that is secured by a letter of credit. Maturing CP is typically refinanced with a subsequent CP issue until a permanent financing source is in place or the debt can otherwise be retired. Since 2013, the Teeter Program has been financed by a revolving line of credit from a commercial bank.

4. Interfund Borrowing

In lieu of issuing bonds or otherwise borrowing from third-parties, there will be situations where the most appropriate means is to temporarily transfer money from a County fund. Annually, in the final budget adoption, the BOS authorizes those funds which can provide temporary transfers. The BOS establishes the appropriate term and interest rate of each Interfund loan by resolution. The interest rate will be the amount that would have been earned by the lending fund from the County's investment pool.

## Conduit Financings

Conduit financings are sponsored by the County to allow third-parties to access tax-exempt interest rates. These financings are not secured by regular County revenues.

1. Community Facilities and Assessment Districts

Community Facilities Districts (CFD) and 1913/1915 Act Assessment Districts (AD) are typically developer initiated, whereby the developer seeks a public financing mechanism to fund public infrastructure. Special taxes or assessments may be levied upon properties within a district to pay for facilities. The conditions for the

County's approval of these financings are contained in a separate set of policies. Further information on formation of CFDs and ADs is available in the Orange County Public Finance Program Policy Statement and Application Information Package as amended September 12, 2000 and as amended May 18, 2004. This policy is posted on the County's website.

2. Multi-Family Housing Revenue Bonds

Multi-Family Housing Revenue Bonds are issued to finance construction or rehabilitation of multi-family housing projects providing tax exempt financings for developers willing to set aside a portion of the units in the project as affordable housing. The County, as well as State agencies and joint powers authorities, may sponsor this type of conduit financing for those activities that have a general public purpose.

3. Public-Private Partnership (P3)

A P3 is a partnership between a public sector entity and a private sector entity to develop, design, construct, and finance a public facility. It can involve alternate approaches to both project procurement and its financing. In some cases, the private entity is a not-for-profit entity, with the financing structured to allow for the issuance of tax-exempt bonds to provide the lowest cost funding.

While the financing costs of a P3 can at times be higher than a direct County borrowing, there can still be offsetting benefits to a P3, such as transferring design and construction risks. The County shall perform an analysis to determine the benefits of this type of project procurement and alternate financing versus the County issuing the debt directly.

**Tax Increment Financing**

Tax increment financing is a tool that allows municipalities to promote economic development by earmarking tax revenues from increases in assessed value within a designated tax increment financing district. Redevelopment Agencies, a frequently used tool of the past, were dissolved by the California legislature as of February 12, 2012.

1. Enhanced Infrastructure Financing District

   On September 24, 2014, the governor approved Senate Bill 628, which authorized the formation of an Enhanced Infrastructure Financing District (EIFD). An EIFD is a limited tax increment financing district created after the dissolution of redevelopment agencies in 2012.

   An EIFD would allow two or more governmental entities to agree to secure a portion of property tax revenue for the construction of infrastructure and other capital needs. A key difference between EIFDs and former redevelopment agencies is, that the tax increment given to the new district excludes all property taxes associated with school districts.

   No new taxes are created by establishing an EIFD. The County's participation in any such district is voluntary and would require Board approval. The conditions for the County's participation in an EIFD are contained in a separate EIFD participation policy.

**Debt Structure**

The following are some general principles that will govern the structuring of County debt issues from time to time.

1. Term of Debt

   In general, debt will be structured to distribute the payments for the asset over its useful life so that benefits closely match costs for current and future residents. Notwithstanding this policy goal, the early payment of principal (referred to as the "rapidity of debt repayment") is considered a credit strength by the rating agencies, as it creates future debt capacity. The County will consider such accelerated retirement when there is the capacity to accommodate such payments. Debt should not exceed the useful life of the improvement that it finances.

2. Debt Service Structure

   To the extent practical, bonds will be amortized on a level repayment schedule. Alternate schedules can be considered when appropriate. For example, escalating debt service may be considered if it better matches forecasted available revenues;

any such escalation of debt service should be modest, to provide a margin of safety if revenue growth should underperform expectations. Deferral of the amortization of principal can be considered in order to wrap outstanding debt and create total level debt service. Extreme deferral of debt service (such as with capital appreciation bonds, which defer both interest and principal) should be avoided.

3. Optional Prepayment

Long-term debt will, in most cases, contain an optional call provision to allow for the refunding of debt at lower interest rates in the future. A ten-year call option is most common for tax-exempt bonds. In considering the terms of the call, the County will evaluate any additional interest cost demanded by investors with the potential future benefits of the option.

4. Capitalized Interest

Use of capitalized interest (where interest in the early years is funded through the sale of additional bonds) should be minimized where possible. Interest may be capitalized for the construction period of a revenue producing project so that debt service expense does not begin until the project is expected to be operational and generating revenue. State law requires that interest be capitalized when a lease financing is secured by the project being constructed with the proceeds, so that no payment is due until the County has use and occupancy. When possible, the County will secure its lease financing with existing County facilities to avoid issuing additional bonds for capitalized interest; this structure is referred to as an “asset transfer.”

5. Debt Service Reserve Fund

Debt service reserve funds are held by and are available to the bond trustee to make principal and interest payments to bondholders in the event that pledged revenues are insufficient to do so.

The maximum size of the reserve fund for a tax-exempt bond issue is governed by tax law, which permits the lesser of: 1) 10% of par; 2) 125% of average annual debt service; or 3) 100% of maximum annual debt service. The County may issue bonds with a debt service reserve fund that is sized at a lower level or without a reserve fund if economically advantageous and recommended by the finance team.

The reserve fund requirement may also be satisfied by a surety policy, a form of insurance provided by a bond insurer to satisfy a reserve fund requirement for a bond issuance. Under this arrangement, instead of depositing cash in a reserve fund, the issuer buys a surety policy by paying a one-time premium equal to a percentage of the face value of the policy. The County may use a surety policy instead of a debt service reserve when an analysis indicates that net cost to the County will be lower, taking into account the potential cost of replacing the surety at the time of any future refunding.

6. Credit Enhancement

Credit enhancement may be used to improve a credit rating on a County debt issuance. The most common form of credit enhancement is bond insurance, which will be considered when the cost of insurance is offset, on a present value basis, to the savings in debt service through the first optional call date of the bonds. Because of the County's high bond ratings, bond insurance will not be cost effective for most of the County's debt in the current market. The benefit of a credit enhancement will be evaluated for each bond issuance.

7. Variable Rate Debt

To maintain a predictable debt service burden, the County will give preference to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is variable rate debt. It may be appropriate to issue long-term variable rate debt to diversify the County's debt portfolio, reduce interest costs, provide interim funding for capital projects or improve the match of the County's assets (such as cash in the Treasury invested in shorter-term securities) to debt liabilities.

8. Use of Derivatives

The County will not use interest rate swaps in connection with variable rate debt to create synthetic fixed-rate debt.

## Method of Sale

Debt issues can be sold through a public offering through either a competitive sale or a negotiated sale. In a competitive sale, bid parameters are established in the notice of sale or notice inviting bids. Bids are received from various underwriters at a given time, and the bonds awarded to the bid producing the lowest true interest cost (the interest rate that discounts debt service to the net amount of proceeds received after accounting for underwriter's discount). In a negotiated sale, the County selects the underwriter in advance through a request for proposal process, and the interest rate is set based on the orders received from investors during the pricing period. While there are advantages to both methods of sale, most municipal bonds are currently sold on a negotiated basis, which has been the County's primary practice.

On occasion, the County may choose to privately place a financing with a bank, rather than borrowing through a public offering sold to multiple investors. Such financings can be more cost effective for smaller transactions, or for financings such as commercial paper that would otherwise require an alternative bank facility such as a letter of credit.

The Public Finance Director will recommend the appropriate method of sale based on the specific offering and market conditions, seeking advice from the County's municipal advisor.

## Refunding of Indebtedness

Most municipal bonds can be pre-paid prior to their maturity by the exercise of an optional call. As a result, sometimes bond issues can be refunded for savings. The following are the two types of refundings.

- Current Refunding - The refunding bonds are issued less than 90 days before the date upon which the refunded bonds will be redeemed.

- Advance Refunding - The refunding bonds are issued more than 90 days prior to the date upon which the refunded bonds will be redeemed, and the refunding bond proceeds placed in an escrow that is sufficient to pay interest and principal until the call date. Municipal bonds may only be advanced refunded once over the life of a bond issuance. The Tax cuts and Jobs Act, enacted December 22, 2017 essentially eliminated advanced refunding for municipal bonds issued after 2017 by making interest on advanced refunding bonds taxable. Interest on current refunding bonds remains tax-exempt eligible.

The County will regularly review its outstanding debt portfolio to identify opportunities to achieve net economic benefits from refunding its bonds. Recognizing that the County's ability to refund its debt is limited (i.e., federal tax law constraints on advance refundings and the market practice of making most fixed-rate bond issues non-callable for their first ten years), the County will seek to deploy its refunding options prudently. At a minimum, the County will seek to achieve net present value ("NPV") savings equal to at least three percent (3%) of the par amount of the bonds that are refunded. For advance refundings, the threshold goal will be five percent (5%) NPV savings. A second limiting factor on advance refundings will be that negative arbitrage (the amount of additional funds that need to be deposited into an escrow to make up for interest earnings being less than the interest on the defeased bonds) will be no greater than half the amount of the NPV savings. The present value savings will be net of all costs of the refinancing, and will consider the difference in interest earnings of the debt service reserve funds of the refunded and refunding bonds.

These savings requirements may be waived by the BOS upon a finding that a refunding producing lower savings is in the County's best financial interest; for example, by restructuring debt service or eliminating burdensome covenants.

## Debt Management Practices

The County Budget and Finance Office shall be responsible for ensuring the County's debt is administered in accordance with the terms of the governing bond documents, federal and state law and regulations, and the best industry practices.

1. Arbitrage

   Arbitrage is the profit made by issuing bonds bearing interest at tax-exempt rates, and investing the proceeds at materially higher taxable yields. The Internal Revenue Code limits the opportunity for borrowers to retain such investment profits; in most cases, the borrower must calculate such profits and rebate them to Internal Revenue Service every five years.

   Public Finance shall maintain a system of recordkeeping to meet the arbitrage compliance requirements. The County will retain an arbitrage rebate consultant to assist in calculating any earnings on bond proceeds in excess of the rate on its bonds, and to calculate whether arbitrage should be rebated to the Federal Government. The County Budget and Finance Office shall ensure the calculation and payment are made in a timely manner.

2. Administration of Bond Proceeds

Bond proceeds are administered in the County Budget and Finance Office to provide segregation of duties between the County administrative function responsible for disbursing bond proceeds and the County department or entity expensing the proceeds. Bond documents contained in the official bond transcripts govern the use of bond proceeds, as well as debt service payment terms and other legal covenants, and are maintained and accessible in the County Budget and Finance Office.

Finance Accounting, an Auditor-Controller department satellite unit located within the County Budget and Finance Office, is responsible to ensure bond proceed receipts are recorded in the County's accounting records, and confirm accounts established at the trustee and deposit of bond proceeds reconcile with controlling bond documents. Finance Accounting monitors accounts at the trustee, records expenditure activity, and reconciles trustee statements to County accounting records monthly.

Drawdown and use of bond proceeds are initiated by the project manager representing the County department or entity expensing the proceeds for eligible purposes. The requisition or drawdown request will contain invoices and other back-up documentation to validate the eligible expenses. Each requisition or drawdown request is reviewed by Finance Accounting staff and management and a Finance analyst before final approval and authority to disburse from the Finance Team Lead, and then forwarded to the trustee.

3. Investment of Bond Proceeds

Investment of bond proceeds shall be consistent with federal tax requirements and requirements contained in the governing bond documents. If applicable, permitted investments shall be reviewed by the County's Treasurer to ensure compliance with the Orange County Treasurer Investment Policy Statement.

4. Continuing Disclosure

The County is committed to primary and secondary market disclosure practice. To remain in compliance with Security and Exchange Commission Rule 15C2-12, required information shall be submitted as stated in each bond financings' continuing disclosure certificate.

The County shall maintain a log or file evidencing that all continuing disclosure filings have been made promptly. Continuing disclosure procedures are maintained by the County Budget and Finance Office and will be updated as needed.

5. Disclosure on County's Website

All disclosure reports, County credit ratings and the debt program are posted on the County's website. The website shall be updated as needed.

6. Compliance with Other Bond Covenants

The County is responsible for verifying compliance with all covenants and agreements of each bond issuance on an ongoing basis. This typically includes ensuring:

- Annual appropriations to meet debt service payments
- Taxes/fees are levied and collected where applicable
- Timely transfer of debt service/rental payments to the trustee or paying agent
- Compliance with insurance requirements
- Compliance with rate covenants where applicable
- Recordkeeping and continued public use of financed asset
- Compliance with tax covenants including the timely spend-down of project fund proceeds
- Compliance with all other bond covenants

## Rating Agency Relations and Annual or Ongoing Surveillance

The County seeks to maintain the highest possible credit ratings that can be achieved for debt instruments without compromising the County's policy objectives. Ratings are a reflection of the general fiscal soundness of the County.

The Finance Team Lead shall be responsible for maintaining the County's relationship with S & P Global Ratings, Fitch Ratings, Moody's Investors Service and any other rating agency, including communicating with credit analysts at each agency and providing any requested information as deemed appropriate.

The Finance Team Lead shall report feedback from rating agencies to the Chief Financial Officer and BOS, when and if available, regarding the County's financial strengths and weaknesses and recommendations for addressing any weaknesses as they pertain to maintaining the County's existing credit ratings.

Prior to each proposed new debt issuance, the Finance Team Lead shall determine the number of rating agencies to provide a credit rating based upon the recommendations of the finance team. Meetings and/or conference calls with agency analysts shall be conducted to provide a thorough update on the County's financial position, including the impacts of the proposed debt issuance.

## Financing Professionals

### Process and Selection of Professionals

Once a financing need is identified, the County Budget and Finance Office will work with the appropriate County departments to recommend a finance team, debt structure, and debt service term to the Public Financing Advisory Committee (PFAC) and the BOS for consideration.

PFAC is responsible for reviewing all proposed County financings and financing professionals recommended by Public Finance. PFAC will approve, modify, or deny the proposed recommendation. The BOS will ratify or disapprove the selection made by PFAC. Further information on PFAC is included in the Fourth Amended and Restated County of Orange Board of Supervisors Policies and Procedures approved by the BOS on February 26, 2019 and posted on the County's website.

The Board of Supervisors shall be responsible for the selection of Financing Professionals engaged to assist in a public financing. Financial Professionals shall include Municipal Advisor(s), Underwriters, Bond Counsel, Disclosure Counsel, and any other paid professional utilized in connection with a proposed financing. The procurement of financial professionals shall be conducted according to procedures delineated in the County's Contract Policy Manual.

### Selection and Compensation

The Finance Team Lead shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement a debt issuance.

The identification of municipal advisor, underwriter, bond counsel and disclosure counsel shall be done through a Request for Qualifications (RFQ) process to create a pool of professionals in each of the stated categories. For each new financing, a Request for Proposal (RFP) shall be completed for municipal advisor, underwriter, bond counsel and disclosure counsel, as appropriate. The RFQ and RFP shall be in accordance with the County Procurement rules. The selection of the professional from each category and financing shall be first recommended for approval by PFAC and then ratified by the BOS.

If a sole source selection of a financial professional or consultant is recommended, the County Budget and Finance Office will follow sole source selection procedures as outlined in the County's Contract Policy Manual.

Compensation for the financing professionals is typically paid from the bond proceeds cost of issuance account.

1. Municipal Advisor (previously known as Financial Advisor)

   The primary responsibilities of the Municipal Advisor are to provide independent analysis of the proposed financing to the County. Their responsibilities also include but are not limited to, working with underwriters and other finance team members to formulate a general financing plan for the issuance of bonds, assisting in the financing schedule, transaction structuring, and pricing of bonds. The Municipal Advisor shall also provide pricing comparables and market conditions advice.

2. Bond Counsel

   The County will retain external Bond Counsel for all debt issuance. Bond Counsel will prepare the necessary authorizing resolutions, ordinances, agreements, and other legal documents necessary to execute the financing.

3. Disclosure Counsel

   The County will retain Disclosure Counsel for all public issuances that entail disclosure of County finances and financial status. Disclosure Counsel will advise on issuer disclosure obligation, federal securities laws and proper disclosure practices, and due diligence process.

   The Finance Team Lead may recommend separate firms in the capacity of Bond and Disclosure Counsel or a single firm to perform bond and disclosure counsel functions based on anticipated complexity of the financing.

4. Underwriter

   An Underwriter is a firm that administers the public issuance and distribution of the bond issuance. Underwriter services may include assisting in securing credit and meetings with principal retail/institutional investors. When undertaking a negotiated sale, the County will select an Underwriter through the solicitation process described previously.

5. Other Service Providers

   Other professionals may be selected, at the discretion of the Finance Team Lead, on an as-needed basis. These include, but are not limited to, the services of trustee, credit rating agencies, escrow agents, bond insurance providers, credit and liquidity banks, verification agents, title insurance companies, and document printing services.

## Conclusion

This Policy is intended to guide and regulate the County's issuance of debt. The County is aware, however, the financial environment and best practices may change. This policy will be reviewed annually during the Strategic Financial Plan process and any necessary updates will be presented to the BOS for consideration.

## General Fund Debt Service

The following table provides details of the 5-year ongoing General Fund debt service as well as the final maturity and optional redemption at par dates:

| | Fiscal Year | | | | | | |
|---|---|---|---|---|---|---|---|
| Description of General Fund Debt | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | Final Maturity | Optional Redemption at Par [(2)] |
| South Orange County Public Financing Authority, Central Utility Facility Lease Revenue Bonds, Series 2016 | $4,488,000 | $4,489,000 | $4,489,000 | $4,487,750 | $4,490,000 | 4/1/2036 | 4/1/2026 $34,655,000 |
| California Municipal Finance Authority Lease Revenue Bonds, Series 2017A (Orange County Civic Center Infrastructure Improvement Program - Phase I) [(1)] | 9,978,750 | 9,981,500 | 9,981,000 | 9,982,000 | 9,979,000 | 6/1/2047 | 6/1/2027 $129,565,000 |
| California Municipal Finance Authority Lease Revenue Bonds, Series 2018A (Orange County Civic Center Infrastructure Improvement Program - Phase II) [(1)] | 12,918,500 | 12,917,750 | 12,917,500 | 12,920,250 | 12,916,500 | 6/1/2048 | 6/1/2028 $160,995,000 |
| South Orange County Public Financing Authority, Lease Revenue Bonds, Series 2022 (Sheriff-Coroner Facility) | 5,508,750 | 5,506,750 | 5,506,500 | 5,507,750 | 5,505,250 | 6/1/2052 | 6/1/2032 $68,625,000 |
| **Total General Fund Debt Service** | **$32,894,000** | **$32,895,000** | **$32,894,000** | **$32,897,750** | **$32,890,750** | | |

Notes:
(1) These amounts represent the total debt service. A portion of these amounts are allocated to Non-General Fund departments occupying the County Administration South (CAS) and County Administration North (CAN) buildings.
(2) Par value represents the face value of the bonds as no premium, or additional amount, is required to redeem bonds after this date.

# Five-Year Capital Improvement Plan

## Introduction

The five-year Capital Improvement Plan (CIP) includes two sections. The first focuses on projects funded through Countywide Capital Projects Fund, and the second focuses on department funded projects.

The proposed five-year CIP for Fiscal Years 2023-24 through 2027-28 is the County's compilation of significant projects funded by the General Fund Capital Projects, Budget Control 036. Effective FY 2020-21 capital projects are budgeted and accounted for in Countywide Capital Projects Non-General Fund, Fund 15D. This document is updated annually to reflect the changing needs and the fiscal outlook of the County.

The CIP aids the County in its assessment of the most effective use of County General Funds and provides goals for developing capital assets while maintaining long-term financial stability. The assessment is an ongoing process influenced by many changing factors such as service needs, available resources resulting from changes in the economy, Board of Supervisors priorities, legal mandates, age and condition of existing buildings, and health and safety considerations.

The five-year CIP provides information about capital projects requiring County General Fund support in excess of $150,000 per project. The CIP is not a budget document but rather a planning tool to be used in conjunction with the budget development process for FY 2023-24 through FY 2027-28 and the County Facilities Master Plan. For the purposes of the SFP, a countywide summary of the five-year plan for General Fund projects is included.

## Countywide Capital Projects General Fund 100-036 and Non-General Fund 15D

As of October 31, 2022, appropriations in Capital Projects, Budget Control 036 total $12.1 million for FY 2022-23 projects. The $12.1 million is transferred to Fund 15D for countywide capital projects, including Probation and Sheriff-Coroner Department capital projects. The five-year capital project Net County Cost includes $60.7 million in transfers to Fund 15D.

Countywide Capital Projects Non-General Fund, Fund 15D receives transfers of General Funds from Capital Projects, Budget Control 036 for various multi-year capital projects that are then carried over and re-budgeted in subsequent years. As of October 31, 2022, appropriations in the Countywide Capital Projects Non-General Fund 15D total $288.3 million for FY 2022-23 projects.

The five-year capital project costs summarized in Fund 15D include $346.1 million in appropriations for capital projects funded by $60.7 million in transfers from General Fund Capital Projects, Budget Control 036, $123.0 million in American Rescue Plan Act funding ($63.0 million for the El Toro Emergency Medical Services Facility and $60 million for the Youth Transition Center), $2.6 million Epidemiology and Laboratory Capacity funding for the El Toro Emergency Medical Services Facility, $6.1 million SB 823 revenue for the Youth Transition Center, $44.2 million from Waste & Recycling Net Importation revenue, $21.0 million AB 109 revenue for OC CARES Coordinated Reentry Campus, $10.2 million transfer in from Utilities, Budget Control 040 for future Cogeneration/Central Utility Facility (CUF) project reserves, $14.5 million pass-through for capital projects, $34.0 million transfer in from General Fund for early County bond repayments, $2.4 million in Permanent Local Housing Allocation funding for OC Shelters and $27.4 million in 15D carryover fund balance by the end of FY 2027-28.

**Unfunded Projects** – The Lockyer-Isenberg Trial Court Funding Act of 1997, Assembly Bill 233 (AB 233), provided that the State of California assume fiscal responsibility for operations of all Orange County Trial Courts and required the County to contribute its share of costs. The Board of Supervisors approved the transfer of all Court facilities maintenance responsibilities from the County to the State, as required by the 2002 Trial Court Facilities Act, Senate Bill 1732 (SB 1732). In addition, SB 1732 required the County make County Facility Payments to the State for all Court facilities. By December 31, 2009, the County executed Transfer Agreements and Joint Occupancy Agreements for all Court facilities with the State. Most of these facilities are jointly occupied by the Courts and County. In May 2022, the Judicial Council of California provided the County with a five-year Trial Courts deferred capital and maintenance projects plan totaling $328.9 million, with Orange County's share of costs estimated at $41.6 million. Fund 15D baseline includes $3.8 million in funding towards these projects with the other **$37.8 million remaining unfunded**.

These projects (and any subsequently identified) will be evaluated for funding during the FY 2023-24 annual budget process. Project needs and related costs will be reviewed again during the next Strategic Financial Planning cycle which will begin in August 2023.

## Countywide Capital Projects – Fund 15D

| Description | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast | SFP Total Forecast |
|---|---|---|---|---|---|---|
| **Capital Projects – Appropriations** | | | | | | |
| **Countywide Capital Projects – OC Public Works** | | | | | | |
| County Operations Center | 7,425,000 | 4,530,000 | 0 | 0 | 1,500,000 | 13,455,000 |
| Fruit Street Complex | 165,000 | 200,000 | 0 | 0 | 465,000 | 830,000 |
| Hutton Towers (Gates & Osborne Buildings) | 375,000 | 1,020,000 | 2,441,000 | 1,144,000 | 955,000 | 5,935,000 |
| 1770 Broadway | 525,000 | 2,000,000 | 1,000,000 | 0 | 0 | 3,525,000 |
| Manchester Office Building | 275,000 | 175,000 | 611,000 | 2,447,000 | 0 | 3,508,000 |
| Other OCPW Projects for various facilities | 1,970,000 | 1,410,000 | 1,775,000 | 800,000 | 800,000 | 6,755,000 |
| **Countywide Capital Projects Subtotal** | **10,735,000** | **9,335,000** | **5,827,000** | **4,391,000** | **3,720,000** | **34,008,000** |
| **Health Care Agency (HCA) Capital Projects** | | | | | | |
| HCA General | 1,100,000 | 1,614,000 | 303,000 | 600,000 | 0 | 3,617,000 |
| HCA 401 Tustin | 395,000 | 150,000 | 350,000 | 25,000 | 0 | 920,000 |
| HCA Clinic | 0 | 0 | 640,000 | 0 | 8,181,522 | 8,821,522 |
| **Health Care Agency Capital Projects Subtotal** | **1,495,000** | **1,764,000** | **1,293,000** | **625,000** | **8,181,522** | **13,358,522** |
| **Transfers to:** | | | | | | |
| Sheriff Deferred Maintenance (Fund 14Q) | 2,668,100 | 2,694,781 | 2,721,729 | 2,748,946 | 2,776,436 | 13,609,992 |
| Sheriff Musick Facility (Fund 14Q) | 13,447,346 | 0 | 0 | 0 | 0 | 13,447,346 |
| CUF Projects (BC 040) | 6,199,000 | 7,070,000 | 2,550,000 | 3,642,289 | 5,200,000 | 24,661,289 |
| **Transfers Subtotal** | **22,314,446** | **9,764,781** | **5,271,729** | **6,391,235** | **7,976,436** | **51,718,627** |
| **Capital Projects:** | | | | | | |
| Youth Transition Center | 33,100,000 | 33,000,000 | 0 | 0 | 0 | 66,100,000 |
| Coordinated Reentry Campus | 5,000,000 | 5,000,000 | 11,000,000 | 0 | 0 | 21,000,000 |
| El Toro Emergency Medical Services Facility | 22,000,000 | 22,000,000 | 22,240,000 | 0 | 0 | 66,240,000 |
| Other Deferred Maintenance, Projects & Contingencies | 3,725,219 | 6,816,681 | 7,449,780 | 7,872,671 | 7,776,762 | 33,641,113 |
| Permanent Local Housing Allocation Projects | 713,945 | 362,138 | 362,138 | 500,000 | 500,000 | 2,438,221 |
| Central Utility Facility (CUF) Bond Repayment | 0 | 0 | 34,655,000 | 0 | 0 | 34,655,000 |
| Probation Capital Projects (Fund 104) | 3,620,175 | 2,150,000 | 4,464,000 | 6,320,000 | 6,389,000 | 22,943,175 |
| **Capital Projects Subtotal** | **68,159,339** | **69,328,819** | **80,170,918** | **14,692,671** | **14,665,762** | **247,017,509** |
| **Total Appropriations** | **102,703,785** | **90,192,600** | **92,562,647** | **26,099,906** | **34,543,720** | **346,102,658** |
| **Revenue Sources** | | | | | | |
| Other Department Funding (Pass Through) | 4,212,783 | 4,763,774 | 5,530,343 | 0 | 0 | 14,506,900 |
| Youth Transition Center – ARPA/SB 823 | 33,100,000 | 33,000,000 | 0 | 0 | 0 | 66,100,000 |
| Coordinated Reentry Campus – AB109 | 5,000,000 | 5,000,000 | 11,000,000 | 0 | 0 | 21,000,000 |
| El Toro Emergency Medical Services Facility – ARPA | 22,000,000 | 22,000,000 | 21,600,000 | 0 | 0 | 65,600,000 |
| Permanent Local Housing Allocation Projects | 713,945 | 362,138 | 362,138 | 500,000 | 500,000 | 2,438,221 |
| Transfer in from Utilities BC 040 – CUF Reserves | 2,047,688 | 2,047,688 | 2,047,688 | 2,047,688 | 2,047,688 | 10,238,440 |
| OCWR Importation Revenue (Fund 295) | 8,614,573 | 8,862,531 | 8,968,578 | 9,198,686 | 8,528,267 | 44,172,635 |
| Transfer in from BC 004/040 – CUF/CAS/CAN/Bell Bond Repayment | 5,000,000 | 5,000,000 | 5,000,000 | 9,487,750 | 9,487,750 | 33,975,500 |
| Total Budget Control 036 NCC Funding | 12,133,931 | 12,133,931 | 12,133,931 | 12,133,931 | 12,133,931 | 60,669,655 |
| **Total Revenue** | **92,822,920** | **93,170,062** | **66,642,678** | **33,368,055** | **32,697,636** | **318,701,351** |

| | | | | | | |
|---|---|---|---|---|---|---|
| Beginning Fund Balance Reserves – 15D-9744 | **104,503,089** | **94,622,224** | **97,599,686** | **71,679,717** | **78,947,866** | **104,503,089** |
| Closing Fund Balance Reserves – 15D-1944 | **94,622,224** | **97,599,686** | **71,679,717** | **78,947,866** | **77,101,782** | **77,101,782** |
| **Capital Projects Department 036 NCC Limits** | 12,133,931 | 12,133,931 | 12,133,931 | 12,133,931 | 12,133,931 | 60,669,655 |

**Note: The above SFP information does not commit the County for funding. The funding is committed through the annual budget process and the above information is subject to change at that time.**

## Department Funded and Other Non-General Funds

This CIP includes capital improvement needs for the County's balanced funds including: OC Road, OC Flood, OC Parks, John Wayne Airport, OC Waste & Recycling, OC Libraries, and others. These special funds do not require General Fund support. The five-year CIP for non-General Funds totals $1.57 billion.

County departments that directly fund capital projects from dedicated revenue sources (e.g., John Wayne Airport and OC Waste and Recycling) are included in the CIP to provide a more complete picture of all County capital projects.

**Criminal Justice Facilities – Fund 104** as of Fiscal Year 2022-23, Probation and Sheriff-Coroner Department capital projects are budgeted in Countywide Capital Projects Non-General Fund, Fund 15D.

Specific project details are provided by fund in the following pages. Project funding comes from local, state, and federal sources. These projects (and those subsequently identified) will be evaluated for funding during the FY 2023-24 annual budget process.

**Public Protection** **Fund: 14Q**

**14Q – Sheriff-Coroner Construction & Facility Development**

| Project ID # | Theo Lacy Facility Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| PZ02 | Administration Building – Roof Replacement | 1,270,300 | 0 | 0 | 0 | 0 |
| PZ03 | Inmate Loop Expansion | 0 | 900,000 | 0 | 0 | 0 |
| PZ08 | Mod I/J Roof Replacement | 0 | 0 | 1,362,200 | 0 | 0 |
| PZ09 | Barracks A-E Walkway | 0 | 607,073 | 0 | 0 | 0 |
| PZ10 | Inmate Programs Building – Roof Replacement | 0 | 0 | 659,529 | 0 | 0 |
| PZ11 | Building C (K/L) Roof Replacement | 0 | 0 | 0 | 257,346 | 0 |
| PZ13 | Building A (Mod M, N, O) Roof Replacement | 0 | 0 | 0 | 257,346 | 0 |
| PZ17 | Central Plant Building A – Roof Replacement | 0 | 0 | 0 | 245,590 | 0 |
| PZ22 | Mod Q – Construct Deputy Work Station | 0 | 0 | 0 | 242,000 | 0 |
| PZ24 | Replace Escalators | 0 | 0 | 0 | 0 | 252,554 |
| PZ28 | Parking Lot Repairs | 0 | 0 | 0 | 0 | 255,473 |
| | **Total Expense:** | **1,270,300** | **1,507,073** | **2,021,729** | **1,002,282** | **508,027** |
| | **Total Revenue:** | **1,270,300** | **1,507,073** | **2,021,729** | **1,002,282** | **508,027** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 100% | 0% | 100% |

Due to the age of the Theo Lacy facility, various renovations, repairs and replacements are needed to ensure safety and reduce ongoing maintenance costs.

| Project ID # | Intake Release Center Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| PZ14 | Reseal Isolation Joints | 0 | 243,308 | 0 | 0 | 0 |
| PZ25 | Replace Roof | 0 | 0 | 0 | 0 | 424,971 |
| | **Total Expense:** | **0** | **243,308** | **0** | **0** | **424,971** |
| | **Total Revenue:** | **0** | **243,308** | **0** | **0** | **424,971** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 100% | 0% | 100% |

Due to the age of the Intake Release Center facility, the roof needs to be replaced and the isolation joints on the exterior façade walls and windows need to be resealed.

**Public Protection** **Fund: 14Q**

**14Q – Sheriff-Coroner Construction & Facility Development**

| Project ID # | Katella Training Division Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| PZ21 | Tactical Training Range building – HVAC Replacement | 0 | 0 | 0 | 0 | 476,000 |
| PZ23 | Sandra Hutchens Regional Law Enforcement Training Center – Carpet Replacement | 0 | 0 | 0 | 0 | 269,000 |
| | **Total Expense:** | **0** | **0** | **0** | **0** | **745,000** |
| | **Total Revenue:** | **0** | **0** | **0** | **0** | **745,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 100% | 0% | 100% |

Due to the age of the Katella Training facility, the carpet needs to be replaced and the evaporative cooling HVAC system needs to be upgraded to ensure safety and reduce ongoing maintenance costs.

| Project ID # | Coroner Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| PZ16 | Remodel/Upgrade Public Lobby | 0 | 0 | 0 | 250,000 | 0 |
| PZ20 | Roofing Over Training Facility | 0 | 0 | 0 | 0 | 399,288 |
| | **Total Expense:** | **0** | **0** | **0** | **250,000** | **399,288** |
| | **Total Revenue:** | **0** | **0** | **0** | **250,000** | **399,288** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 100% | 0% | 100% |

Due to the age of the Coroner facility, the roof needs to be replaced and the public lobby and family room areas need to be updated to ensure safety and reduce ongoing maintenance costs.

| Project ID # | Sheriff Headquarters Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| PZ04 | Elevator Replacement | 0 | 364,500 | 0 | 0 | 0 |
| PZ18 | Video System Upgrade | 0 | 0 | 0 | 500,000 | 0 |
| PZ19 | Tenant Improvement | 0 | 0 | 0 | 517,804 | 0 |
| | **Total Expense:** | **0** | **364,500** | **0** | **1,017,804** | **0** |
| | **Total Revenue:** | **0** | **364,500** | **0** | **1,017,804** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 100% | 0% | 100% |

The elevator at the Sheriff's Headquarters has exceeded the normal life expectancy and requires replacement. The Sheriff's Headquarters requires improvements to maintain the facility's infrastructure and the video system needs to be upgraded.

**Public Protection** — **Fund: 14Q**

**14Q – Sheriff-Coroner Construction & Facility Development**

| Project ID # | Central Jail Center Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ01** | Central Women's Jail – Roof Replacement | 1,397,800 | 0 | 0 | 0 | 0 |
| **PZ06** | Central Men's Jail – Attorney/Bonds Door ADA Compliance | 0 | 350,000 | 0 | 0 | 0 |
| **PZ26** | Central Men's Jail – Overhaul of Elevator #3 | 0 | 0 | 0 | 0 | 311,400 |
| | **Total Expense:** | **1,397,800** | **350,000** | **0** | **0** | **311,400** |
| | **Total Revenue:** | **1,397,800** | **350,000** | **0** | **0** | **311,400** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 100% | 0% | 100% |

Due to the age of both Central Jail Facilities, the roof needs to be replaced and elevator upgraded. The Attorney/Bonds booths at Central Men's Jail need to be upgraded for safety and American with Disability Act (ADA) compliance.

| Project ID # | Other Facilities Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ05** | Loma Ridge Facility – Roof Maintenance | 0 | 229,900 | 0 | 0 | 0 |
| **PZ07** | Research & Development (R&D) Facility Planning Office Remodel | 0 | 0 | 700,000 | 0 | 0 |
| **PZ12** | Multiple Facilities – Emergency Panic Alarms In Kitchens | 0 | 0 | 0 | 270,860 | 0 |
| **PZ15** | Fuller Street Warehouse Secured Storage Area | 0 | 0 | 0 | 208,000 | 0 |
| **PZ27** | OC Crime Lab – Forensics Basement Firearms Range Renovations | 0 | 0 | 0 | 0 | 218,136 |
| **PZ29** | Aliso Viejo – Roof Repair/ Replacement | 0 | 0 | 0 | 0 | 169,614 |
| | **Total Expense:** | **0** | **229,900** | **700,000** | **478,860** | **387,750** |
| | **Total Revenue:** | **0** | **229,900** | **700,000** | **478,860** | **387,750** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 100% | 0% | 100% |

Due to the age of the OCSD facilities, various renovations, repairs and replacements are needed to optimize space, ensure safety, and reduce ongoing maintenance costs

| **Total Budget Control: 14Q – Sheriff-Coroner Construction and Facility Development** | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 2,668,100 | 2,694,781 | 2,721,729 | 2,748,946 | 2,776,436 |
| Total Funding: | 2,668,100 | 2,694,781 | 2,721,729 | 2,748,946 | 2,776,436 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |

*Note: Balance is funded by Net County Cost (NCC) or Fund Balance.

**Community Services** **Fund: 100**
**024 – OC Animal Care**

| Project ID # | OC Animal Care (OCAC) Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ01** | Administration Building – HVAC Design & Replacement | 15,000 | 187,500 | 0 | 40,000 | 461,000 |
| **PZ02** | Kennel Building – HVAC Design & Replacement | 0 | 0 | 0 | 0 | 431,485 |
| **PZ03** | Plumbing Project | 0 | 0 | 9,000 | 141,000 | 0 |
| | **Total Expense:** | **15,000** | **187,500** | **9,000** | **181,000** | **892,485** |
| | **Total Revenue:** | **15,000** | **187,500** | **9,000** | **181,000** | **892,485** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 9% | 91% | 100% |

OCAC identified the need for design and replacement of HVAC systems at the Administration and Kennel buildings and replacement of backflow preventers.

| Total Budget Control: 024 – OC Animal Care | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 15,000 | 187,500 | 9,000 | 181,000 | 892,485 |
| Total Funding: | 15,000 | 187,500 | 9,000 | 181,000 | 892,485 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |

*Note: Balance is funded by Net County Cost (NCC) or Fund Balance.

**Community Services** **Fund: 108**
**108 – OC Dana Point Harbor**

| Project ID # | Dana Point Harbor | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **P107** | Drystack Storage Contribution | 0 | 0 | 8,000,000 | 12,000,000 | 0 |
| | **Total Expense:** | **0** | **0** | **8,000,000** | **12,000,000** | **0** |
| | **Total Revenue:** | **0** | **0** | **0** | **0** | **0** |
| | **Total Reserves:** | **0** | **0** | **8,000,000** | **12,000,000** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |
| This project is the County's contribution to the Dry Stack Boat Storage facility project for the Dana Point Harbor (DPH) as part of the DPH Revitalization Plan. | | | | | | |

| Total Budget Control: 108 – OC Dana Point Harbor | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 0 | 0 | 8,000,000 | 12,000,000 | 0 |
| Total Funding: | 0 | 0 | 8,000,000 | 12,000,000 | 0 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |
| *Note: Balance is funded by Net County Cost (NCC) or Fund Balance. | | | | | |

**Community Services** **Fund: 119**
**119 – OC Public Libraries - Capital**

| Project ID # | Library Branches Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ01** | Multiple Branches – Tenant Enhancements | 3,398,000 | 0 | 1,785,000 | 0 | 3,659,500 |
| **PZ02** | Multiple Branches – Tenant Enhancements/HVAC Replacements | 0 | 2,760,000 | 0 | 1,160,000 | 0 |
| **PZ03** | La Habra Library Branch Tenant Enhancements/HVAC & Roof Replacement | 0 | 0 | 0 | 0 | 1,776,800 |
| **PZ08** | New Irvine Library | 0 | 960,000 | 24,250,000 | 0 | 0 |
| **PZ05** | Multiple Branches – HVAC Replacements | 337,500 | 0 | 373,000 | 460,000 | 0 |
| **PZ07** | Multiple Branches – Roof Replacements | 0 | 2,120,000 | 0 | 1,175,000 | 0 |
| | **Total Expense:** | **3,735,500** | **5,840,000** | **26,408,000** | **2,795,000** | **5,436,300** |
| | **Total Revenue:** | **3,735,500** | **5,840,000** | **26,408,000** | **2,795,000** | **5,436,300** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

OC Public Libraries (OCPL) identified various modernization and repair projects, which include interior refurbishments, ADA accessibility, lighting and electrical repairs, refurbishment and replacements of HVAC systems, and roof replacements. These projects will ensure safe and welcoming OCPL for the community. In addition, the construction of a new library in the City of Irvine would provide resources and programs to meet educational and entertainment needs of the community.

| **Total Budget Control: 119 – OC Public Libraries - Capital** | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 3,735,500 | 5,840,000 | 26,408,000 | 2,795,000 | 5,436,300 |
| Total Funding: | 3,735,500 | 5,840,000 | 26,408,000 | 2,795,000 | 5,436,300 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |
| *Note: Balance is funded by Net County Cost (NCC) or Fund Balance. | | | | | |

**Community Services** | **Fund: 406**
**406 – OC Parks Capital**

| Project ID # | Craig Regional Park | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PA15** | Restrooms # 2, 5, 7 – Replacement | 0 | 2,200,000 | 0 | 0 | 0 |
| **PZ08** | Irrigation Infrastructure Phase I & II – Replacement | 0 | 0 | 0 | 4,000,000 | 5,000,000 |
| | **Total Expense:** | **0** | **2,200,000** | **0** | **4,000,000** | **5,000,000** |
| | **Total Revenue:** | **0** | **2,200,000** | **0** | **4,000,000** | **5,000,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

OC Parks identified modifications, repairs, replacements and restorations needed at the Craig Regional Park. These projects include mainline irrigation pipe replacement, and converting three restrooms to unisex/ADA compliant restrooms.

| Project ID # | Irvine Regional Park | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PA01** | Restrooms # 6, 8, 10 – Replacement | 0 | 0 | 0 | 0 | 2,600,000 |
| | **Total Expense:** | **0** | **0** | **0** | **0** | **2,600,000** |
| | **Total Revenue:** | **0** | **0** | **0** | **0** | **2,600,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

OC Parks identified the need to convert three restrooms to unisex/ADA compliant restrooms at the Irvine Regional Park.

| Project ID # | Old County Courthouse | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ05** | Replace HVAC & Exhaust Systems 3rd Floor & Lobby – Phase IV | 0 | 0 | 753,500 | 0 | 0 |
| **PZ06** | Replace Roof & Skylight | 0 | 0 | 0 | 2,200,000 | 0 |
| | **Total Expense:** | **0** | **0** | **753,500** | **2,200,000** | **0** |
| | **Total Revenue:** | **0** | **0** | **753,500** | **2,200,000** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

OC Parks identified modifications and replacements needed at the Old County Courthouse. These projects include HVAC system replacement, including new fan coils, ducting, and grills, roof replacement in compliance with historic architecture preservation requirements and restoration of skylights.

**Community Services** **Fund: 406**
**406 – OC Parks Capital**

| Project ID # | Various Parks | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ01** | Talbert Regional Park – Master Plan Trail Improvements – Phase I | 786,500 | 0 | 0 | 0 | 0 |
| **PB08** | Mile Square Regional Park – Golf Course to Park Conversion Phase II | 10,000,000 | 5,000,000 | 5,000,000 | 0 | 0 |
| **PZ02** | Wieder Regional Park – Playground Renovation | 0 | 400,000 | 0 | 0 | 0 |
| **PA19** | Laguna Niguel Regional Park – Irrigation Infrastructure Replacement | 0 | 0 | 3,000,000 | 0 | 0 |
| **PZ03** | Arden–Modjeska House – Diversion of Storm Water & Debris Maintenance | 0 | 0 | 215,000 | 0 | 0 |
| **PZ04** | John Cooper – Site Work & Drainage Improvements | 0 | 0 | 1,350,000 | 0 | 0 |
| **PZ07** | Saddleback Gateway – Roof Replacement | 0 | 0 | 0 | 500,000 | 0 |
| **PD06** | O'Neill Regional Park – Waterline Replacement | 0 | 0 | 0 | 0 | 4,300,000 |
| **PA07** | Peters Canyon Regional Park – New Restroom Lower Reservoir | 0 | 1,710,000 | 0 | 0 | 0 |
| | **Total Expense:** | **10,786,500** | **7,110,000** | **9,565,000** | **500,000** | **4,300,000** |
| | **Total Revenue:** | **10,786,500** | **7,110,000** | **9,565,000** | **500,000** | **4,300,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

OC Parks identified modifications, repairs, replacements and restorations needed at various regional parks, wilderness parks, beaches, bikeways and other sites. These projects include roof replacements, drainage improvements, water line and crossing repairs and replacements, equipment replacement and resurfacing for playgrounds, restrooms renovations, and Golf Course to Park Conversion at Mile Square Park.

| **Total Budget Control: 406 – OC Parks Capital** | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 10,786,500 | 9,310,000 | 10,318,500 | 6,700,000 | 11,900,000 |
| Total Funding: | 10,786,500 | 9,310,000 | 10,318,500 | 6,700,000 | 11,900,000 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |

*Note: Balance is funded by Net County Cost (NCC) or Fund Balance.

**Community Services** **Fund: 100**
**063 – Social Services Agency**

| Project ID # | Social Services Agency Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **P450** | Orangewood Children and Family Center (OCFC) – Kitchen Remodel | 1,200,000 | 0 | 0 | 0 | 0 |
| **P451** | Children Services Headquarters (Eckhoff) Remodel & ADA | 6,230,000 | 0 | 0 | 0 | 0 |
| | **Total Expense:** | **7,430,000** | **0** | **0** | **0** | **0** |
| | **Total Revenue:** | **7,430,000** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

OCFC kitchen and dining facility renovations are needed for daily operations and to ensure compliance with electrical, plumbing, and health and safety codes, and ADA. Remodel additional space at Eckhoff building including reconfiguring office areas, painting, flooring, replacing doors, and upgrading restrooms, kitchen and ADA features.

**Total Budget Control: 063 – Social Services Agency**

| Sources and Uses | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
|---|---|---|---|---|---|
| Total Expense: | 7,430,000 | 0 | 0 | 0 | 0 |
| Total Funding: | 7,430,000 | 0 | 0 | 0 | 0 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |

*Note: Balance is funded by Net County Cost (NCC) or Fund Balance.

**Infrastructure & Environmental** **Fund: 174**
**174 – OC Road - Capital Improvement Projects**

| Project ID # | Bridge Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PR05** | Coast Highway Bikeway & Pedestrian Bridge at Capistrano Beach | 4,070,000 | 0 | 0 | 0 | 0 |
| **PR91** | Modjeska Canyon Road Bridge Replacement | 2,570,000 | 0 | 0 | 0 | 0 |
| **PR79** | Brea Boulevard Bridge Replacement & Corridor Enhancement | 0 | 3,300,000 | 37,905,000 | 26,505,000 | 15,705,000 |
| **PR96 PR97 PR98** | Silverado Canyon Road Bridge Replacements | 12,165,000 | 275,000 | 0 | 0 | 0 |
| **P01R** | Trabuco Canyon Bridge Replacement | 5,244,990 | 0 | 0 | 0 | 0 |
| | **Total Expense:** | **24,049,990** | **3,575,000** | **37,905,000** | **26,505,000** | **15,705,000** |
| | **Total Revenue:** | **24,049,990** | **3,575,000** | **37,905,000** | **26,505,000** | **15,705,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 87% | 13% | 0% | 0% | 100% |

Bridge projects include construction of a new bikeway and pedestrian bridge at Capistrano Beach and replacement of bridges at Modjeska Canyon Road, Silverado Canyon Road, Brea Boulevard and Trabuco Canyon.

| Project ID # | Bikeway Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PM09** | OC Loop Segment O Coyote Creek Bikeway | 4,830,000 | 80,000 | 0 | 0 | 0 |
| **PM10** | OC Loop Segment P Coyote Creek Bikeway | 250,000 | 20,665,000 | 680,000 | 0 | 0 |
| **PM12** | OC Loop Segment Q Coyote Creek Bikeway | 160,000 | 205,000 | 21,165,000 | 680,000 | 0 |
| | **Total Expense:** | **5,240,000** | **20,950,000** | **21,845,000** | **680,000** | **0** |
| | **Total Revenue:** | **5,240,000** | **20,950,000** | **21,845,000** | **680,000** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 34% | 47% | 0% | 19% | 100% |

The bikeway projects consist of paving approximately 3.4 miles of Class I (off-road) bikeways throughout the County.

**Infrastructure & Environmental** **Fund: 174**
**174 – OC Road - Capital Improvement Projects**

| Project ID # | Road, Drainage, and Other Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **P04R** | Brea Boulevard Corridor Improvement | 0 | 0 | 0 | 105,000 | 105,000 |
| **PM02** | Crawford Canyon Road Sidewalk Extension | 410,000 | 140,000 | 3,160,000 | 0 | 0 |
| **PM21** | Barrett Lane Drainage & Sidewalk Improvement | 1,978,000 | 0 | 0 | 0 | 0 |
| **PM23** | Santa Clara Avenue, Prospect Avenue & Yorba Street Drainage and Sidewalk Improvements | 15,000 | 4,635,000 | 0 | 0 | 0 |
| **PM29** | Santiago Creek Island Improvements | 297,000 | 2,247,000 | 0 | 0 | 0 |
| **PM30** | Silverado Canyon Road – Guardrail Project | 4,080,550 | 0 | 0 | 0 | 0 |
| **PM33** | Panorama Heights Drainage & Road Improvements | 585,000 | 16,367,000 | 0 | 0 | 0 |
| **PR02 LR41** | Trabuco Creek Road Stabilization | 5,105,010 | 3,059,990 | 3,000,000 | 0 | 0 |
| **PR73 LR17** | Modjeska Grade Road – Road & Drainage Improvements | 895,000 | 10,115,000 | 0 | 0 | 0 |
| **PZ17** | Newport Avenue Roadway Improvements | 0 | 0 | 0 | 382,000 | 851,000 |
| | **Total Expense:** | **13,365,560** | **36,563,990** | **6,160,000** | **487,000** | **956,000** |
| | **Total Revenue:** | **13,365,560** | **36,563,990** | **6,160,000** | **487,000** | **956,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 100% | 0% | 0% | 0% | 100% |

The road, drainage and other projects consist of adding and/or widening lanes, extending roadways and sidewalks, building out cul-de-sacs, constructing medians, reconstructing existing dirt roadways, installing passing lanes and installing new storm drain systems.

**Infrastructure & Environmental** **Fund: 174**
**174 – OC Road - Capital Improvement Projects**

| Project ID # | Annual Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PM31** | Anaheim Island Area – ADA Upgrades Phase 2 | 1,460,000 | 0 | 0 | 0 | 0 |
| **PM32** | Traffic Signal Upgrades (Annual) – Esperanza Road at Fairlynn Blvd | 590,000 | 0 | 0 | 0 | 0 |
| **PR04** | Traffic Signal Upgrades (Annual) | 0 | 550,000 | 550,000 | 550,000 | 550,000 |
| **PR22** | ADA Upgrades | 120,000 | 1,035,000 | 120,000 | 1,035,000 | 120,000 |
| **PZ08** | Sidewalk Gap Closure (Annual) | 155,000 | 422,000 | 155,000 | 422,000 | 155,000 |
| | **Total Expense:** | **2,325,000** | **2,007,000** | **825,000** | **2,007,000** | **825,000** |
| | **Total Revenue:** | **2,325,000** | **2,007,000** | **825,000** | **2,007,000** | **825,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 100% | 0% | 0% | 0% | 100% |

These projects include replacing existing traffic signal hardware, upgrades and improvements to curb ramps, sidewalks, and driveways, constructing new sidewalks, and expanding fiber optic network components. The projects are needed to enhance safety and mobility and to comply with Americans with Disabilities Act (ADA) standards.

| **Total Budget Control: 174 – OC Road** | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 44,980,550 | 63,095,990 | 66,735,000 | 29,679,000 | 17,486,000 |
| Total Funding: | 44,980,550 | 63,095,990 | 66,735,000 | 29,679,000 | 17,486,000 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |
| *Note: Balance is funded by Net County Cost (NCC) or Fund Balance. | | | | | |

**Infrastructure & Environmental** **Fund: 401**
**401 – OC Flood - Capital Improvement Projects**

| Project ID # | Flood Channel Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| PF80 PF81 | Carbon Creek Channel | 0 | 0 | 0 | 315,000 | 22,170,000 |
| PN02 PF01 PF66 PZ27 | East Garden Grove Wintersburg Channel | 32,960,000 | 61,481,500 | 57,156,000 | 1,021,000 | 30,637,000 |
| PN01 | East Garden Grove-Wintersburg Channel Bridges | 150,000 | 0 | 0 | 0 | 0 |
| PF03 | Fullerton Creek Channel | 0 | 0 | 0 | 344,000 | 209,000 |
| PZ28 PZ34 | San Juan Creek Channel | 0 | 0 | 0 | 792,000 | 2,252,000 |
| PF73 L394 | Santa Ana-Delhi Channel | 27,352,523 | 8,210,000 | 471,000 | 60,000 | 0 |
| | **Total Expense:** | **60,462,523** | **69,691,500** | **57,627,000** | **2,532,000** | **55,268,000** |
| | **Total Revenue:** | **60,462,523** | **69,691,500** | **57,627,000** | **2,532,000** | **55,268,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

The flood channel projects include improvements needed for flood channels to withstand a 100-year storm event, improvements to segments that are hydraulically deficient, replacement of existing corroded sheet piles, reconstruction of channel to original grade, and widening portions of the channel to create additional habitat area and replace the existing bicycle bridge to allow continued coastal access.

| Project ID # | Bikeway Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| PF89 | Santa Ana River Parkway Extension | 13,127,000 | 0 | 0 | 0 | 0 |
| | **Total Expense:** | **13,127,000** | **0** | **0** | **0** | **0** |
| | **Total Revenue:** | **13,127,000** | **0** | **0** | **0** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

Bikeway projects include the construction of Class I (off-road) bikeways throughout the County.

**Infrastructure & Environmental** **Fund: 401**
**401 – OC Flood - Capital Improvement Projects**

| Project ID # | Pump Station Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ29** | Repower Cypress Pump Station | 3,000,000 | 3,000,000 | 0 | 0 | 0 |
| **PZ30** | Repower Huntington Beach Pump Station | 3,000,000 | 3,000,000 | 0 | 0 | 0 |
| **PZ32** | Huntington Beach Pump Station Office & Transformer | 1,000,000 | 0 | 0 | 0 | 0 |
| **PZ33** | Rossmoor Pump Station – Restroom | 300,000 | 0 | 0 | 0 | 0 |
| | **Total Expense:** | **7,300,000** | **6,000,000** | **0** | **0** | **0** |
| | **Total Revenue:** | **7,300,000** | **6,000,000** | **0** | **0** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 100% | 0% | 0% | 0% | 100% |

Pump station engines are nearing the end of useful service. These projects includes engineering, design, civil work, permitting and all project related aspects to replace station engines, drive train, pumps, cooling system and all associated systems and infrastructure. Projects also include upgrading restrooms at the Rossmoor Pump Station and the Huntington Beach Pump Station.

| Project ID # | Other Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ31** | Villa Park Dam – Gate & Associated Structural Components | 2,000,000 | 2,000,000 | 0 | 0 | 0 |
| | **Total Expense:** | **2,000,000** | **2,000,000** | **0** | **0** | **0** |
| | **Total Revenue:** | **2,000,000** | **2,000,000** | **0** | **0** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 100% | 0% | 0% | 0% | 100% |

Engineering, design, civil work, permitting and all project related aspects to replace Villa Park Dam gates and associated structural components.

| **Total Budget Control: 401 – OC Flood** | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 82,889,523 | 77,691,500 | 57,627,000 | 2,532,000 | 55,268,000 |
| Total Funding: | 82,889,523 | 77,691,500 | 57,627,000 | 2,532,000 | 55,268,000 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |
| *Note: Balance is funded by Net County Cost (NCC) or Fund Balance. | | | | | |

**Infrastructure & Environmental** **Fund: 281**
**281 – Airport Construction Fund**

| Project ID # | Airport Terminal Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **P440 PZ17 PZ18** | Facility Accessibility Improvements | 1,400,000 | 2,500,000 | 1,500,000 | 0 | 0 |
| **P442 PZ06 PZ07** | Terminal A & B Inbound Baggage System Improvements | 630,000 | 0 | 18,000,000 | 26,000,000 | 30,000,000 |
| **PZ03** | Terminal A & B Covered Walkways | 2,500,000 | 200,000 | 0 | 0 | 0 |
| **PZ02** | Roof Replacement | 800,000 | 4,000,000 | 4,000,000 | 0 | 0 |
| **P448** | Floor Expansion Joint Reconfiguration | 500,000 | 0 | 0 | 0 | 0 |
| **P465** | Infrastructure Improvements Plan | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| **P457** | Common Use Passenger Processing System Upgrades | 20,000,000 | 2,000,000 | 0 | 0 | 0 |
| **P459** | Grease Interceptor Improvement | 1,800,000 | 100,000 | 0 | 0 | 0 |
| **P460** | Concessions Infrastructure – Phase II | 1,000,000 | 500,000 | 0 | 0 | 0 |
| **PZ09** | Facilities Security Improvements – Phase I | 5,000,000 | 0 | 0 | 0 | 0 |
| **P466 PZ15 PZ16** | Terminal Elevator/Escalator Replacement | 100,000 | 100,000 | 7,800,000 | 11,000,000 | 5,000,000 |
| **P469** | Replace Baggage Handling System Upper Level Controls | 1,500,000 | 0 | 0 | 0 | 0 |
| | **Total Expense:** | **37,230,000** | **11,400,000** | **33,300,000** | **39,000,000** | **37,000,000** |
| | **Total Revenue:** | **37,230,000** | **11,400,000** | **33,300,000** | **39,000,000** | **37,000,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 6% | 0% | 94% | 100% |

Airport terminal projects include replacements and repairs at the airport terminals that are expected to result in operational and maintenance cost savings and enhanced guest experience.

**Infrastructure & Environmental** — **Fund: 281**
**281 – Airport Construction Fund**

| Project ID # | Airport Airfield Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **P424** | Taxiway A, D & E Reconstruction | 14,750,000 | 22,750,000 | 100,000 | 0 | 0 |
| **PZ10** | Airfield Runway 2L/20R Rehabilitation | 0 | 0 | 0 | 10,000,000 | 0 |
| **PZ19** | West Infield Restricted Access Road Relocation | 0 | 0 | 0 | 0 | 2,000,000 |
| **P468** | Taxiway B Service Road Realignment | 350,000 | 3,150,000 | 0 | 0 | 0 |
| | **Total Expense:** | **15,100,000** | **25,900,000** | **100,000** | **10,000,000** | **2,000,000** |
| | **Total Revenue:** | **15,100,000** | **25,900,000** | **100,000** | **10,000,000** | **2,000,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 19% | 0% | 81% | 100% |

Airport airfield projects include replacements, improvements and renovations at the airport runways and taxiways that should result in efficient operations and space utilization, operational and maintenance cost savings, and security enhancements.

| Project ID # | Stormwater Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ04** | Industrial General Permit – Stormwater Improvements | 8,000,000 | 7,550,000 | 0 | 0 | 0 |
| **PZ05** | Stormwater Runoff Collection, Treatment & Erosion Control | 0 | 0 | 0 | 0 | 10,000,000 |
| | **Total Expense:** | **8,000,000** | **7,550,000** | **0** | **0** | **10,000,000** |
| | **Total Revenue:** | **8,000,000** | **7,550,000** | **0** | **0** | **10,000,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

Stormwater projects include assessment and necessary repair of storm drain, separation of Industrial and Municipal flow areas, capture and treatment of stormwater, and enhancing drainage control infrastructure to reduce sediment transport. These projects are expected to reduce pollutant discharges and meet No Exposure Certification (NEC) and National Pollutant Discharge Elimination System (NPDES) permit requirements.

**Infrastructure & Environmental** **Fund: 281**
**281 – Airport Construction Fund**

| Project ID # | Parking Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| P429 | Main Street Parking Lot Restroom Renovation | 0 | 0 | 0 | 0 | 1,500,000 |
| P451 | Main Street Parking Lot Modifications for Electric Bus and Vehicle Chargers | 2,700,000 | 50,000 | 0 | 0 | 0 |
| PZ01 | Parking Access Revenue Control System (PARCS) Replacement | 0 | 0 | 0 | 500,000 | 5,200,000 |
| | **Total Expense:** | **2,700,000** | **50,000** | **0** | **500,000** | **6,700,000** |
| | **Total Revenue:** | **2,700,000** | **50,000** | **0** | **500,000** | **6,700,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 5% | 0% | 95% | 100% |

Airport parking projects include replacements, improvements and renovations at the airport parking lots and structures that should result in efficient operations and space utilization, operational and maintenance cost savings, and security enhancements.

| Project ID # | Apron Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| P428 | Exterior Lighting Improvements | 0 | 0 | 0 | 0 | 6,000,000 |
| P436 | Terminal Apron Rehabilitation | 0 | 1,500,000 | 10,000,000 | 7,250,000 | 0 |
| | **Total Expense:** | **0** | **1,500,000** | **10,000,000** | **7,250,000** | **6,000,000** |
| | **Total Revenue:** | **0** | **1,500,000** | **10,000,000** | **7,250,000** | **6,000,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 9% | 0% | 91% | 100% |

Airport apron projects include replacements, improvements and renovations at the airport apron facilities that should result in efficient operations, operational and maintenance cost savings, and security enhancements.

**Infrastructure & Environmental** **Fund: 281**
**281 – Airport Construction Fund**

| Project ID # | Various Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ11** | Airport Power Generation & Distribution Upgrades Central Utilities Plant (CUP) – Phase I | 6,000,000 | 3,700,000 | 100,000 | 0 | 0 |
| **PZ12** | Airport Power Generation & Distribution Upgrades Central Utilities Plant (CUP) – Phase II | 1,000,000 | 10,000,000 | 4,000,000 | 0 | 0 |
| **PZ13** | Airport Power Generation & Distribution Upgrades Central Utilities Plant (CUP) – Phase III | 0 | 3,000,000 | 22,000,000 | 15,000,000 | 0 |
| **PZ14** | Airport Power Generation & Distribution Upgrades Central Utilities Plant (CUP) – Phase IV | 0 | 1,000,000 | 6,000,000 | 5,000,000 | 3,000,000 |
| **P433** | Explosive Detection Team – Facility Improvements | 297,000 | 0 | 0 | 0 | 0 |
| **P461** | Perimeter Fence Enhancements – Phase I | 1,000,000 | 0 | 0 | 0 | 0 |
| **PZ08** | Perimeter Fence Enhancements – Phase II | 2,000,000 | 0 | 0 | 0 | 0 |
| | **Total Expense:** | **10,297,000** | **17,700,000** | **32,100,000** | **20,000,000** | **3,000,000** |
| | **Total Revenue:** | **10,297,000** | **17,700,000** | **32,100,000** | **20,000,000** | **3,000,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

The various projects include upgrading and improving areas throughout the airport property and replacing critical systems that should: enhance the resiliency and provide redundancy for the airport's electrical power; remove and replace fencing along the perimeter of the airport's property and upgrade the Sheriff's canine unit facility for Americans with Disabilities Act (ADA) compliance.

| **Total Budget Control: 281 – Airport Construction Fund** | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 73,327,000 | 64,100,000 | 75,500,000 | 76,750,000 | 64,700,000 |
| Total Funding: | 73,327,000 | 64,100,000 | 75,500,000 | 76,750,000 | 64,700,000 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |

*Note: Balance is funded by Net County Cost (NCC) or Fund Balance.

**Infrastructure & Environmental** **Fund: 273**
**273 – OCWR Capital Project Fund**

| Project ID # | Household Hazardous Waste Collection Centers (HHWCCs) | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ03** | Santa Ana Household Hazardous Waste Collection Center | 2,700,000 | 0 | 0 | 0 | 0 |
| | **Total Expense:** | **2,700,000** | **0** | **0** | **0** | **0** |
| | **Total Revenue:** | **2,700,000** | **0** | **0** | **0** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

Proposed new HHWCC in the City of Santa Ana to comply with the Household Hazardous Waste Element of the County's Solid Waste Disposal Plan. OCWR operates four permanent HHWCCs to provide a regional resource to all Orange County residents for proper household hazardous waste disposal.

| Project ID # | Olinda Alpha Landfill (OAL) Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **P565** | Main Access Road Extension | 750,000 | 0 | 0 | 0 | 0 |
| **PZ01** | Main Access Road Extension Phase II | 0 | 0 | 1,500,000 | 0 | 0 |
| **PZ02** | Landfill Gas Header Upgrade Phase II | 0 | 3,000,000 | 0 | 0 | 0 |
| | **Total Expense:** | **750,000** | **3,000,000** | **1,500,000** | **0** | **0** |
| | **Total Revenue:** | **750,000** | **3,000,000** | **1,500,000** | **0** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

Due to the increase in refuse elevation at the OAL there is a need to extend and rehabilitate the main access road and upgrade sections of the main landfill gas line with a larger pipe.

**Infrastructure & Environmental** **Fund: 273**
**273 – OCWR Capital Project Fund**

| Project ID # | Frank R. Bowerman (FRB) Landfill Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **P738** | Groundwater Protection & Stockpile Phase VIII-A1 | 30,000,000 | 0 | 0 | 0 | 0 |
| **P784** | East Drainage Remediation | 14,500,000 | 10,000,000 | 0 | 0 | 0 |
| **P785** | Sewer Line & Water Treatment System | 5,500,000 | 0 | 0 | 0 | 0 |
| **P792** | Landfill Gas Flare (LFG) Probe Expansion | 1,000,000 | 0 | 0 | 0 | 0 |
| **P793** | Fixed Digital Message Board | 250,000 | 0 | 0 | 0 | 0 |
| **P803** | Main Access Road Repair & Repave | 1,100,000 | 0 | 0 | 0 | 0 |
| **PZ04** | Groundwater Protection & Stockpile Phase VIIIA-2 | 0 | 0 | 18,000,000 | 6,000,000 | 0 |
| | **Total Expense:** | **52,350,000** | **10,000,000** | **18,000,000** | **6,000,000** | **0** |
| | **Total Revenue:** | **52,350,000** | **10,000,000** | **18,000,000** | **6,000,000** | **0** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

Development of Phase VIII-A will expand the disposal area of the FRB Landfill, providing approximately 15 million cubic yards (MCY) of capacity. This expansion will include construction of a protective liner, soil stockpile of 2 MCY, road and facility improvements, systems installation for leachate collection, landfill gas collection and facility drainage control. Other projects include installing a water treatment system to remove potential odors and treat for contaminants, repairing/replacing storm water pipes damaged in the Santiago Fire, installing a fixed digital message board to communicate messages, alerts and warnings, extending and repairing the main access road, and moving the landfill gas probes to better identify and mitigate potential issues, increase safety and facilitate regulatory compliance.

**Infrastructure & Environmental**
**273 – OCWR Capital Project Fund**

**Fund: 273**

| Project ID # | Prima Deshecha Landfill Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| P782 | Fee Booth Relocation & Entrance Improvements | 250,000 | 0 | 0 | 0 | 0 |
| P787 | Infrastructure Phase I Project | 0 | 3,500,000 | 0 | 0 | 0 |
| P797 | Infrastructure Phase IB Project | 2,500,000 | 0 | 0 | 0 | 0 |
| P798 | Infrastructure Phase II Project | 0 | 0 | 8,000,000 | 0 | 0 |
| P780 | Renewable Natural Gas Project | 0 | 0 | 0 | 0 | 26,750,000 |
| PZ05 | Zone 4 Phase A Main Gas Line | 0 | 0 | 0 | 0 | 4,000,000 |
| P732 | Zone 4 Phase A Mass Excavation & Ground Water Protection | 50,000,000 | 20,500,000 | 0 | 0 | 0 |
| PZ09 | Solar Infrastructure Initiative | 0 | 1,000,000 | 0 | 0 | 0 |
| | **Total Expense:** | **52,750,000** | **25,000,000** | **8,000,000** | **0** | **30,750,000** |
| | **Total Revenue:** | **52,750,000** | **25,000,000** | **8,000,000** | **0** | **30,750,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

Reconfiguring the fee booths and adding lanes will accommodate the anticipated increase in landfill traffic. OCWR is required to construct the main header landfill gas line to comply with new regulatory standards. The expansion in Zone 4, includes installation of a liner system, earth work, and associated infrastructure improvements. Infrastructure projects include increasing OCWR sewage discharge capacity, expanding access and providing utility services to the central area of the landfill and adding future renewable energy facilities. Other projects include developing a system to produce Renewable Natural Gas and inject it into the SoCal Gas pipeline and installing new solar panels at Prima facilities.

| Project ID # | Organics Management Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| P795 | Organics Phase II – FRB SSO Processing Facility | 0 | 0 | 10,000,000 | 13,000,000 | 0 |
| PZ06 | Organics Phase IC – FRB CASP | 0 | 0 | 8,000,000 | 0 | 0 |
| PZ07 | Organics Phase IB – Prima CASP | 0 | 0 | 3,000,000 | 2,500,000 | 0 |
| PZ08 | Organics Phase II – Prima SSO Processing Facility | 0 | 0 | 0 | 0 | 5,000,000 |
| | **Total Expense:** | **0** | **0** | **21,000,000** | **15,500,000** | **5,000,000** |
| | **Total Revenue:** | **0** | **0** | **21,000,000** | **15,500,000** | **5,000,000** |
| | **Total Reserves:** | **0** | **0** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

OCWR is implementing various technologies for processing organic materials such as installing Covered Aerated Static Pile (CASP) systems that will increase the compost output at the Capistrano and Bee Canyon Greenery facilities, and developing source-separated organics (SSO) processing facilities to create slurry used for co-digestion and ensure the County's compliance with regulations for reducing greenhouse gases.

**Infrastructure & Environmental**
**273 – OCWR Capital Project Fund**

**Fund: 273**

| Total Budget Control: 273 – OCWR Capital Project Fund | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 108,550,000 | 38,000,000 | 48,500,000 | 21,500,000 | 35,750,000 |
| Total Funding: | 108,550,000 | 38,000,000 | 48,500,000 | 21,500,000 | 35,750,000 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |
| *Note: Balance is funded by Net County Cost (NCC) or Fund Balance. | | | | | |

**Insurance, Reserves & Miscellaneous** **Fund: 289**
**289 – OCIT Countywide Services**

| Project ID # | OC Data Center (OCDC) Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast |
|---|---|---|---|---|---|---|
| **PZ01** | Russel Electric Main Switch Board (MSB) Circuit Breaker Rebuild/Recertify & Bus Bar Cleaning | 165,000 | 0 | 0 | 0 | 0 |
| **PZ02** | OCDC Monitoring System Upgrade Assessment | 550,000 | 0 | 0 | 0 | 0 |
| **PZ03** | Leak Detection Upgrade | 0 | 250,000 | 0 | 0 | 0 |
| **PZ04** | OCDC Computer Room End-Row Networking | 250,000 | 0 | 0 | 0 | 0 |
| | **Total Expense:** | **965,000** | **250,000** | **0** | **0** | **0** |
| | **Total Revenue:** | **0** | **0** | **0** | **0** | **0** |
| | **Total Reserves:** | **965,000** | **250,000** | **0** | **0** | **0** |
| | **Balance:** | **0** | **0** | **0** | **0** | **0** |
| | **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | | 0% | 0% | 0% | 100% | 100% |

The OCDC is an essential facility hosting the County's Enterprise computer network equipment. Several projects are planned in the next five years to ensure the data center continues to provide a secure and updated facility. Projects include consolidation of four monitoring systems into one single Business Management System at the OCDC, replacement of the leak detection system, replacing network racks, and rebuilding/recertifying/cleaning the Circuit Breakers and Bus Bar to extend the useful life of the power switchgear.

| Total Budget Control: 289 – OCIT Countywide Services | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Total Expense: | 965,000 | 250,000 | 0 | 0 | 0 |
| Total Funding: | 965,000 | 250,000 | 0 | 0 | 0 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |
| *Note: Balance is funded by Net County Cost (NCC) or Fund Balance. | | | | | |

| Countywide Summary - Capital Projects | FY 23-24 Forecast | FY 24-25 Forecast | FY 25-26 Forecast | FY 26-27 Forecast | FY 27-28 Forecast | 2022 SFP Forecast |
|---|---|---|---|---|---|---|
| **Department Funded General Fund Capital Projects** | | | | | | |
| Department Funded General Fund Expense Total | 7,445,000 | 187,500 | 9,000 | 181,000 | 892,485 | 8,714,985 |
| Department Funded General Fund Revenue Total | 7,445,000 | 187,500 | 9,000 | 181,000 | 892,485 | 8,714,985 |
| | | | | | | |
| **Non-General Fund Capital Projects** | | | | | | |
| Non-General Fund Expense Total | 430,605,958 | 351,174,871 | 388,372,876 | 180,804,852 | 227,860,456 | 1,578,819,013 |
| Funding from Capital Projects (036): | 12,133,931 | 12,133,931 | 12,133,931 | 12,133,931 | 12,133,931 | 60,669,655 |
| Non-General Fund Revenue | 418,472,027 | 339,040,940 | 376,238,945 | 168,670,921 | 215,726,525 | 1,518,149,358 |
| Non-General Fund Revenue Total | 430,605,958 | 351,174,871 | 388,372,876 | 180,804,852 | 227,860,456 | 1,578,819,013 |
| | | | | | | |
| **County Expense Total** | **438,050,958** | **351,362,371** | **388,381,876** | **180,985,852** | **228,752,941** | **1,587,533,998** |
| **County Revenue Total** | **438,050,958** | **351,362,371** | **388,381,876** | **180,985,852** | **228,752,941** | **1,587,533,998** |
| **County Balance** | 0 | 0 | 0 | 0 | 0 | 0 |

# Five-Year Information Technology Plan

## Introduction

The proposed five-year Information Technology (IT) Plan for Fiscal Years 2023-24 through 2027-28 is the County's compilation of significant IT projects. The projects include both those requesting General Funds from Data Systems Development Projects, Budget Control 038, as well as those proposing funding from non-General Fund sources. Effective FY 2020-21 countywide IT projects are budgeted and accounted for in Countywide IT Projects Non-General Fund, Fund 15I. This document is updated annually to reflect the changing needs and fiscal outlook of the County.

Departments were requested to identify planned IT projects costing more than $150,000 over the five-year financial planning period. Identification of projects in the IT Plan allows review of each request and assessment of five-year funding requirements. IT projects exceeding $1,000,000 in a single year and requiring General Funds will continue to be reported in the Strategic Priority section of the SFP.

The IT Plan serves as an assessment tool to assist in the evaluation of funding commitments, as well as potential project overlap. Moreover, the plan provides a roadmap for future IT projects while maintaining long-term financial stability. The assessment is an ongoing process influenced by many changing factors such as service needs, available resources, Board of Supervisors priorities, legal mandates, age and condition of existing IT infrastructure, and considerations for changes in technology and IT data security.

The IT plan is not a budget document, but rather a planning tool to be used in conjunction with the budget development process for FY 2023-24 through FY 2027-28. The reported IT projects (and those subsequently identified) will be evaluated for funding during the FY 2023-24 annual budget development process. Project needs and related costs are reviewed again during the next SFP cycle which will begin in August 2023.

The County has an established IT Governance Policy to ensure alignment of IT strategies and planned expenditures with the County's strategic objectives. Compliant with this policy, all new IT projects costing $150,000 or more are to be reviewed and approved by the County's IT Investment Review Committee and the IT Executive Council prior to inclusion in the following year's budget requests.

**IT Projects General Fund 100-038 and Non-General Fund 15I**

As of October 31, 2022, appropriations in Fund 15I total $19.2 million, funded by $4 million Net County Cost transferred in from Data Systems Development Projects, Budget Control 038, $2.0 million state grant funding, and $13.2 million carryover fund balance. The NCC Limit for Data Systems Development Projects, Budget Control 038, is set at $4 million for each fiscal year of the five-year plan, which provides potential funding for the IT project requests included in this SFP. The total five-year net IT projects costs summarized in this SFP are $1.2 million, excluding General Fund Strategic Priorities requested by OCIT Countywide Services and departments.

**Information Technology (IT) Project Proposal Summary**

| C/N | IT Project Title | 5-Year Cost Funded by Dept | 5-Year NCC Request | ANNUAL NCC REQUEST (COST LESS REVENUES OR OTHER SOURCES) | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **Program II – Community Services** | | | | | | | | |
| 120 – OC Public Libraries | | | | | | | | |
| **N** | OC Public Libraries Branch Routers | 275,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Program II Subtotal** | **275,000** | **0** | **0** | **0** | **0** | **0** | **0** |
| **Program V - Capital Improvements** | | | | | | | | |
| 15I – Countywide IT Projects Non-General Fund | | | | | | | | |
| **C** | Automated Patching Tool | 90,000 | 474,000 | 474,000 | 0 | 0 | 0 | 0 |
| **C** | Automated E-Discovery Tool | 90,000 | 474,000 | 0 | 474,000 | 0 | 0 | 0 |
| **C** | SharePoint Migration | 350,000 | 75,000 | 75,000 | 0 | 0 | 0 | 0 |
| **N** | Human Resource Services Onboarding System | 120,000 | 150,000 | 150,000 | 0 | 0 | 0 | 0 |
| | **Program V Subtotal** | **650,000** | **1,173,000** | **699,000** | **474,000** | **0** | **0** | **0** |
| | | | | | | | | |
| | **Total NCC Request** | **0** | **1,173,000** | **699,000** | **474,000** | **0** | **0** | **0** |
| Legend: C = Continuing IT Project, N = New IT Project | | | | | | | | |

**Notes:**
**1) The above SFP requests do not commit the County to funding. The funding is committed through the annual budget process and the above information is subject to change at that time.**
**2) The NCC Limit for the Data Systems Development Projects, Budget Control 038, is set at $4 million for each fiscal year of the five-year plan.**

Program: **Community Services** Fund: **120**
Budget Control: **120 – OC Public Libraries**

**IT Project Description:** **Unit Number: P120IZ01** **PB Req: 25401**

**OC Public Libraries Branch Routers**

| Sources and Uses | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
|---|---|---|---|---|---|
| Expense: | 0 | 0 | 275,000 | 0 | 0 |
| Revenue: | 0 | 0 | 275,000 | 0 | 0 |
| **Balance:** | **0** | **0** | **0** | **0** | **0** |
| **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | 0% | 0% | 0% | 100% | 100% |

**Proposal:**
OC Public Libraries (OCPL) proposes to replace its existing hardware that supports public and private resources including surveillance, internet, Wi-Fi and broadcast systems at each library building. The new hardware will ensure that OCPL devices will continue to receive the most recent firmware and security upgrades mitigating the risk of cybersecurity breaches. The project would be completed in FY 2025-26 with costs funded from Property Tax revenues.

**Total Budget Control: 120 – OC Public Libraries**

| Sources and Uses | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
|---|---|---|---|---|---|
| Expense: | 0 | 0 | 275,000 | 0 | 0 |
| Revenue: | 0 | 0 | 275,000 | 0 | 0 |
| **Balance*:** | **0** | **0** | **0** | **0** | **0** |

*Note: Balance is funded by Net County Cost (NCC) or Fund Balance

| | | |
|---|---|---|
| Program: | **Capital Improvements** | Fund: **15I** |
| Budget Control: | **15I – Countywide IT Projects Non-General Fund** | |

**IT Project Description:** **Unit Number: 15IIZ01** **PB Req: 25436**

**Automated Patching Tool**

| Sources and Uses | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
|---|---|---|---|---|---|
| Expense: | 474,000 | 0 | 0 | 90,000 | 0 |
| Revenue: | 0 | 0 | 0 | 90,000 | 0 |
| **Balance:** | **474,000** | **0** | **0** | **0** | **0** |
| **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | 0% | 0% | 84% | 16% | 100% |

**Proposal:**

Vulnerability management is a process requiring ongoing remediation of identified risks. OCIT proposes a project to compare commercially available automated patching solutions and implement the most suitable tool based on a set of criteria for identifing vulnerability management and patching. The project could be completed in FY 2024-25 if funding were available. Implementation cost of $474,000 NCC would be requested in FY 2023-24 and OCIT, Fund 289, would charge $90,000 annual ongoing costs to users beginning in FY 2026-27.

**IT Project Description:** **Unit Number: 15IIZ02** **PB Req: 25437**

**Automated E-Discovery Tool**

| Sources and Uses | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
|---|---|---|---|---|---|
| Expense: | 0 | 474,000 | 0 | 0 | 90,000 |
| Revenue: | 0 | 0 | 0 | 0 | 90,000 |
| **Balance:** | **0** | **474,000** | **0** | **0** | **0** |
| **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | 0% | 0% | 84% | 16% | 100% |

**Proposal:**

County departments, including Human Resource Services and County Counsel, have expressed a need for electronic discovery (e-discovery) information. OCIT proposes a solution designed to enhance the accuracy of searches of electronically stored information. The project would be completed in FY 2024-25 if funding were available. Implementation cost of $474,000 NCC would be requested in FY 2024-25 and OCIT, Fund 289, would charge $90,000 annual ongoing costs to users beginning in FY 2027-28

Program: **Capital Improvements** Fund: **15I**
Budget Control: **15I – Countywide IT Projects Non-General Fund**

| **IT Project Description:** | | | **Unit Number: 15IIZ03** | | **PB Req: 25435** |
|---|---|---|---|---|---|
| **SharePoint Migration** | | | | | |
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Expense: | 125,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Revenue: | 50,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| **Balance:** | **75,000** | **0** | **0** | **0** | **0** |
| **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | 0% | 0% | 100% | 0% | 100% |

**Proposal:**
OCIT proposes continuing the SharePoint Migration project that would convert existing legacy SharePoint sites to Modern SharePoint, updating the County's intranet sites to current software and web standards. The project would insure non-interrupted support, immediate access to new features, eliminate server patching and maintenance and increase security of the County's sites. The project would be completed in FY 2023-24. Remaining implementation costs are estimated at $75,000 NCC and would be requested in FY 2023-24 and OCIT Fund 289 will charge $75,000 annual ongoing costs to users beginning FY 2024-25.

| **IT Project Description:** | | | **Unit Number: 15IIZ04** | | **PB Req: 25434** |
|---|---|---|---|---|---|
| **Human Resource Services Onboarding System** | | | | | |
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Expense: | 150,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Revenue: | 0 | 30,000 | 30,000 | 30,000 | 30,000 |
| **Balance:** | **150,000** | **0** | **0** | **0** | **0** |
| **Funding Source:** | **State** | **Federal** | **General Fund** | **Other** | **Total** |
| | 0% | 0% | 100% | 0% | 100% |

**Proposal:**
Human Resource Services (HRS) proposes implementing a centralized onboarding system for new hires to increase productivity and efficiency. The new system would replace the current process which is primarily manual, with several repositories and a combination of paper and online forms. This project would add an onboarding module to an existing HRS system, such as Eureka or NEOGOV, providing a consistent, user friendly, efficient and interactive onboarding experience increasing retention, performance and efficiency. The project would be completed in FY 2023-24 if funding were available. Implementation cost of $150,000 NCC would be requested in FY 2023-24 and HRS, Budget Control 054, would charge $30,000 annual ongoing costs to users beginning in FY 2024-25.

| **Total Budget Control: 15I - Countywide IT Projects Non-General Fund** | | | | | |
|---|---|---|---|---|---|
| **Sources and Uses** | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| Expense: | 749,000 | 579,000 | 105,000 | 195,000 | 195,000 |
| Revenue: | 50,000 | 105,000 | 105,000 | 195,000 | 195,000 |
| **Balance*:** | **699,000** | **474,000** | **0** | **0** | **0** |

*Note: Balance is funded by Net County Cost (NCC) or Fund Balance

## Strategic Priorities Table of Contents

## Strategic Priorities Table of Contents (continued)

## Strategic Priorities

One of the primary functions of the Strategic Financial Plan (SFP) is identification of major programmatic and infrastructure-related initiatives which are not currently addressed in the baseline operations of the County's departments, or which have high community awareness. These initiatives are referred to as Strategic Priorities and may include existing programs, new programs, program expansion, innovative partnerships with the community, new facilities, and major technology enhancements. As a companion to Strategic Priorities, the County Executive Office developed a sub-category, referred to as Emerging Initiatives, for requests that require additional information and analysis related to scope, timing, or funding requirements before being presented as Strategic Priorities.

Strategic Priorities submissions are characterized by the following basic criteria:

- **Significant in Cost Impact** – items at or exceeding $1 million in any one year, particularly those that would require County General Purpose Revenue (Net County Cost)
- **Of Community Awareness** – items that have or may have significant community impact
- **Measurable Outcomes** – measurable results have been identified so items can be evaluated from time to time on the basis of objective results
- **Personnel Impact** – may impact current work activities and/or require new positions
- **Efficient** – achieves the desired results in a sensible and cost-effective manner
- **Strategic** – may have a long-range impact on County government and the community it serves

The process of identifying Strategic Priorities involves the County's Department Heads, their staff, the County Executive Office and the Board of Supervisors. Departments submitted 51 Strategic Priorities (Priorities) and it was determined that 16 more closely fit the definition of Emerging Initiatives. The remaining 35 Strategic Priorities represent a total Net County Cost (NCC) of $589.6 million over the first five years with a first year NCC of $82.7 million growing to an annual NCC of $112.7 million by the fifth plan year. The aggregate ten-year cost of the Priorities is estimated to be $1.1 billion. Of the 35 priorities, 24 represent continuing priorities and 11 represent newly identified priorities. All Priorities are standardized into a ten-point format designed to capture all significant and relevant factors considered when making funding recommendations.

The primary focus of the SFP is on programs and resources funded from General Purpose Revenues (NCC); however, some Strategic Priorities may be funded from dedicated revenue sources (e.g. State and Federal grants). The County Executive Office will work with departments to review and identify strategies and potential funding sources, other than NCC, for implementation of the priorities. At this time, no funding is recommended for implementation of Strategic Priorities. Any funding of Strategic Priorities will be recommended as part of the FY 2023-24 budget process due to increasing ongoing operating costs beyond General Purpose Revenue growth and the need to maintain department current levels of service to the community to the extent possible; however, funding of Strategic Priorities with one-time American Rescue Plan Act funds could be recommended as part of the FY 2022-23 mid-year budget process.

The following have been identified as Emerging Initiatives and the County Executive Office will work with the respective departments to review and refine the requests and identify strategies and possible funding sources, other than NCC, for potential future inclusion as Strategic Priorities:

<u>OC CARES</u>

A description of the following emerging initiatives is included in the OC CARES Strategic Priorities introduction, after this summary:

- Mental Health and Substance Use Disorder Support Services for Juveniles
- Coordinated Assessment Process
- Coordinated Case Management Program
- Prevention and Early Intervention Programs for Youths

<u>Sheriff-Coroner Department (OCSD)</u>

- Expand Southeast Patrol Operations – Request for additional patrol deputies to meet future population growth in the unincorporated communities and the newly developed Rancho Mission Viejo.
- Hazardous Devices Squad (HDS) Expansion – Request for additional staffing and vehicles to address the increased volume of Bomb Squad related responses for explosives and hazardous materials related incidents and enhance the unit's ability to respond to critical incidents more efficiently.
- Replacement Incident Command Post – Request to replace OCSD's mobile incident command post, Samantha I (SAM I), which is over 20 years old, to ensure OCSD has access to critical technology when responding to incidents of civil unrest, protests, special events, and mutual aid requests.

<u>OC Public Libraries</u>

- New Library in the City of Laguna Niguel – Request for relocation of the current Laguna Niguel library and new facility space as part of the Laguna Niguel Town Center development.

- New Library in the City of Rancho Mission Viejo – Request for additional staffing, equipment and collection materials for a new library in the City of Rancho Mission Viejo. The developer of the Rancho Mission Viejo master plan will construct the new library.

Health Care Agency (HCA)

- Expand Emergency Medical Services – Request for additional staffing to address increased caseloads and patient care records, including data reporting, research, and adequate disaster preparedness.
- Mental Health and Recovery Services – Request for additional staffing to redesign the program structure to enhance efficiencies and align with State directives, including CalAIM, CARE Court, and forensics.
- Expand Public Health Infrastructure – Request for additional staffing to support public health critical infrastructure needs related to workforce, foundational capabilities, and to modernize public health data systems.

Social Services Agency

- Facility Improvements and Maintenance – Request for facility improvements and deferred maintenance projects to rehabilitate the Orangewood Children and Family Center and Santa Ana Regional Center.

OC Public Works

- South County Water Quality Improvement Plan – Request for additional resources to implement the South Orange County Water Quality Improvement Plan and achieve water pollutant load reductions. All municipalities, wastewater special districts, and stakeholders of South Orange County will fund this 30-year project. The National Pollutant Discharge Elimination System (NPDES) Storm Water Permit Implementation agreement governs contributions from each agency.

The following is a summary of the 2022 Strategic Priorities and the NCC request by program and department.

**2022 STRATEGIC PRIORITIES**

| C/N | Department | Strategic Priority Title | 10-Year NCC Request | 5-Year NCC Request | ANNUAL NCC REQUEST FY 23-24 | FY 24-25 |
|---|---|---|---|---|---|---|
| | **American Rescue Plan Act of 2021** | | | | | |
| C | County Executive Office | Be Well Campus Expansion | 0 | 0 | 0 | 0 |
| C | County Executive Office | Emergency Medical Services Operating Facility | 0 | 0 | 0 | 0 |
| C | County Executive Office | Juvenile Corrections Campus | 5,900,000 | 5,900,000 | 2,900,000 | 3,000,000 |
| C | County Executive Office | Pre-Trial Intervention Program | 10,050,098 | 5,056,958 | 1,030,980 | 1,022,406 |
| | | **American Rescue Plan Act of 2021 Subtotal** | **15,950,098** | **10,956,958** | **3,930,980** | **4,022,406** |
| | **OC CARES** | | | | | |
| N | County Executive Office | Community Assistance, Recovery and Empowerment (CARE) Court | 0 | 0 | 0 | 0 |
| C | County Executive Office | Coordinated Reentry System | 0 | 0 | 0 | 0 |
| C | County Executive Office | Enhance Inmate Programming Services | 35,000,000 | 35,000,000 | 0 | 35,000,000 |
| C | County Executive Office | Expand Adult Specialty Courts | 11,100,153 | 5,239,298 | 703,091 | 1,095,932 |
| C | County Executive Office | Expand Behavioral Health Law Enforcement Response Team | 19,297,998 | 9,711,718 | 1,980,900 | 1,964,290 |
| N | County Executive Office | Housing for Justice Involved Youth and Transitional Aged Youth | 7,250,000 | 3,650,000 | 770,000 | 720,000 |
| N | County Executive Office | Housing for Transitional Aged Youth | 4,500,000 | 3,250,000 | 1,250,000 | 1,250,000 |
| C | OC Community Resources | Permanent Supportive and Affordable Housing Access | TBD | TBD | TBD | TBD |
| C | Countywide IT Projects Non-General Fund | System of Care Data Integration for Care Coordination | 0 | 0 | 0 | 0 |
| | | **OC CARES Subtotal** | **77,148,151** | **56,851,016** | **4,703,991** | **40,030,222** |
| | **Program I - Public Protection** | | | | | |
| C | Public Defender | Body Worn Camera Workload Impact Mitigation | 40,624,286 | 19,007,436 | 1,875,137 | 4,273,162 |
| N | Sheriff-Coroner | Brad Gates - Data Center UPS Upgrade | 1,214,201 | 1,214,201 | 1,214,201 | 0 |
| N | Sheriff-Coroner | Central Men’s Jail – Official Visiting Booth Area Renovation | 1,034,000 | 1,034,000 | 1,034,000 | 0 |
| N | Sheriff-Coroner | Central Men’s Jail – Recreation Yard Expansion and ADA Compliance | 3,723,127 | 3,723,127 | 3,723,127 | 0 |
| C | Sheriff-Coroner | Emergency Operations Center Audio-Visual & Security System Upgrades | 4,133,043 | 2,988,428 | 1,571,793 | 729,866 |
| C | Sheriff-Coroner | Intake Release Center Air Handler Units Replacement | 9,851,888 | 9,851,888 | 2,462,972 | 2,462,972 |
| C | Sheriff-Coroner | Jail Security Electronic Control Systems Upgrade/Replacement | 28,500,000 | 15,800,000 | 0 | 4,500,000 |
| C | Sheriff-Coroner | James A. Musick Facility Expansion – Staffing | 696,588,865 | 326,147,458 | 38,479,649 | 67,912,192 |
| N | Sheriff-Coroner | Loma Ridge Communications Redundancy | 1,500,000 | 1,500,000 | 1,500,000 | 0 |
| C | Sheriff-Coroner | Orange County Jail Facilities ADA Compliance Upgrade | 7,212,610 | 7,212,610 | 959,070 | 1,415,780 |
| C | Sheriff-Coroner | OCSD Facilities Capital Improvement Plan | 69,904,726 | 36,328,527 | 0 | 7,808,860 |
| N | Sheriff-Coroner | Theo Lacy Facility – Security Block Wall | 1,525,000 | 1,525,000 | 1,525,000 | 0 |
| C | Sheriff-Coroner | Theo Lacy Facility Additional Staffing | 91,829,854 | 46,212,234 | 9,425,078 | 9,346,206 |
| | | **Program I Subtotal** | **957,641,600** | **472,544,909** | **63,770,027** | **98,449,038** |
| | **Program II - Community Services** | | | | | |
| C | Health Care Agency | Expand Environmental Health Division | 0 | 0 | 0 | 0 |
| N | Health Care Agency | Future of Public Health Initiative | 0 | 0 | 0 | 0 |
| N | Health Care Agency | Implement CDC Recommendations for Correctional Settings | 38,484,474 | 17,985,461 | 2,022,568 | 3,785,752 |
| C | Health Care Agency | Jail Based Competency Treatment | 0 | 0 | 0 | 0 |
| C | Social Services Agency | Master Plan for Aging | 0 | 0 | 0 | 0 |
| | | **Program II Subtotal** | **38,484,474** | **17,985,461** | **2,022,568** | **3,785,752** |
| | **Program III - Infrastructure & Environmental** | | | | | |
| N | OC Public Works | Expand Weights and Measures Program | 8,492,816 | 3,485,376 | 498,056 | 498,392 |
| | | **Program III Subtotal** | **8,492,816** | **3,485,376** | **498,056** | **498,392** |
| | **Program IV - General Government Services** | | | | | |
| C | CAPS Program | CAPS+ Financial/Procurement & Human Resources (HR)/Payroll Software and Hardware Upgrade | 31,670,269 | 26,168,839 | 6,773,042 | 8,566,667 |
| C | Real Estate Development Program | County Facilities Master Plan | 0 | 0 | 0 | 0 |
| | | **Program IV Subtotal** | **31,670,269** | **26,168,839** | **6,773,042** | **8,566,667** |
| | **Program VII - Insurance, Reserves & Miscellaneous** | | | | | |
| C | OCIT Countywide Services | Physical Identity Access Management (PIAM) | 1,644,000 | 1,644,000 | 998,000 | 438,000 |
| | | **Program VII Subtotal** | **1,644,000** | **1,644,000** | **998,000** | **438,000** |
| | | **Total NCC Request** | **1,131,031,408** | **589,636,559** | **82,696,664** | **155,790,477** |

Legend: C = Continuing Strategic Priority, N = New Strategic Priority

**2022 STRATEGIC PRIORITIES**

| (COST LESS REVENUE OR OTHER SOURCES) | | | | | | |
|---|---|---|---|---|---|---|
| **FY 25-26** | **FY 26-27** | **FY 27-28** | **FY 28-29 to FY 32-33** | **Strategic Priority Title** | **Department** | **C/N** |
| | | | | **American Rescue Plan Act of 2021** | | |
| 0 | 0 | 0 | 0 | Be Well Campus Expansion | County Executive Office | C |
| 0 | 0 | 0 | 0 | Emergency Medical Services Operating Facility | County Executive Office | C |
| 0 | 0 | 0 | 0 | Juvenile Corrections Campus | County Executive Office | C |
| 1,007,010 | 997,934 | 998,628 | 4,993,140 | Pre-Trial Intervention Program | County Executive Office | C |
| **1,007,010** | **997,934** | **998,628** | **4,993,140** | **American Rescue Plan Act of 2021 Subtotal** | | |
| | | | | **OC CARES** | | |
| 0 | 0 | 0 | 0 | Community Assistance, Recovery and Empowerment (CARE) Court | County Executive Office | N |
| 0 | 0 | 0 | 0 | Coordinated Reentry System | County Executive Office | C |
| 0 | 0 | 0 | 0 | Enhance Inmate Programming Services | County Executive Office | C |
| 1,134,052 | 1,134,052 | 1,172,171 | 5,860,855 | Expand Adult Specialty Courts | County Executive Office | C |
| 1,933,602 | 1,915,670 | 1,917,256 | 9,586,280 | Expand Behavioral Health Law Enforcement Response Team | County Executive Office | C |
| 720,000 | 720,000 | 720,000 | 3,600,000 | Housing for Justice Involved Youth and Transitional Aged Youth | County Executive Office | N |
| 250,000 | 250,000 | 250,000 | 1,250,000 | Housing for Transitional Aged Youth | County Executive Office | N |
| TBD | TBD | TBD | TBD | Permanent Supportive and Affordable Housing Access | OC Community Resources | C |
| 0 | 0 | 0 | 0 | System of Care Data Integration for Care Coordination | Countywide IT Projects Non-General Fund | C |
| **4,037,654** | **4,019,722** | **4,059,427** | **20,297,135** | **OC CARES Subtotal** | | |
| | | | | **Program I - Public Protection** | | |
| 4,262,315 | 4,273,452 | 4,323,370 | 21,616,850 | Body Worn Camera Workload Impact Mitigation | Public Defender | C |
| 0 | 0 | 0 | 0 | Brad Gates - Data Center UPS Upgrade | Sheriff-Coroner | N |
| 0 | 0 | 0 | 0 | Central Men’s Jail – Official Visiting Booth Area Renovation | Sheriff-Coroner | N |
| 0 | 0 | 0 | 0 | Central Men’s Jail – Recreation Yard Expansion and ADA Compliance | Sheriff-Coroner | N |
| 228,923 | 228,923 | 228,923 | 1,144,615 | Emergency Operations Center Audio-Visual & Security System Upgrades | Sheriff-Coroner | C |
| 2,462,972 | 2,462,972 | 0 | 0 | Intake Release Center Air Handler Units Replacement | Sheriff-Coroner | C |
| 3,500,000 | 5,700,000 | 2,100,000 | 12,700,000 | Jail Security Electronic Control Systems Upgrade/Replacement | Sheriff-Coroner | C |
| 73,213,408 | 73,012,663 | 73,529,546 | 370,441,407 | James A. Musick Facility Expansion – Staffing | Sheriff-Coroner | C |
| 0 | 0 | 0 | 0 | Loma Ridge Communications Redundancy | Sheriff-Coroner | N |
| 1,488,000 | 1,547,520 | 1,802,240 | 0 | Orange County Jail Facilities ADA Compliance Upgrade | Sheriff-Coroner | C |
| 8,190,000 | 9,949,667 | 10,380,000 | 33,576,199 | OCSD Facilities Capital Improvement Plan | Sheriff-Coroner | C |
| 0 | 0 | 0 | 0 | Theo Lacy Facility – Security Block Wall | Sheriff-Coroner | N |
| 9,201,178 | 9,116,248 | 9,123,524 | 45,617,620 | Theo Lacy Facility Additional Staffing | Sheriff-Coroner | C |
| **102,546,796** | **106,291,445** | **101,487,603** | **485,096,691** | **Program I Subtotal** | | |
| | | | | **Program II - Community Services** | | |
| 0 | 0 | 0 | 0 | Expand Environmental Health Division | Health Care Agency | C |
| 0 | 0 | 0 | 0 | Future of Public Health Initiative | Health Care Agency | N |
| 4,048,230 | 4,056,491 | 4,072,422 | 20,499,013 | Implement CDC Recommendations for Correctional Settings | Health Care Agency | N |
| 0 | 0 | 0 | 0 | Jail Based Competency Treatment | Health Care Agency | C |
| 0 | 0 | 0 | 0 | Master Plan for Aging | Social Services Agency | C |
| **4,048,230** | **4,056,491** | **4,072,422** | **20,499,013** | **Program II Subtotal** | | |
| | | | | **Program III - Infrastructure & Environmental** | | |
| 495,912 | 991,528 | 1,001,488 | 5,007,440 | Expand Weights and Measures Program | OC Public Works | N |
| **495,912** | **991,528** | **1,001,488** | **5,007,440** | **Program III Subtotal** | | |
| | | | | **Program IV - General Government Services** | | |
| 8,566,667 | 1,162,177 | 1,100,286 | 5,501,430 | CAPS+ Financial/Procurement & Human Resources (HR)/Payroll Software and Hardware Upgrade | CAPS Program | C |
| 0 | 0 | 0 | 0 | County Facilities Master Plan | Real Estate Development Program | C |
| **8,566,667** | **1,162,177** | **1,100,286** | **5,501,430** | **Program IV Subtotal** | | |
| | | | | **Program VII - Insurance, Reserves & Miscellaneous** | | |
| 208,000 | 0 | 0 | 0 | Physical Identity Access Management (PIAM) | OCIT Countywide Services | C |
| **208,000** | **0** | **0** | **0** | **Program VII Subtotal** | | |
| **120,910,269** | **117,519,297** | **112,719,854** | **541,394,849** | **Total NCC Request** | | |

Legend: C = Continuing Strategic Priority, N = New Strategic Priority

**American Rescue Plan Act of 2021**

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) of 2021 (H.R. 1319) into law. The $1.9 trillion package is intended to support communities in their recovery from the COVID-19 pandemic, address economic effects and lay the foundation for a strong fiscal recovery. The Coronavirus State and Local Fiscal Recovery Fund (SLFRF), under ARPA, allocates $350 billion in funding to eligible state, local, territorial, and Tribal governments for COVID-19 pandemic response. It replaces lost revenue to strengthen support for vital public services and help retain jobs; supports immediate economic stabilization for households and businesses; and addresses public health and other economic challenges. The SLFRF provides substantial flexibility for each government to meet local needs. All funds must be obligated within the period between March 3, 2021 and December 31, 2024, and used to cover such obligations by December 31, 2026.

The County of Orange was allocated $616.8 million in ARPA/SLFRF (ARPA) and the legislation requires the funds be distributed in two equal allotments. The first allotment of $308.4 million was received on May 21, 2021. The second allotment of $308.4 million was received on June 9, 2022.

The primary focus of the County is strategic allocation and use of the ARPA funds in response to the pandemic and promoting economic recovery with recognition of the need for prudent and sustainable planning. In its recovery plans, the County is committed to supporting the health and welfare of all Orange County residents. The County recovered its revenue losses from the COVID-19 pandemic, over $596 million, in order to stabilize the County's budget to ensure its ability to continue providing high quality services to the community, sustaining countywide operations and initiatives, strengthening support for vital public services, restoring staff resources impacted by the pandemic, and addressing public health and other economic challenges.

Furthermore, the County recognizes the need for continued vaccination efforts, community testing and contact tracing and, most importantly, pandemic preparedness to effectively manage future public health emergencies. As such, the County is planning a new Orange County Emergency Medical Services Operating Facility using the ARPA funds.

Another project funded by ARPA, currently in the planning phase, is to build a second behavioral health campus in the El Toro area in the City of Irvine. The campus would provide easy access for law enforcement or other first responders and provide options for the individuals encountered who are facing a mental health or substance use crisis diverting them to treatment services and away from jail. In addition, the campus would serve as an integrated support center that will provide linkages with complimentary community and social support services.

The County is also seeking to establish a new Juvenile Corrections Campus that would improve existing space and relocate the Youth Guidance Center. The County will construct a new Youth Transition Center on the Juvenile Corrections Campus for programming, education services, health and mental health services and housing for juvenile offenders and transitional aged youth.

Planned allocation of ARPA funds will be revisited with each Strategic Financial Plan (SFP) and funds reallocated as priorities change. The following provides a brief summary of the County's APRA allocation based on US Treasury expenditure categories.

1. **Public Health**

   Countywide Emergency Paid Sick Leave (One-time Funding)

   This funding provides paid sick and paid family and medical leave for public employees to enable compliance with COVID-19 public heath precautions.

   Workers' Compensation (One-time Funding)

   This funding provides prompt state-mandated benefits and quality medical care to injured County employees. The project allows the County to mitigate workers' compensations costs and accelerate the process of returning employees to work.

2. **Revenue Replacement**

   Be Well Irvine Campus (One-time Funding)

   This is a continuing Strategic Priority. The Be Well Irvine Campus is the second of three planned behavioral health campuses for the Health Care Agency. The first campus, located in the City of Orange, was implemented in April 2021 and included as a Strategic Priority in the SFP for the years 2016 to 2019.

   Bridge Digital Divide-Tech Solutions for Seniors (One-time Funding)

   This allocation will be used for 2,200 iPads with data plans, subscription for training and online classes and administrative oversight of technology support for older adults.

County Department's COVID-19 Public Health Response (One-time Funding)

The County's general COVID-19 Public Health response includes, but is not limited to, expenditures such as payroll costs for staff supporting the COVID-19 pandemic response; testing and tracing; personal protective equipment (PPE); sanitation supplies; disinfection/sanitation of public areas and offices; maintenance and improvement of telework capabilities for employees; public health facility costs; extension of the nutrition gap program; support of Affordable Housing/HomeKey programs; emergency shelter; Employee Health software system; and Jail Pharmacy reconfiguration for COVID-19 operations.

District Priorities/Projects (One-time Funding)

This funding is strategically allocated for specific Board of Supervisors directed uses with each District being allocated an equal amount of funding. To date, the following uses have been authorized:

- Housing assistance funds to aid residents including veterans experiencing or at-risk of homelessness.
- Higher education institutions and workforce development programs to include but not limited to, pre-apprenticeship programs for youth.
- Education and childcare grants for nonprofits and schools to include but not limited to facility upgrades to meet new COVID-19 safety requirements.
- Meal Gap programs from seniors, persons with disabilities and other individuals experiencing food insecurity.
- Economic support to arts-related small businesses and nonprofits.
- Small business and nonprofit incentive grants to promote sustainable practices.
- Local programs that educate and address hate related incidents.
- Local governments, school districts, nonprofits, hospitals, and healthcare programs to support mental and physical healthcare initiatives, infrastructure projects, and public safety equipment.
- Nonprofits supporting marine mammal rescue and rehabilitations.

As new uses are approved, details will be provided in future SFPs and/or Budget updates. In addition, new approved uses will be posted on the County's *ARPA/CARES Act Reports* website.

Economic Support to Arts-Related Small Business and Non-profits (One-time Funding)

This project allocated grants to support arts-related small business and non-profits designed to foster economic recovery.

Emergency Medical Services Operating Facility (One-time Funding)
This is a continuing Strategic Priority establishing an Orange County Emergency Medical Services Operating Facility at an identified property in the El Toro area of the City of Irvine. The facility would co-locate Emergency Medical Services, Disaster Management, the Public Health Laboratory, and program and support staff to facilitate collaboration during an incident response.

FY 2021-22 Restore Augmentations (Ongoing Costs with One-time Funding)
This allocated funds for Public Protection payroll costs under the ARPA provision of government services.

Juvenile Campus (One-time Funding)
This is a continuing Strategic Priority, to establish a new Juvenile Corrections Campus that would improve existing space and relocate the Youth Guidance Center. The County will construct a new Youth Transition Center on the Juvenile Corrections Campus for programming, education services, health and mental health services and housing for juvenile offenders and transitional aged youth.

Meal Gap Program (One-time Funding)
This project provides meal programs for seniors, persons with disabilities and other individuals experiencing food insecurity resulting from the COVID-19 pandemic.

OC CARES/Coordinated Case Management/Homelessness (One-time Funding)
This project will provide funding to support specific activities aligned with the coordination of engagement and supportive services for individuals involved in the County's various systems of care. In addition, the funding will be used for full care coordination and services for individuals to address immediate and underlying issues and work towards self-sufficiency.

OC Human Relations Council (One-time Funding)
This funding will provide program services for the enhancement and expansion of anti-hate work in Orange County.

OCIT Projects: (1) Remote Workspace Delivery – Virtual Desktop Infrastructure and (2) Virtual Private Network (VPN) Solution Expansion (One-time Funding)
These projects will provide a safe and secure virtual workspace for all County employees, including a reliable, secure and maintainable remote work solution.

Housing and Landlord Incentives (One-time Funding)

In addition to the larger and ongoing housing efforts, the County is assisting with housing stability by providing landlord incentives of approximately $5,000 per household for 500 units and match commitments for developing 200 units.

Restore Voluntary Incentive Program Deleted Positions (Ongoing Costs with One-time Funding)

This funding was used to restore 115 positions for various departments, originally deleted through the Voluntary Incentive Program to mitigate some of the County's economic impacts from the COVID-19 pandemic.

Supportive Services/Landlord Incentives Emergency Housing Vouchers (One-time Funding)

Funding for Emergency Housing Vouchers supportive services, for the term of July 27, 2021, through June 30, 2023.

The Illumination Foundation (One-time Funding)

This funding will provide temporary isolation shelter services to individuals and families experiencing homelessness in Orange County who are COVID-19 positive, symptomatic, or exposed.

Veterans Cemetery (One-time Funding)

This funding was allocated for site development of the Veterans portion of the Mountain Park Cemetery in the City of Anaheim.

As priorities change, the ARPA funding will continue to be strategically allocated for specific projects with details to be provided with future SFPs and/or Budget updates, as uses are approved. In addition, new approved uses will be posted on the *County's ARPA/CARES Act Reports* website.

## ARPA Board of Supervisors Approved Uses

| County of Orange ARPA Allocation | 616,840,944 |
|---|---|
| **Public Health** | **AMOUNT ($)** |
| Countywide Emergency Paid Sick Leave | 23,673,336 |
| Workers' Compensation | 4,685,735 |
| **Subtotal Public Health** | **28,359,071** |
| **Board Approved Use of Revenue Loss** | **AMOUNT ($)** |
| Meal Gap Program | 10,000,000 |
| Economic Support to Arts-Related and Non-profits | 4,999,969 |
| Departments 20-21 COVID-19 Response | 8,968,846 |
| FY 21-22 Restore Augmentations | 39,905,210 |
| Departments 21-22 COVID-19 Response | 12,472,955 |
| Departments 22-23 COVID-19 Response | 12,929,350 |
| Veterans Cemetery | 20,000,000 |
| Supportive Services/Landlord Incentives-Emergency Housing Vouchers | 9,214,861 |
| Bridge Digital Divide-Tech Solutions for Seniors | 2,454,800 |
| Restore Voluntary Incentive Program Deleted Positions | 1,906,065 |
| HCA EMS, AOC, Warehouse, Public Health Lab | 79,375,000 |
| Be Well 2 | 40,000,000 |
| OCIT: Remote Workspace Delivery – Virtual Desktop Infrastructure | 1,930,000 |
| OCIT: Virtual Private Network (VPN) Solution Expansion | 445,000 |
| OC Hunger Alliance (Emergency food to address immediate needs and food & water storage equipment to aid in event of a disaster or emergency) | 5,000,000 |
| OC Human Relations Council (enhancement and expansion of anti-hate work) | 1,372,000 |
| The Illumination Foundation (Temporary isolation shelter services) | 5,659,789 |
| District Priorities/Projects ($10M per District) | 50,000,000 |
| Future COVID-19 Response Contingency | 15,000,000 |
| Juvenile Campus | 65,900,000 |
| OC CARES/Housing (Match Requirements/Landlord Incentives/TAY Housing/Permanent Supportive Housing) | 72,000,000 |
| OC CARES/Coordinated Case Management/Homelessness | 37,625,000 |
| OC CARES/Coordinated Reentry/Pre-Trial Intervention/Programming Services | 69,000,000 |
| OC CARES/Capital & Deferred Maintenance Projects/ADA | 22,323,028 |
| **Subtotal Board Approved Use of Revenue Loss** | **588,481,873** |
| **ARPA Funds Remaining to be Allocated** | **(0)** |

# Be Well Campus Expansion

1. **Program Area**
   Community Services

2. **Involved Agencies and Departments**
   Health Care Agency (HCA)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority previously identified in the 2021 Strategic Financial Plan.

4. **Description of Strategic Priority**
   The County has the goal of establishing three behavioral health (Be Well) campuses, supporting the County's various Systems of Care with locations accessible to each respective Service Planning Area (SPA) and upholding the goals of each SPA. Each campus would provide easy access for law enforcement or other first responders and provide options for the individuals encountered who are facing a mental health or substance use crisis diverting them to treatment services and away from jail. Multiple services would be provided to meet specific community needs for mental health services and substance use treatment programs; be easily accessible for local law enforcement and residents seeking help in treating individuals experiencing a mental health or substance use crisis; and serve as an integrated support center that will provide linkages with complimentary community and social support services.

   HCA established its first behavioral health campus, Be Well Orange, in the north SPA in the City of Orange, in April 2021 through a public-private partnership. The Be Well Orange campus provides services for juveniles and adults including crisis stabilization services, residential substance use treatment services, crisis residential treatment services and a sobering station with linkages to community and social support services. In addition, the Be Well Orange campus provides the first adolescent crisis stabilization unit and the first adult sobering station in the County.

   A site in Irvine has been identified as the second location for the Be Well Irvine campus to be established through a public-private partnership. This is currently in the planning phase with implementation anticipated in the first quarter of 2023. Plans currently involve three phases to development. The first phase will serve children, adolescents and adults in providing a crisis stabilization unit, residential treatment services, and outpatient

## Be Well Campus Expansion

services; additionally, there will be a second adult sobering station. The second phase will provide substance use and perinatal residential services for women and children and, outpatient services for children and youth, including their families. The third and final phase will include education and training, a community meeting and events center, youth and senior centers and interfaith shared use space.

The third campus has not yet entered the planning phase.

5. **Personnel Impacts**

Most services are anticipated to be contracted. For strategic planning purposes, 24 additional positions would be needed for the behavioral health clinic intensive outpatient services and traditional outpatient programs.

| Classification | No. of Positions |
|---|---|
| **Health Care Agency Positions:** | |
| Behavioral Health Clinician II | 13 |
| Clinical Psychologist II | 1 |
| HCA Service Chief II | 1 |
| Mental Health Worker II | 3 |
| Office Specialist | 4 |
| Psychiatrist | 2 |
| **Subtotal Health Care Agency Positions** | **24** |

6. **Cost Impact**

Be Well Irvine is currently in the pre-construction phase with costs approximated at $86 million for phase 1. In FY 2022-23, it is estimated that $9 million will be incurred associated with the demolition and soil management with remaining costs of $77 million. There is also Phase 2 costs are still being developed and approximated at $85.6 million, but are not included in this Strategetic Priority. Costs for services will be based on the future services provided. Cost estimates have not been developed for the third phase of Be Well Irvine or the third location.

Once fully operational, ongoing costs are estimated at $3 million per fiscal year for County staff time.

## Be Well Campus Expansion

7. **Funding Sources**

An amount up to $77 million has been identified with up to $40 million allocated from revenue replacement funds received under the American Rescue Plan Act, $20 million from Mental Health Services Act (MHSA) funds, $10 million in California Health Facilities Finance Authority State Grant, $2 million received as a federal earmark, and $5 million received as a state earmark for the construction of the Be Well Irvine Campus. Funding is still to be determined for the later phases of Be Well Irvine, as well as the third location. HCA has applied for a $62 million award from Department of Health Care Services, Behavioral Health Continuum Infrastructure Program Round 4 in hopes of obtaining support for Phase 2. MHSA funding is also being evaluated as a possible funding source for Phase 2. Funding is still to be determined for the third location.

Funding for the services provided will be determined when more information is known. The Funding Sources breakdown below is for Phase 1 only.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 55% | 45% | 0% | 0% |

8. **Stakeholders**

Individuals experiencing a mental health or substance use crisis requiring immediate treatment services and their families, law enforcement and other first responders encountering individuals experiencing a mental health or substance abuse crisis, HCA, Sheriff-Coroner Department and Advocacy Groups.

9. **Mandated or Discretionary Program/Project?**

Discretionary: This project is discretionary but is a critical component in the County's OC CARES initiative for the various Systems of Care.

10. **Implementation Period if Funding Were Available**

Once the planning process is completed, construction of the first phase of Be Well Irvine may begin in early 2023 with services implemented in FY 2024-25. If funding and resources were available, planning for the third Be Well campus could begin once a site has been confirmed.

| Be Well Campus Expansion | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Salaries & Benefits | 0 | 3,036,528 | 3,021,062 | 3,019,784 | 3,049,760 |
| Structures & Improvements | 40,000,000 | 37,000,000 | 0 | 0 | 0 |
| **Total Cost** | **40,000,000** | **40,036,528** | **3,021,062** | **3,019,784** | **3,049,760** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 40,000,000 | 5,036,528 | 3,021,062 | 3,019,784 | 3,049,760 |
| Other Financing Sources | 0 | 35,000,000 | 0 | 0 | 0 |
| **Total Revenue** | **40,000,000** | **40,036,528** | **3,021,062** | **3,019,784** | **3,049,760** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Behavioral Health Clinician II | 0 | 13 | 13 | 13 | 13 |
| Clinical Psychologist II | 0 | 1 | 1 | 1 | 1 |
| HCA Service Chief I | 0 | 1 | 1 | 1 | 1 |
| Mental Health Worker II | 0 | 3 | 3 | 3 | 3 |
| Office Specialist | 0 | 4 | 4 | 4 | 4 |
| Psychiatrist | 0 | 2 | 2 | 2 | 2 |
| **Total Positions Funded Per Fiscal Year** | **0** | **24** | **24** | **24** | **24** |

| FY 28-29 | FY 29-30 | FY 30-31 | FY 31-32 | FY 32-33 | Be Well Campus Expansion |
|---|---|---|---|---|---|
| | | | | | **I. Cost** |
| 3,049,760 | 3,049,760 | 3,049,760 | 3,049,760 | 3,049,760 | Salaries & Benefits |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **3,049,760** | **3,049,760** | **3,049,760** | **3,049,760** | **3,049,760** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 3,049,760 | 3,049,760 | 3,049,760 | 3,049,760 | 3,049,760 | Intergovernmental Revenues |
| 0 | 0 | 0 | 0 | 0 | Other Financing Sources |
| **3,049,760** | **3,049,760** | **3,049,760** | **3,049,760** | **3,049,760** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 13 | 13 | 13 | 13 | 13 | Behavioral Health Clinician II |
| 1 | 1 | 1 | 1 | 1 | Clinical Psychologist II |
| 1 | 1 | 1 | 1 | 1 | HCA Service Chief I |
| 3 | 3 | 3 | 3 | 3 | Mental Health Worker II |
| 4 | 4 | 4 | 4 | 4 | Office Specialist |
| 2 | 2 | 2 | 2 | 2 | Psychiatrist |
| **24** | **24** | **24** | **24** | **24** | **Total Positions Funded Per Fiscal Year** |

## Emergency Medical Services Operating Facility

1. **Program Area**
   Community Services

2. **Involved Agencies and Departments**
   Health Care Agency (HCA)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority previously identified in the 2021 Strategic Financial Plan.

4. **Description of Strategic Priority**
   HCA's Medical Services Division has oversight and regulatory responsibilities for emergency medical services and disaster management which involves collaboration with fire departments, ambulance providers, hospitals, emergency departments and specialty centers. It also supports the operational area responding to disasters having a health or medical impact on the community and medical system. Additionally, the Public Health Laboratory, which provides testing for infectious and environmental diseases, is essential to the Medical Services Operations, specifically disaster management. Currently, these services and programs are located throughout the County with program support staff located separately as well.

   The COVID-19 pandemic highlighted inefficiencies with the current model and identified the need for coordination across HCA's emergency medical services and disaster management functions. The Medical Services Division would benefit from additional, flexible space when supporting an emergency activation and increased storage for emergency supplies to address the needs of the whole County.

   HCA is pursuing a solution to establish a new Orange County Emergency Medical Services Operating Facility at a property identified in the El Toro area in the City of Irvine. The facility would co-locate Emergency Medical Services, Disaster Management and the Public Health Laboratory and increase laboratory capacity and storage space for emergency medical equipment and supplies. Program and support staff would be co-located to facilitate collaboration during an incident response, ensuring efficient use of resources.

## Emergency Medical Services Operating Facility

A contracted engineering firm is working with the County to ensure the plans incorporate the current and anticipated future needs of the programs.

5. **Personnel Impacts**
No additional staffing is required.

6. **Cost Impact**
For strategic planning purposes, the total costs are estimated at $78 million with the remaining estimated cost of $66 million over three fiscal years. The project is currently in the planning phase.

7. **Funding Sources**
An amount up to $75 million has been allocated from the revenue replacement funds received under the American Rescue Plan Act for construction, equipment, and other related costs. Approximately $2.6 million in Epidemiology and Laboratory Capacity funding has also been identified.

Funding for the services provided will be determined when more information is known.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 100% | 0% | 0% | 0% |

8. **Stakeholders**
Orange County residents utilizing emergency medical services, first responders, hospitals, jurisdictions employing the Public Health Laboratory services, HCA and Sheriff-Coroner Department.

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary; however, it has been identified as a priority for HCA to ensure preparedness should an incident such as the COVID-19 pandemic occurs again.

10. **Implementation Period if Funding Were Available**
Once the planning process is completed, construction may begin in late FY 2022-23 or early FY 2023-24 with completion and occupancy anticipated in late FY 2024-25.

| Emergency Medical Services Operating Facility | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 22,000,000 | 22,000,000 | 22,000,000 | 0 | 0 |
| **Total Cost** | **22,000,000** | **22,000,000** | **22,000,000** | **0** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 22,000,000 | 22,000,000 | 22,000,000 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Emergency Medical Services Operating Facility | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Juvenile Corrections Campus

1. **Program Area**
   Public Protection, Community Services

2. **Involved Agencies and Departments**
   Probation Department
   Health Care Agency (HCA)
   OC Public Works (OCPW)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority, previously identified in the 2021 Strategic Financial Plan and as an Emerging Initiative in the 2020 Strategic Financial Plan.

4. **Description of Strategic Priority**
   The existing Juvenile Hall (JH) is one of three facilities used to house and provide programming and services to detained youth in Orange County and was first established in 1959 for an original capacity of 145 youth. Many of the original buildings are still in use today. Over the years, additional expansions have taken place on the campus to add housing units (1968, 1998, 2005); establish a dedicated Intake and Release Center (1992); and establish a second youth facility for up to 120 youth known as the Youth Leadership Academy (YLA) (2006). Projects completed prior to 1990 included housing for the youth in a corridor style setting which is not aligned with the current models and best practices employed in the YLA and newer constructed housing units. As such, although the capacity of JH is stated to be a 434 bed institution, many areas of the campus may not be utilized due to the configuration or maintenance needed.

   In addition to JH and YLA, the Youth Guidance Center (YGC), which is located at a separate facility, provides a 125-bed facility and includes programming focused on substance use and transitional services. Overall, the three youth facilities have a capacity of 679 youth. However, the number of youth detained has continued to decline with a noted 40% decline between FY 2014-15 and FY 2019-20 (pre-COVID-19). The current population as of October 2022 is a total of 166 youth for all three facilities.

   Given the historical and anticipated youth population, the age and utilization of the existing facilities, and recent changes to the juvenile justice system, this Strategic Priority seeks to establish a new Juvenile Corrections Campus that would make better use of the existing space to provide camp programming, education services, health and mental

## Juvenile Corrections Campus

health services and housing for juvenile offenders and transitional aged youth, including those realigned from the State Correction System. A critical component of this plan includes relocating the YGC housing and its programming to the Juvenile Corrections Campus.

The new Juvenile Corrections Campus will be established to meet or exceed the requirements for a juvenile detention facility and to meet the needs of the current and future populations. An engineering firm has been engaged and is currently in the planning and design phase to establish a Youth Transition Center, new housing unit for the realigned juvenile population, and transitional housing. Additional areas of JH will be addressed in future phases.

5. **Personnel Impacts**
No additional staffing is required.

6. **Cost Impact**
One-time costs associated with the demolition and construction involved to establish the Juvenile Corrections Campus are under analysis and anticipated at $72 million.

7. **Funding Sources**
An amount up to $66.1 million has been identified with $60 million allocated from revenue replacement funds received under the American Rescue Plan Act and $6.1 million from SB 823 for the construction of new housing units. General Fund support of $5.9 million is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 83% | 9% | 8% | 0% |

8. **Stakeholders**
Youth and Transitional Age Youth involved in the juvenile justice system and their families, Probation Department, HCA, Juvenile Courts, and Advocacy Groups.

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary but is a critical component in the County's 2025 Vision for OC CARES, Justice through Prevention and Intervention.

## Juvenile Corrections Campus

**10. Implementation Period if Funding Were Available**

This project is currently in the planning and design phase with construction anticipated to begin in FY 2023-24.

| Juvenile Corrections Campus | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 36,000,000 | 36,000,000 | 0 | 0 | 0 |
| **Total Cost** | **36,000,000** | **36,000,000** | **0** | **0** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 33,100,000 | 33,000,000 | 0 | 0 | 0 |
| **Total Revenue** | **33,100,000** | **33,000,000** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **2,900,000** | **3,000,000** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

**Juvenile Corrections Campus**

| FY 28-29 | FY 29-30 | FY 30-31 | FY 31-32 | FY 32-33 | |
|---|---|---|---|---|---|
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | Intergovernmental Revenues |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Pre-Trial Intervention Program

1. **Program Area**
Public Protection, Community Services

2. **Involved Agencies and Departments**
OC District Attorney (OCDA)
Sheriff-Coroner Department (OCSD)
Public Defender
Health Care Agency (HCA)
Social Services Agency

3. **New or Continuing Strategic Priority**
This is a continuing Strategic Priority, previously identified in the 2021 Strategic Financial Plan under the title *Pre-Arraignment Diversion Program*.

4. **Description of Strategic Priority**
In the criminal justice system, all felony and misdemeanor cases are heard in the criminal courtrooms. The cases for the individuals are likely initially discussed during the pre-trial stage with limited or no diversion programs or opportunities available before pre-trial proceedings, and often weeks, months or more after the charges were filed.

In working with the Courts, the point of arraignment has been identified as a critical point to provide intervention and diversion opportunities. Prior to the Arraignment Court process, defending attorneys would consult with health care professionals to determine if diversion options are appropriate. The defending attorneys would then consult with the the prosecuting attorneys to seek the best options for the individual which would include treatment programs or Specialty Courts, prior to being arraigned on the pending charges. Individuals would immediately be linked to and provided services at their time of need and engagement.

Currently, arraignments are occurring in several locations including the courthouses and space within the Central Jail facility (CJ1). Individuals who are arrested are processed by OCSD Custody Operations and placed into jail housing within 24 hours with many inmates transported and housed at the Theo Lacy Jail facility. To implement this program, one arraignment court would be established to serve as the main location for this program and would include additional space to allow for the needed assessments, coordination among counsel, and linkages to services. Currently, available space does not exist and

## Pre-Trial Intervention Program

options need to be identified and explored, which may include the remodel of existing space or addition of modulars within and outside of the jail facilities.

With this program, the focus would shift from processing the individuals through the typical arraignment process to identifying those who would benefit from intervention and diversion and not only providing alternatives diverting them from the criminal justice system but also providing immediate placement into those treatment programs or other services.

### 5. Personnel Impacts

Additional staff and/or contracted services would be utilized to relocate an existing arraignment court and provide consultations with healthcare professionals. For strategic planning purposes, 21 additional positions would be needed (six OCSD positions, nine HCA positions and six Public Defender positions).

| Classification | No. of Positions |
|---|---|
| **Sheriff-Coroner Positions:** | |
| Deputy Sheriff II | 6 |
| **Subtotal Sheriff-Coroner Positions** | **6** |

| Classification | No. of Positions |
|---|---|
| **Health Care Agency Positions:** | |
| Behavioral Health Clinician II | 6 |
| Clinical Psychologist I | 2 |
| HCA Service Chief II | 1 |
| **Subtotal Health Care Agency Positions** | **9** |

| Classification | No. of Positions |
|---|---|
| **Public Defender Positions:** | |
| Attorney III | 2 |
| Attorney Clerk II | 1 |
| Paralegal | 1 |
| Social Worker II | 2 |
| **Subtotal Public Defender Positions** | **6** |
| | |
| **Grand Total Positions** | **21** |

## Pre-Trial Intervention Program

6. **Cost Impact**
One-time estimated costs of $8 million for facility modifications assume that existing space in the jails is utilized with additional space provided for meeting with the individuals and linkages to service providers. Estimated annual ongoing staffing costs range from $2.9 million to $2.8 million.

7. **Funding Sources**
The one-time costs for facility modifications would be funded through the American Rescue Plan Act. However, the staffing, consulting, and linkages to services may be funded by various state funding sources, such as Realignment or Mental Health Services Act (MHSA) and public safety services may be funded by Net County Cost. Departments are encouraged to seek funding opportunities as applicable.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 36% | 41% | 23% | 0% |

8. **Stakeholders**
Individuals with behavioral health issues facing criminal charges, specifically those pending arraignment and housed in County jail facilities, OCSD, OCDA, Public Defender, and HCA.

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary but is a critical component in the County's 2025 Vision for OC CARES, Justice through Prevention and Intervention.

10. **Implementation Period if Funding Were Available**
This program is currently in the planning phase and can begin implementation within six months if resources are identified.

| Pre-Trial Intervention Program | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Salaries & Benefits | 2,861,128 | 2,854,400 | 2,830,436 | 2,821,582 | 2,840,922 |
| Structures & Improvements | 8,000,000 | 0 | 0 | 0 | 0 |
| **Total Cost** | **10,861,128** | **2,854,400** | **2,830,436** | **2,821,582** | **2,840,922** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 9,830,148 | 1,831,994 | 1,823,426 | 1,823,648 | 1,842,294 |
| **Total Revenue** | **9,830,148** | **1,831,994** | **1,823,426** | **1,823,648** | **1,842,294** |
| | | | | | |
| **III. General Fund Requirement** | **1,030,980** | **1,022,406** | **1,007,010** | **997,934** | **998,628** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Attorney III | 2 | 2 | 2 | 2 | 2 |
| Attorney'S Clerk II | 1 | 1 | 1 | 1 | 1 |
| Behavioral Health Clinician II | 6 | 6 | 6 | 6 | 6 |
| Clinical Psychologist I | 2 | 2 | 2 | 2 | 2 |
| Deputy Sheriff II | 6 | 6 | 6 | 6 | 6 |
| HCA Service Chief II | 1 | 1 | 1 | 1 | 1 |
| Paralegal | 1 | 1 | 1 | 1 | 1 |
| Social Worker II | 2 | 2 | 2 | 2 | 2 |
| **Total Positions Funded Per Fiscal Year** | **21** | **21** | **21** | **21** | **21** |

| Pre-Trial Intervention Program | | | | | |
|---|---|---|---|---|---|
| FY 28-29 | FY 29-30 | FY 30-31 | FY 31-32 | FY 32-33 | |
| | | | | | **I. Cost** |
| 2,840,922 | 2,840,922 | 2,840,922 | 2,840,922 | 2,840,922 | Salaries & Benefits |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **2,840,922** | **2,840,922** | **2,840,922** | **2,840,922** | **2,840,922** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 1,842,294 | 1,842,294 | 1,842,294 | 1,842,294 | 1,842,294 | Intergovernmental Revenues |
| **1,842,294** | **1,842,294** | **1,842,294** | **1,842,294** | **1,842,294** | **Total Revenue** |
| | | | | | |
| **998,628** | **998,628** | **998,628** | **998,628** | **998,628** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 2 | 2 | 2 | 2 | 2 | Attorney III |
| 1 | 1 | 1 | 1 | 1 | Attorney'S Clerk II |
| 6 | 6 | 6 | 6 | 6 | Behavioral Health Clinician II |
| 2 | 2 | 2 | 2 | 2 | Clinical Psychologist I |
| 6 | 6 | 6 | 6 | 6 | Deputy Sheriff II |
| 1 | 1 | 1 | 1 | 1 | HCA Service Chief II |
| 1 | 1 | 1 | 1 | 1 | Paralegal |
| 2 | 2 | 2 | 2 | 2 | Social Worker II |
| **21** | **21** | **21** | **21** | **21** | **Total Positions Funded Per Fiscal Year** |

**OC CARES**

The County of Orange has prioritized the coordination of programs and services focused on the needs of the adult and youth populations across departments and community providers to establish five County Systems of Care, referenced as OC CARES.

1. Behavioral Health
2. Healthcare
3. Community Corrections
4. Housing
5. Benefits and Support Services

The OC CARES system links the various systems of care in the County of Orange to provide full care coordination and services for individuals to address immediate and underlying issues and work towards self-sufficiency. This innovative approach was developed building on the County's efforts as part of the nationwide Stepping Up Initiative and locally developed Integrated Services Strategy. With Stepping Up, an overall strategy that focused on reducing the number of individuals with mental illness in custodial care was developed that required the integration of services from disparate County departments and community partners. This strategy was then expanded and used to create the Integrated Services – 2025 Vision (2025 Vision) implementation plan, which has been updated to serve OC CARES.

The 2025 Vision was adopted by the Board of Supervisors (Board) on October 22, 2019 and links the County criminal justice system and the systems of care to provide inmates and at-risk-individuals with the services they need to become self-determined and facilitate successful reentry into the community. The 2025 Vision is maintained quarterly to ensure the direction remains relevant with County goals and objectives.

The 2025 Vision includes the expansion or implementation of projects that may be considered Strategic Priorities or Emerging Initiatives for each System of Care. There is one project previously identified as an Emerging Initiative for which additional analysis of the requirements and costs have been completed and it no longer meets the criteria for an Emerging Initiative or Strategic Priority:

- Data Tracking Tool for the Courts:
  This was first identified as a Strategic Priority in the 2019 Strategic Financial Plan (SFP) and then included as an Emerging Initiative in both the 2020 and 2021 SFP. The purpose of the project was to support the efforts involved with the Specialty Courts

for program success by tracking detailed participant information, specifically the data that intersects with OC CARES. Early plans included a County and Court partnership for the solution; however, the current direction is for a Court-provided solution and no longer meets the criteria for an Emerging Initiative or Strategic Priority.

The following provides a brief summary of the new and remaining Emerging Initiatives and Strategic Priorities identified for the County's Systems of Care.

1. **Behavioral Health**

   Be Well Campus Expansion

   This is a continuing Strategic Priority. The Be Well Irvine Campus is the second of three planned behavioral health campuses for the Health Care Agency and is included in the section for the American Rescue Plan Act projects.

   Mental Health and Substance Use Disorder Support Services for Juveniles (Emerging)

   This is a continuing Emerging Initiative, initially identified in the 2019 SFP. The project was identified by the Probation Department along with the Sheriff-Coroner Department to provide consistent mental health services and substance use treatments to support juveniles and transitional aged youth as they move through the community corrections system from prior to incarceration to release into the community.

   Community Assistance, Recovery and Empowerment (CARE) Court

   This is a new Strategic Priority to establish CARE Court to provide supervision of severely impaired individuals with untreated mental health and substance use disorders and the support and care they need which has caused them to experience homelessness or incarceration.

2. **Healthcare**

   Coordinated Assessment Process (Emerging)

   This is a continuing Emerging Initiative, initially identified in the 2021 SFP, to further streamline care coordination efforts by creating and implementing a coordinated assessment process for individuals entering the County's System of Care. Currently, there are multiple assessments taken for each program or service provided. This project would complement and create efficiencies with the care coordination process that will be managed by the County's System of Care Data Integration System.

Coordinated Case Management Program (Emerging)

This is a continuing Emerging Initiative, initially identified in the 2021 SFP, to best address the needs of individuals identified as high-utilizers within OC CARES. The program would coordinate and perform outreach and engagement services; ensure discharge plans are followed and appointments kept; provide referrals or resources as needed to encourage self-sufficiency; and provide overall support for the individual.

**3. Community Corrections**

Expand Behavioral Health Law Enforcement Response Team

This is a continuing Strategic Priority to expand the use of the Behavioral Health Response Team consisting of specialized Deputy Sheriffs and Behavioral Health Clinicians to support behavioral health related calls, provide diversion options, conduct outreach, and serve as a resource for the community. The expansion would include the additional patrol areas under the Sheriff-Coroner Department.

Pre-Trial Intervention Program

This is a continuing Strategic Priority, formerly titled *Pre-Arraignment Diversion*, to establish diversion options for individuals post-arrest and prior to arraignment. The program would include assessments and consultations with behavioral health professionals that would be used by prosecuting and defending attorneys to determine if the individual would benefit from diversion into a treatment program with coordination from the Courts. This Strategic Priority is included in the section for the American Rescue Plan Act projects.

Expand Adult Specialty Courts

This continuing Strategic Priority seeks to expand the capacity of the Adult Specialty Courts to provide hyper-supervision and intensive programming and coordination of care between the Courts, County, and community providers to meet current and anticipated demands of identified offenders.

Enhance Inmate Programming Services

This is a continuing Strategic Priority involving the Sheriff-Coroner Department to develop a robust educational and vocational program including virtual and direct job trainings. The focus of this program is on inmates achieving the necessary skills and certifications, as applicable, for vocations that can be linked to jobs post-custody, thus increasing the chance of post-release success and self-sufficiency.

Coordinated Reentry System

This is a continuing Strategic Priority to establish a comprehensive reentry system accessible by all individuals released from County jails or state prison that includes a central reentry center, regional Reentry Community Resource Centers, a Workforce Reentry Center, mobile reentry services, transportation services and linkages to support services or programs with “warm hand-offs” at each point in the reintegration process.

Juvenile Corrections Campus

This is a continuing Strategic Priority to establish a comprehensive juvenile corrections campus that fully utilizes existing space to provide a new Youth Transition Center with camp programing, education services, health and mental health services, and housing for juvenile offenders and transitional aged youth, including those realigned from the State Correctional System. This Strategic Priority is included in the section for the American Rescue Plan Act projects.

4. **Housing**

Permanent Supportive and Affordable Housing Access

This is a continuing Strategic Priority involving multiple departments to create 2,700 subsidized housing units that combine affordable housing assistance with voluntary support services to address the needs of chronically homeless individuals. Given the commonality across the Systems of Care, an integrated approach in the implementation of these programs provides opportunities to leverage the services, funding, and data collection to more effectively and efficiently deliver these services.

Housing for Transitional Aged Youth (TAY)

This is a new Strategic Priority, previously included as an Emerging Initiative to establish transitional and permanent supportive housing and placement services for youths involved in the juvenile justice system that includes treatment and support services for substance use, mental health issues with little to no disruption to services received while in custody.

Housing for Justice Involved Youth and TAY

This is a new Strategic Priority to provide temporary and long-term housing for foster youth 13 years of age and older who have experienced child maltreatment and who also have a history or propensity for engaging in delinquent behaviors that put them at risk of involvement with the juvenile justice system. This program would provide safe and appropriate supportive housing in a manner that enhances accessibility to treatment regardless of the youth's complexity of needs, such as homelessness, mental illness, substance use, gang affiliation, or Commercial Sexual Exploitation of Children involvement.

5. **Benefits and Support Services**

System of Care Data Integration for Care Coordination

This is a continuing Strategic Priority to further enhance the County's System of Care Data Integration System to include additional stakeholders and data relevant to OC CARES and allow access to information essential for care coordination to be utilized by those involved in the care plan to ensure the most efficient, effective and appropriate care and case management is provided to the individual, to help them become self-sufficient to the best of their abilities.

Prevention and Early Intervention Programs for Youths (Emerging)

This is a new Emerging Initiative to develop and implement new programs, resource centers and/or establish facilities through countywide partnerships geared toward providing supportive services, counseling and guidance for youth under the age of 12 in order to divert youth from engaging in alleged criminal activity, prevent their involvement with the juvenile justice systems, and promote public safety.

# Community Assistance, Recovery and Empowerment (CARE) Court

1. **Program Area**
   Public Protection, Community Services

2. **Involved Agencies and Departments**
   Health Care Agency (HCA)
   Public Defender

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority.

4. **Description of Strategic Priority**
   With the passage of Senate Bill 1338 the Community Assistance, Recovery and Empowerment (CARE) Court was established, creating a new framework to provide severely impaired individuals with mental health and substance use disorders the support and care they need. It is aimed at helping those who are suffering from untreated mental health and substance use disorders leading to homelessness or incarceration.

   CARE Court connects a person struggling with untreated mental illness, and often co-occurring substance use challenges, with a court-ordered Care Plan for up to 24 months. Each plan is managed by a care team within HCA and can include clinically prescribed, individualized interventions with several supportive services, medication, and a housing plan. The client-centered approach also includes the Public Defender to help individuals make self-directed care decisions in addition to their full clinical team. CARE Court is designed on the evidence that many people can stabilize, begin healing, and exit homelessness in less restrictive, community-based care settings. It's a long-term strategy to positively impact the individual in care and the community around them. The plan focuses on people on the schizophrenia spectrum and other psychotic disorders, who may also have substance use challenges, and who lack medical decision-making capacity and advances an upstream diversion from more restrictive conservatorships or incarceration.

   The court-ordered response can be initiated by the family, Social Services, mental health providers, or first responders. Individuals exiting a short-term involuntary hospital hold or an arrest may be especially good candidates for CARE Court. The Care Plan can be ordered for up to 12 months, with periodic review hearings and subsequent renewal for up to an additional 12 months. Participants who do not successfully complete Care Plans

## Community Assistance, Recovery and Empowerment (CARE) Court

may, consistent with existing law, be hospitalized or referred to conservatorship when medically necessary to ensure the individual's safety. Under certain circumstances, the termination of a Care Plan may create a presumption that the individual needs a higher level of care then provided by CARE Court.

5. **Personnel Impacts**

For strategic planning purposes, an additional 19 positions would be needed (11 HCA positions and eight Public Defender positions).

| Classification | No. of Positions |
|---|---|
| **Health Care Agency Positions:** | |
| Behavioral Health Clinician II | 3 |
| Clinical Psychologist II | 2 |
| HCA Service Chief II | 1 |
| Mental Health Specialist | 3 |
| Senior IT Applications Developer | 1 |
| Staff Specialist | 1 |
| **Subtotal Health Care Agency Positions** | **11** |

| Classification | No. of Positions |
|---|---|
| **Public Defender Positions:** | |
| Attorney III | 1 |
| Attorney Clerk II | 1 |
| Deputy Attorney IV | 2 |
| Paralegal | 1 |
| Social Worker II | 3 |
| **Subtotal Public Defender Positions** | **8** |
| | |
| **Grand Total Positions** | **19** |

6. **Cost Impact**

FY 2023-24: $5,244,725 ongoing, $3,000,000 one-time
FY 2024-25: $4,652,172 ongoing
FY 2025-26: $4,642,689 ongoing
FY 2026-27: $4,681,607 ongoing
FY 2027-28 through FY 2032-33: $4,680,832 ongoing

## Community Assistance, Recovery and Empowerment (CARE) Court

7. **Funding Sources**
The one-time startup costs of $3 million are funded by CARE Act and ongoing costs for County staff time are funded by Mental Health Services Act.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 100% | 0% | 0% |

8. **Stakeholders**
Individuals suffering from untreated mental health and substance use disorders leading to homelessness and incarceration, Public Defender, and HCA.

9. **Mandated or Discretionary Program/Project?**
Mandated: The implementation of CARE Court is mandated by the State of California.

10. **Implementation Period if Funding Were Available**
The County of Orange is part of the first cohort to implement CARE Court and is required to implement by October 1, 2023.

| Community Assistance, Recovery and Empowerment (CARE) Court | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Salaries & Benefits | 2,833,392 | 2,837,034 | 2,824,352 | 2,825,334 | 2,854,560 |
| Services & Supplies | 5,411,333 | 1,815,138 | 1,818,337 | 1,856,273 | 1,826,263 |
| **Total Cost** | **8,244,725** | **4,652,172** | **4,642,689** | **4,681,607** | **4,680,823** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 8,244,725 | 4,652,172 | 4,642,689 | 4,681,607 | 4,680,823 |
| **Total Revenue** | **8,244,725** | **4,652,172** | **4,642,689** | **4,681,607** | **4,680,823** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Attorney III | 1 | 1 | 1 | 1 | 1 |
| Attorney Clerk II | 1 | 1 | 1 | 1 | 1 |
| Behavioral Health Clinician II | 3 | 3 | 3 | 3 | 3 |
| Clinical Psychologist II | 2 | 2 | 2 | 2 | 2 |
| Deputy Attorney IV | 2 | 2 | 2 | 2 | 2 |
| HCA Service Chief II | 1 | 1 | 1 | 1 | 1 |
| Mental Health Specialist | 3 | 3 | 3 | 3 | 3 |
| Paralegal | 1 | 1 | 1 | 1 | 1 |
| Social Worker II | 3 | 3 | 3 | 3 | 3 |
| Senior IT Applications Developer | 1 | 1 | 1 | 1 | 1 |
| Staff Specialist | 1 | 1 | 1 | 1 | 1 |
| **Total Positions Funded Per Fiscal Year** | **19** | **19** | **19** | **19** | **19** |

| Community Assistance, Recovery and Empowerment (CARE) Court | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 2,854,560 | 2,854,560 | 2,854,560 | 2,854,560 | 2,854,560 | Salaries & Benefits |
| 1,826,263 | 1,826,263 | 1,826,263 | 1,826,263 | 1,826,263 | Services & Supplies |
| **4,680,823** | **4,680,823** | **4,680,823** | **4,680,823** | **4,680,823** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 4,680,823 | 4,680,823 | 4,680,823 | 4,680,823 | 4,680,823 | Intergovernmental Revenues |
| **4,680,823** | **4,680,823** | **4,680,823** | **4,680,823** | **4,680,823** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 1 | 1 | 1 | 1 | 1 | Attorney III |
| 1 | 1 | 1 | 1 | 1 | Attorney Clerk II |
| 3 | 3 | 3 | 3 | 3 | Behavioral Health Clinician II |
| 2 | 2 | 2 | 2 | 2 | Clinical Psychologist II |
| 2 | 2 | 2 | 2 | 2 | Deputy Attorney IV |
| 1 | 1 | 1 | 1 | 1 | HCA Service Chief II |
| 3 | 3 | 3 | 3 | 3 | Mental Health Specialist |
| 1 | 1 | 1 | 1 | 1 | Paralegal |
| 3 | 3 | 3 | 3 | 3 | Social Worker II |
| 1 | 1 | 1 | 1 | 1 | Senior IT Applications Developer |
| 1 | 1 | 1 | 1 | 1 | Staff Specialist |
| **19** | **19** | **19** | **19** | **19** | **Total Positions Funded Per Fiscal Year** |

## Coordinated Reentry System

1. **Program Area**
   Public Protection, Community Services

2. **Involved Agencies and Departments**
   County Executive Office
   Health Care Agency (HCA)
   Sheriff-Coroner Department (OCSD)
   Probation Department
   OC Community Resources (OCCR)
   Social Services Agency (SSA)

3. **New or Continuing Strategic Priority**
   This is a continuing priority previously identified in the 2016 to 2021 Strategic Financial Plans under the current and former title, "Reentry Facility."

   The FY 2022-23 budget includes $26 million in appropriations and AB 109 funding to begin implementation of a coordinated reentry system for the County. A contracted engineering firm is analyzing existing County facilities to determine feasibility of use for a reentry facility based on desired programming. The first Reentry Community Resource Center is anticipated to open in Spring 2023.

4. **Description of Strategic Priority**
   Returning to the community from jail is a complex transition for most offenders, as well as their families and the community. It is known that the first 72 hours after an individual returns to the community from any length of incarceration is a critical factor in the individual's likelihood to reoffend. Those released often struggle with substance abuse, lack of adequate education and job skills, limited housing options and mental health issues. These challenges are significant contributors to higher recidivism rates and related victimizations.

   The County Departments and partners working with this population recognize the challenges and the obstacles faced by individuals upon release and the importance of in-reach, outreach, and engagement in the process. Failure to successfully link individuals with needed services can be detrimental to positive reintegration and increases the probability of the individual reoffending and cycling back through the criminal justice system. Key elements for the Coordinated Reentry System include a centralized reentry

## Coordinated Reentry System

center with residential services, transportation, mobile reentry services, resource centers in each service plan area and a hands-on training program.

- **Reentry Center**: A dedicated facility accessible by all individuals released from a County jail or from a State prison on County supervision. The concept is "Reentry upon Entry" whereby individuals are assessed upon intake to identify their needs, such as health, education, or basic needs and support, and to develop an individualized treatment or program addressing those needs and increase their ability to self-sustain upon release. Individuals in the County jail system would be educated, encouraged and expected to participate in the reentry programs and process prior to release.
- **Transportation**: After release, transportation to the Reentry Center, Reentry Community Resource Centers, and/or linked programs or services would be provided with a "warm hand-off" at each point in the process to mitigate disruption to the services or programming received while in-custody.
- **Mobile Reentry Services**: Mobile units would be deployed on a regular basis throughout the County to targeted areas to make the services more accessible for the community. Depending on the needs of the area, services may include probation check in, assistance with benefit enrollment, medication-assisted treatments (MAT), and linkages or referrals to supportive programs or services.
- **Reentry Community Resource Centers**: To encourage successful reintegration into the community and make reentry services easily accessible to all individuals involved in the criminal justice system, resource centers would be located in each service plan area. The resource centers would provide basic services to assist with essential needs, benefit programs and linkages or referrals to services or programs, as needed, specific to the demand of that service plan area.
- **Workforce Reentry Center**: One or more contracted organizations would be sought to establish a forward-facing retail or service-based business where justice-involved individuals would receive relevant hands-on job training that could lead to employment, similar to the model employed by Homeboy Industries reentry program in Los Angeles.

### 5. Personnel Impacts

Services are anticipated to be contracted with no additional staffing required.

### 6. Cost Impact

Implementation of the elements of the Coordinated Reentry System would be phased in based on length of time for completion of construction, renovations, or obtaining

## Coordinated Reentry System

resources. Estimated costs for contracted services for vocational programs and contracted reentry services for the Reentry Center are estimated to range from $2 million to $7 million annually. Establishment of Resource Centers in each County service plan area and renovation of existing County property for dedicated facilities and potential workforce reentry center with retail/service space varies based on leased or county-owned property and renovations required. Mobile Reentry Services are estimated at approximately $400 thousand in one-time costs, assuming the use of Sprinter Vans.

FY 2023-24: $2,000,000 ongoing; $13,000,000 one-time
FY 2024-25: $3,000,000 ongoing; $13,000,000 one-time
FY 2025-26 through FY 2032-33: $7,000,000 ongoing

7. **Funding Sources**
2011 Public Safety Realignment
Workforce Innovation and Opportunity Act

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 25% | 75% | 0% | 0% |

8. **Stakeholders**
Individuals released from the County jail or state prison needing assistance with reintegrating back into the community and their families, Probation Department, HCA, OCCR and SSA.

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary but is a critical component in the County's 2025 Vision for OC CARES, Justice through Prevention and Intervention.

10. **Implementation Period if Funding Were Available**
Facility modifications are anticipated to begin in FY 2022-23, using a phased approach to maintain current operations with completion estimated in 2025. Additional Reentry Resource Community Centers and the Workforce Reentry Center are in the process of identifying potential sites and may begin implementation in FY 2023-24 if funding and resources are identified, with full implementation anticipated by FY 2024-25.

| Coordinated Reentry System | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Services & Supplies | 2,000,000 | 3,000,000 | 7,000,000 | 7,000,000 | 7,000,000 |
| Structures & Improvements | 13,000,000 | 13,000,000 | 0 | 0 | 0 |
| **Total Cost** | **15,000,000** | **16,000,000** | **7,000,000** | **7,000,000** | **7,000,000** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 15,000,000 | 16,000,000 | 7,000,000 | 7,000,000 | 7,000,000 |
| **Total Revenue** | **15,000,000** | **16,000,000** | **7,000,000** | **7,000,000** | **7,000,000** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

**Coordinated Reentry System**

| FY 28-29 | FY 29-30 | FY 30-31 | FY 31-32 | FY 32-33 | |
|---|---|---|---|---|---|
| | | | | | **I. Cost** |
| 7,000,000 | 7,000,000 | 7,000,000 | 7,000,000 | 7,000,000 | Services & Supplies |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **7,000,000** | **7,000,000** | **7,000,000** | **7,000,000** | **7,000,000** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 7,000,000 | 7,000,000 | 7,000,000 | 7,000,000 | 7,000,000 | Intergovernmental Revenues |
| **7,000,000** | **7,000,000** | **7,000,000** | **7,000,000** | **7,000,000** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

## Enhance Inmate Programming Services

1. **Program Area**
   Public Protection, Community Services

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)
   OC Community Resources (OCCR)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority previously identified in the 2019 through 2021 Strategic Financial Plans.

   Proposed enhanced programming curriculum has been identified by OCSD's Inmate Services Division and 14 positions were added to facilitate full development and implementation. Virtual training programs have been implemented and an OC Workforce Solution program, formerly One-Stop Center, was established at the Theo Lacy Jail Facility (TLF).

4. **Description of Strategic Priority**
   California Code of Regulations Title 15 mandates in-custody correctional programming to assist incarcerated individuals rehabilitate and transition back into the community. The County cannot prevent all individuals released from returning to custody, but seeks to design a more comprehensive programming curriculum with case management to address criminogenic and behavioral issues, low participation rates, and data collection and analysis measuring the success of programs offered.

   Existing programming and available data were analyzed and inmate needs assessed to develop a robust educational and vocational program which includes virtual and direct job trainings. The focus of this program is on inmates achieving the necessary skills and certifications, as applicable, for vocations that can be linked to jobs post-custody, thus increasing the chance of post-release success and self-sufficiency. This program would link to planned post custody workforce reentry programs being developed that may provide job training and employment in culinary arts, trade professions such as automotive, plumbing, welding, electrical, and in the service industry, such as silk screening or reprographics.

## Enhance Inmate Programming Services

Other elements of this enhanced training would include the use of tablets as part of a comprehensive and integrated system to capture data and processes associated with the programs and a case management program focused on individuals identified as high-utilizers or high-needs within the County's various Systems of Care. In addition, if the needs and demand for these programs exceed the current capacity, a dedicated training facility is also planned that can provide flexible space to accommodate a myriad of workforce trainings.

Priority would be given to programs anticipated to increase participation rates for the in-custody population and achieve sustained success post-custody as well as the availability of linkages to post custody programming.

**5. Personnel Impacts**

No additional staffing is required.

**6. Cost Impact**

Estimated costs for the enhanced programming may include one-time costs for job-specific equipment to be used for training purposes and ongoing costs associated with contracted services. In addition, one-time costs of approximately $40 million associated with the planned training center are included in the outer years.

FY 2023-24: $500,000 ongoing: $2,000,000 one-time
FY 2024-25: $1,000,000 ongoing: $40,000,000 one-time
FY 2025-26 through FY 2032-33: $1,000,000 ongoing

**7. Funding Sources**

2011 Public Safety Realignment
Inmate Services Fund
General Fund

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 10% | 68% | 22% |

**8. Stakeholders**

Individuals in custody awaiting trial or other court actions, inmates serving sentences in the County jail system, OCSD, OCCR, Workforce Investment and Advocacy Groups.

## Enhance Inmate Programming Services

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary but is a critical component in the County's 2025 Vision for OC CARES, Justice through Prevention and Intervention.

10. **Implementation Period if Funding Were Available**
A programming plan has been created and is in the process of being implemented. Tablets are anticipated to begin a phased roll out in late FY 2022-23.

| Enhance Inmate Programming Services | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Intangible Assets-Amortizable | 2,000,000 | 0 | 0 | 0 | 0 |
| Services & Supplies | 500,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Structures & Improvements | 0 | 40,000,000 | 0 | 0 | 0 |
| **Total Cost** | **2,500,000** | **41,000,000** | **1,000,000** | **1,000,000** | **1,000,000** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 250,000 | 4,100,000 | 100,000 | 100,000 | 100,000 |
| Other Financing Sources | 2,250,000 | 1,900,000 | 900,000 | 900,000 | 900,000 |
| **Total Revenue** | **2,500,000** | **6,000,000** | **1,000,000** | **1,000,000** | **1,000,000** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **35,000,000** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Enhance Inmate Programming Services | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Intangible Assets-Amortizable |
| 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | Services & Supplies |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **1,000,000** | **1,000,000** | **1,000,000** | **1,000,000** | **1,000,000** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | Intergovernmental Revenues |
| 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | Other Financing Sources |
| **1,000,000** | **1,000,000** | **1,000,000** | **1,000,000** | **1,000,000** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Expand Adult Specialty Courts

1. **Program Area**
   Public Protection, Community Services

2. **Involved Agencies and Departments**
   Health Care Agency (HCA)
   OC District Attorney (OCDA)
   Public Defender
   Probation Department
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority, previously identified in the 2016 to 2021 Strategic Financial Plans under the current title and within the Strategic Priority titled “Stepping Up Initiative.”

   The Courts have developed a proposed phased model and is seeking data to support the planned expansion and addition of new specialty courts. State funding was allocated to the Courts dedicated for related facility needs.

4. **Description of Strategic Priority**
   The Specialty Court Programs combine judicial supervision with rehabilitative services aimed at addressing mental health and/or substance abuse issues that may have led to criminal behavior. The goal is to help the individual become productive and self-sustaining, to the best of their ability, in the community.

   The model for the Adult Specialty Courts is a post-arrest point of diversion that includes hyper-supervision and intensive programming with the possibility of immediate sanctions for non-compliance. The diversion is incentive-based whereby the charges against the offender are reduced or removed upon successful completion of the program. Current statistics show that offenders participating in the Specialty Court program demonstrate lower recidivism rates, have fewer hospitalizations, and succeed in the community.

   The Courts have proposed an initial phased approach to expand the Specialty Courts to include over eight new court programs and additional courtrooms, or proposed new Collaborative Court Justice Center. County departments are working with the Courts to determine the need for expansion of the Specialty Courts to meet the current and

## Expand Adult Specialty Courts

anticipated demands for program participation. Efforts include further review of outcome data/statistics; identifying the number of offenders unable to participate due to capacity issues; analyzing and determining the type of court to expand and the priority order; analyzing and identifying programmatic needs; and determining physical location requirements to accommodate the expanded services.

5. **Personnel Impacts**
As the Specialty Courts expand, additional staffing may be needed and would be identified depending on the type of court and level of expansion.

6. **Cost Impact**
Estimated costs include one-time costs for facility expansion (100% Court/State responsibility) and ongoing costs for County staff time and/or contracted treatment services to support the Specialty Courts expansion (16% - 18% Net County Cost obligation) as follows:

FY 2023-24: 4,345,134 ongoing
FY 2024-25: 6,187,626 ongoing
FY 2025-26: 6,396,167 ongoing
FY 2026-27: 6,396,167 ongoing
FY 2027-28 through FY 2032-33: 6,604,708 ongoing

7. **Funding Sources**
OC Courts
Mental Health Service Act
2011 Public Safety Realignment
Net County Cost – 16% - 18% of ongoing costs

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 84% | 16% | 0% |

8. **Stakeholders**
Adult felony offenders with underlying mental illness or substance use issues recommended to the Adult Specialty Courts, OC Courts, OCDA, Public Defender, Probation Department, OCSD and HCA.

## Expand Adult Specialty Courts

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary but is a critical component in the County's 2025 Vision for OC CARES, Justice through Prevention and Intervention.

10. **Implementation Period if Funding Were Available**
Full implementation is anticipated by FY 2025-26, dependent on funding availability.

| Expand Adult Specialty Courts | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Salaries & Benefits | 4,345,134 | 6,187,626 | 6,396,167 | 6,396,167 | 6,604,708 |
| **Total Cost** | **4,345,134** | **6,187,626** | **6,396,167** | **6,396,167** | **6,604,708** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues Category | 3,642,043 | 5,091,694 | 5,262,115 | 5,262,115 | 5,432,537 |
| **Total Revenue** | **3,642,043** | **5,091,694** | **5,262,115** | **5,262,115** | **5,432,537** |
| | | | | | |
| **III. General Fund Requirement** | **703,091** | **1,095,932** | **1,134,052** | **1,134,052** | **1,172,171** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Expand Adult Specialty Courts | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 6,604,708 | 6,604,708 | 6,604,708 | 6,604,708 | 6,604,708 | Salaries & Benefits |
| **6,604,708** | **6,604,708** | **6,604,708** | **6,604,708** | **6,604,708** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 5,432,537 | 5,432,537 | 5,432,537 | 5,432,537 | 5,432,537 | Intergovernmental Revenues Category |
| **5,432,537** | **5,432,537** | **5,432,537** | **5,432,537** | **5,432,537** | **Total Revenue** |
| | | | | | |
| **1,172,171** | **1,172,171** | **1,172,171** | **1,172,171** | **1,172,171** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

## Expand Behavioral Health Law Enforcement Response Team

1. **Program Area**
   Public Protection, Community Services

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)
   Health Care Agency (HCA)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority, previously identified in the 2021 Strategic Financial Plan.

   The expansion of the Behavioral Health Response Team began in FY 2022-23 with the addition of three Deputy Sheriff II positions within the budget process.

4. **Description of Strategic Priority**
   In 2020, OCSD established a Behavioral Health (BH) Bureau to better address the increasing number of behavioral health-related calls as well as related issues in their custody operations. This aligns with the County's efforts to achieve the 2025 Vision of OC CARES where the underlying causes of criminal behavior, such as mental illness or substance use, are addressed and the individual is diverted to treatment services rather than jail, if appropriate. Current estimates are that over 70% of the jail population has some form of a behavioral health issue.

   A key component of the BH Bureau is the established BH Response Team comprised of specialized trained officers partnered with HCA BH professionals linked with clinical services co-located within the patrol units in multiple service areas. This model provides support to BH-related response calls which may be de-escalated to the point where an individual could be diverted to immediate treatment services rather than enter or re-enter the criminal justice system. The BH Response Team also provide follow up and assist the individual and their family members with accessing services. In addition, individuals known for frequent BH-related response calls would have increased outreach services and case management to address their underlying issues and break their involvement in the criminal justice system.

   A pilot program was initiated in OCSD's South Patrol and was deemed to be a successful model. In FY 2022-23, three Deputy Sheriff IIs were added to the BH Bureau to allow for

## Expand Behavioral Health Law Enforcement Response Team

the expansion of the North Patrol. The deputies work with HCA's Psychiatric Emergency Response Team (PERT) to respond to identified behavioral health related calls and perform outreach to those recently involved in crisis-related service calls.

HCA has also made additional Crisis Assessment Teams (CAT) and PERT available to assist law enforcement agencies as this model is further implemented. Expansion would include one Deputy Sheriff and one Behavioral Health Clinician per OCSD Patrol Area, per daily shift, and would utilize existing CAT and PERT resources. Expansion is planned to provide the resources needed to be able to have a dedicated unit for each OCSD Patrol Area. As each phase is implemented, data collected regarding the number and types of response calls, outcomes from the calls, and the outreach and case management provided is be analyzed and modified to ensure best practices are employed.

### 5. Personnel Impacts

OCSD has identified the need to add nine Deputy Sheriff II positions to serve as the specialized patrol for the expansion.

HCA is currently ensuring sufficient CAT and PERT teams are in place and available for local law enforcement needs, including those identified with this Strategic Priority. Depending on the size of the service area being served, 10 additional Behavioral Health Clinician I's have been identified as needed for the department.

### 6. Cost Impact

FY 2023-24: $3,005,878 ongoing; $328,000 one-time
FY 2024-25: $2,991,256 ongoing
FY 2025-26: $2,957,232 ongoing
FY 2026-27: $2,940,646 ongoing
FY 2027-28 through FY 2032-33: $2,954,168 ongoing

### 7. Funding Sources

Funding for the outreach, case management, and BH support is anticipated to be funded by several state sources, including Mental Health Services Act (MHSA). Public safety services are currently anticipated to be funded by Net County Cost. However, the departments are strongly encouraged to seek funding opportunities as applicable.

## Expand Behavioral Health Law Enforcement Response Team

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 59% | 41% | 0% |

**8. Stakeholders**

Individuals and their families experiencing a behavioral health crisis requiring law enforcement involvement, HCA, OCSD and Advocacy Groups.

**9. Mandated or Discretionary Program/Project?**

Discretionary: This project is discretionary but is a critical component in the County's 2025 Vision for OC CARES, Justice through Prevention and Intervention.

**10. Implementation Period if Funding Were Available**

Continued expansion to North Patrol and Southeast is currently planned and pending available resources.

| Expand Behavioral Health Law Enforcement Response Team | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Equipment | 328,000 | 0 | 0 | 0 | 0 |
| Salaries & Benefits | 3,005,878 | 2,991,256 | 2,957,232 | 2,940,646 | 2,954,168 |
| **Total Cost** | **3,333,878** | **2,991,256** | **2,957,232** | **2,940,646** | **2,954,168** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 1,352,978 | 1,026,966 | 1,023,630 | 1,024,976 | 1,036,912 |
| **Total Revenue** | **1,352,978** | **1,026,966** | **1,023,630** | **1,024,976** | **1,036,912** |
| | | | | | |
| **III. General Fund Requirement** | **1,980,900** | **1,964,290** | **1,933,602** | **1,915,670** | **1,917,256** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Behavioral Health Clinician I | 10 | 10 | 10 | 10 | 10 |
| Deputy Sheriff II | 9 | 9 | 9 | 9 | 9 |
| **Total Positions Funded Per Fiscal Year** | **19** | **19** | **19** | **19** | **19** |

| Expand Behavioral Health Law Enforcement Response Team | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Equipment |
| 2,954,168 | 2,954,168 | 2,954,168 | 2,954,168 | 2,954,168 | Salaries & Benefits |
| **2,954,168** | **2,954,168** | **2,954,168** | **2,954,168** | **2,954,168** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 1,036,912 | 1,036,912 | 1,036,912 | 1,036,912 | 1,036,912 | Intergovernmental Revenues |
| **1,036,912** | **1,036,912** | **1,036,912** | **1,036,912** | **1,036,912** | **Total Revenue** |
| | | | | | |
| **1,917,256** | **1,917,256** | **1,917,256** | **1,917,256** | **1,917,256** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 10 | 10 | 10 | 10 | 10 | Behavioral Health Clinician I |
| 9 | 9 | 9 | 9 | 9 | Deputy Sheriff II |
| **19** | **19** | **19** | **19** | **19** | **Total Positions Funded Per Fiscal Year** |

## Housing for Justice Involved Youth and Transitional Aged Youth

1. **Program Area**
   Public Protection, Community Services

2. **Involved Agencies and Departments**
   Social Services Agency (SSA)
   Probation Department

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority.

4. **Description of Strategic Priority**
   The County's Housing System of Care has limited options for both temporary (emergency) and long-term housing (placement) for foster youth 13 years of age and older, referred to as Crossover Youth. Crossover Youth are youth who have experienced child maltreatment and who also have a history or propensity for engaging in delinquent behaviors that put them at risk of, or lead to involvement with, the juvenile justice system. In certain instances, these Crossover Youth can fall under the jurisdiction of both Dependency (WIC § 300) and Wardship (WIC §§ 601 or 602). Youth exiting the juvenile correctional facilities also experience barriers to accessible housing. For example, a youth has completed their time in Juvenile Hall and there are conditions present which indicate it is unsafe for the youth to reside in their family's home, Orangewood Children & Family Center (OCFC) or another foster care placement setting. WIC § 16514 outlines additional factors that may limit the capacity of congregate care settings accessible to Crossover Youth.

   In accordance with state law (WIC § 16501.1), whenever possible the County's preference is to secure housing for youth in the safest, least restrictive environment that is best suited to address the youth's individual needs. Youth who have pending criminal charges cannot be housed at OCFC due to Community Care Licensing regulations and to ensure the safety of children housed there who have been removed from their parents due to abuse and neglect. A concern also exists when housing low-level offenders with high-level offenders to ensure and maintain safety for all residents. Given that Crossover Youth requiring foster care placement typically experience co-occurring issues (e.g., homelessness, mental health challenges, incarceration, substance use vulnerabilities, gang affiliation, Commercial Sexual Exploitation of Children involvement, etc.), there is a need for a program to provide safe and appropriate supportive housing, in a manner that

## Housing for Justice Involved Youth and Transitional Aged Youth

enhances accessibility to treatment regardless of the youth's complexity of needs. Solutions include County contracted services that will provide beds in a variety of treatment settings across Orange County's placement continuum or establishment of a County program to achieve the same objectives.

5. **Personnel Impacts**

Additional staff or contracted services and County resources will be utilized to provide the housing and supportive services. SSA and Probation Department will continue to evaluate staffing needs.

6. **Cost Impact**

It is estimated that throughout the year an average of three youth would be housed in a high-need environment ($720,000/year), three would be housed in a short-term residential therapeutic program (STRTP) ($1,440,000/year) and three would be housed in a shelter or respite environment in lieu of secure housing ($720,000/year), with one-time start-up costs for contracted providers estimated at $200,000.

FY 2023-24: $2,880,000 ongoing, $ 200,000 one-time costs
FY 2024-25: $2,880,000
FY 2025-26: $2,880,000
FY 2026-27: $2,880,000
FY 2027-28 through FY 2032-33: $2,880,000

7. **Funding Sources**

A majority of youth and transitional aged youth clients identified in this initiative are eligible for Title IV-E funding, which is capped by statue, and/or state realignment funding. General Fund support is requested due to limited federal and state funding.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 50% | 25% | 25% | 0% |

8. **Stakeholders**

Juveniles and transitional aged youth involved in foster care, OCFC and/or the corrections system, their families, Health Care Agency, SSA and Probation Department.

## Housing for Justice Involved Youth and Transitional Aged Youth

**9. Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary but is a critical component in the County's OC CARES initiative for the various Systems of Care.

**10. Implementation Period if Funding Were Available**
Implementation can begin as early as July 1, 2023, if funding and resources are identified.

| Housing for Justice Involved Youth and Transitional Aged Youth | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Services & Supplies | 3,080,000 | 2,880,000 | 2,880,000 | 2,880,000 | 2,880,000 |
| **Total Cost** | **3,080,000** | **2,880,000** | **2,880,000** | **2,880,000** | **2,880,000** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 2,310,000 | 2,160,000 | 2,160,000 | 2,160,000 | 2,160,000 |
| **Total Revenue** | **2,310,000** | **2,160,000** | **2,160,000** | **2,160,000** | **2,160,000** |
| | | | | | |
| **III. General Fund Requirement** | **770,000** | **720,000** | **720,000** | **720,000** | **720,000** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Housing for Justice Involved Youth and Transitional Aged Youth | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 2,880,000 | 2,880,000 | 2,880,000 | 2,880,000 | 2,880,000 | Services & Supplies |
| **2,880,000** | **2,880,000** | **2,880,000** | **2,880,000** | **2,880,000** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 2,160,000 | 2,160,000 | 2,160,000 | 2,160,000 | 2,160,000 | Intergovernmental Revenues |
| **2,160,000** | **2,160,000** | **2,160,000** | **2,160,000** | **2,160,000** | **Total Revenue** |
| | | | | | |
| **720,000** | **720,000** | **720,000** | **720,000** | **720,000** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Housing for Transitional Aged Youth

1. **Program Area**
   Public Protection, Community Services

2. **Involved Agencies and Departments**
   Probation Department
   Health Care Agency
   Social Services Agency
   OC Public Works

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority, initially identified as an Emerging Initiative in the 2021 Strategic Financial Plan.

4. **Description of Strategic Priority**
   Transitional aged youth (TAY) who are released from juvenile correctional facilities are often faced with limited options for housing and face significant challenges to continue with the programs and services received while detained. The need to establish transitional and permanent supportive housing and placement services for youths has been identified as a significant need, specifically to provide supportive services for substance use, mental health issues or those involved in the Commercial Sexual Exploitation of Children (CSEC) population.

   The County seeks to establish a dedicated facility for post-custody housing of TAY individuals in the juvenile justice system that includes treatment and support services with little to no disruption to services received while in-custody. Housing would consist of transitional housing, CSEC housing, and high needs housing. Existing space on the current Juvenile Hall campus has been identified and can easily be fenced to establish the facility outside of the Juvenile Hall perimeter. The planned housing will offer independent living in a safe and welcoming environment to support the individuals as they move towards self-sufficiency.

   Supportive services to be provided include furnished housing, on-site case management and support, education and employment assistance, development of independent living skills, relational wellness and counseling services, financial education and personal budgeting assistance, and after-care support. The housing will be provided to young adults ages 16-26 and youth previously under the jurisdiction of Orange County Juvenile

## Housing for Transitional Aged Youth

Court, who have aged out of foster care placement, former probation-involved youth, and current non-minor dependents involved with California Child Welfare.

5. **Personnel Impacts**
Additional staff or contracted services will be utilized to provide the supportive services.

6. **Cost Impact**
FY 2023-24: $2,500,000 ongoing, $10,000,000 one-time
FY 2024-25: $2,500,000 ongoing, $10,000,000 one-time
FY 2025-26 through FY 2032-33: $2,500,000 ongoing

7. **Funding Sources**
Funding for the project includes $5 million from a State earmark with additional funding anticipated from state and federal grants and/or allocations. The County is working to identify funding opportunities as applicable.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 40% | 50% | 10% | 0% |

8. **Stakeholders**
TAY involved in the juvenile justice system, their families, and the community.

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary but is a critical component in the County's OC CARES initiative for the Housing System of Care.

10. **Implementation Period if Funding Were Available**
This project is currently in the planning stage with a contracted Architect & Engineering firm and construction anticipated to begin in FY 2023-24.

| Housing for Transitional Aged Youth | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Services & Supplies | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Structures & Improvements | 10,000,000 | 10,000,000 | 0 | 0 | 0 |
| **Total Cost** | **12,500,000** | **12,500,000** | **2,500,000** | **2,500,000** | **2,500,000** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 11,250,000 | 11,250,000 | 2,250,000 | 2,250,000 | 2,250,000 |
| **Total Revenue** | **11,250,000** | **11,250,000** | **2,250,000** | **2,250,000** | **2,250,000** |
| | | | | | |
| **III. General Fund Requirement** | **1,250,000** | **1,250,000** | **250,000** | **250,000** | **250,000** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Housing for Transitional Aged Youth | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | Services & Supplies |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **2,500,000** | **2,500,000** | **2,500,000** | **2,500,000** | **2,500,000** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 2,250,000 | 2,250,000 | 2,250,000 | 2,250,000 | 2,250,000 | Intergovernmental Revenues |
| **2,250,000** | **2,250,000** | **2,250,000** | **2,250,000** | **2,250,000** | **Total Revenue** |
| | | | | | |
| **250,000** | **250,000** | **250,000** | **250,000** | **250,000** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

## Permanent Supportive and Affordable Housing Access

1. **Program Area**
   Community Services

2. **Involved Agencies and Departments**
   OC Community Resources

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority, previously identified in the 2017 to 2021 Strategic Financial Plans.

   In June 2018, the Board of Supervisors (Board) received the County's Housing Funding Strategy which identified the plan for producing 2,700 units of permanent supportive housing throughout Orange County. In March 2019, the Board approved the Joint Powers Authority Agreement for the establishment of the Orange County Housing Finance Trust (OCHFT) with the purpose of funding housing specifically designated to assisting the individuals and families experiencing homelessness, and individuals and families of low income within the County of Orange.

   Of the 2,700 units of supportive housing identified, 874 units have been built, 1,008 units are under construction, and 520 units are in progress of funding. As of October 31, 2022, a combined total of 2,278 supportive and affordable housing units are in the current pipeline, which does not include 124 units completed/built when the County's Housing Funding Strategy was received and filed by the Board.

4. **Description of Strategic Priority**
   Housing represents the fundamental solution to addressing and ending homelessness in Orange County; however, Orange County has one of the least affordable housing markets in the nation. The shortage of affordable housing and the accompanying high rent burdens not only contribute to homelessness but have also put a growing number of Orange County residents at-risk of homelessness. Furthermore, the existing inventory of affordable and permanent supportive housing resources remain insufficient to meet the current need within the County.

   With the addition of emergency shelter beds and other shelter and interim housing programs, the County has created a significant safety net to stabilize those experiencing a housing crisis, allow a path for many to transition to self-sufficiency and pursue

## Permanent Supportive and Affordable Housing Access

permanent housing stability. However, due to an insufficient supply of permanent supportive housing and affordable housing, the length of stay in emergency and transitional shelters and interim housing can be prolonged. The overall effectiveness of the shelter programs is contingent upon development of permanent housing options; the goal of the System of Care is to reduce length of stay in emergency and transitional shelter and interim housing programs and ensure high retention rates in permanent housing programs and long-term housing stability.

Permanent supportive housing is subsidized housing that combines affordable housing assistance with voluntary support services to address the needs of those experiencing chronic homelessness. Supportive services are designed to ensure long-term housing stability, build independent living and tenancy skills, and provide an overall better quality of life by connecting individuals with community-based health care, social services, and employment resources. This type of housing with community integrated supportive services has proven effective for individuals who have experienced prolonged periods of homelessness and barriers to housing due to their disabling conditions and/or other challenges.

This Strategic Priority continues to focus on the creation of needed housing for Orange County residents of all income levels. In June 2018, the Board filed the Housing Funding Strategy, which established the goal of developing 2,700 units of permanent supportive housing throughout Orange County. In addition, the Commission to End Homelessness was established in 2018 to work in collaboration with County and city governments, the business sector, philanthropic organizations, community organizations, health care, public safety, and other interested stakeholders to promote an effective response to homelessness within Orange County. In March 2019, the Board approved the Joint Powers Authority Agreement which established the OCHFT.

The COVID-19 pandemic highlighted the need for this Strategic Priority as many individuals and families face increased housing instability due to loss in employment and income. The COVID-19 pandemic has also provided opportunities to develop permanent supportive housing through various State initiatives, such as the Homekey Program.

The Homekey Program began as part of the State’s response to serve individuals experiencing homelessness or at-risk of homelessness who were also at risk of serious illness from COVID-19. The Homekey Program provided the County $20.6 million in funding during Round 1 to purchase two motels to increase the county’s response to

## Permanent Supportive and Affordable Housing Access

homelessness and the COVID-19 pandemic. These motels created 132 units of interim housing, have closed their construction loans and are transitioning into permanent supportive housing. The County was awarded $34.5 million in Homekey Program Round 2 funding for three projects, two projects will create 109 units of permanent supportive housing or affordable housing, and one project will create 64 units of interim housing to convert to permanent housing.

The County is working on updating the Housing Funding Strategy with data from the 2022 Point in Time count and will address the costs and funding needs for the development of supportive housing for those experiencing homelessness. The update will also focus on mapping out the progress that has been made toward the housing production goal, identifying the current needs, as well as an analysis of federal, state, and local resources available to produce affordable and supportive housing.

### 5. Personnel Impacts

No additional staffing is required.

### 6. Cost Impact

The County's 2018 Housing Funding Strategy identified a funding gap estimated at $789 million, representing $439 million in funding needed for capital expenses to develop the properties and $350 million needed for rental and operating subsidies to ensure the supportive housing units are affordable to people with histories of homelessness.

This Strategic Priority continues to evolve, and multiple unknown variables remain regarding potential opportunities, including the type of housing, location, and number of units. Preliminary funding sources have been identified and will be utilized as eligible projects emerge.

### 7. Funding Sources

Funding is project-specific; however, potential funding sources identified may include the following:
Community Development Block Grant
HOME Investments Partnership Program
HOME American Rescue Plan Act
Coronavirus State and Local Fiscal Recovery Funds American Rescue Plan Act
Housing Successor Agency
Project-Based Housing Choice Vouchers

## Permanent Supportive and Affordable Housing Access

Project-Based Mainstream Vouchers
Project-Based Veterans Affairs Supportive Housing (VASH) Vouchers
Housing and Urban Development (HUD) Continuum of Care
Orange County Housing Finance Trust
Various State Programs and Funding Sources, including Homekey, Multi-Family Housing Program, Veterans Housing and Homelessness Prevention Program, Mental Health Services Act (MHSA) and Permanent Local Housing Allocation

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 20% | 70% | 0% | 10% |

**8. Stakeholders**

Individuals and families experiencing homelessness or at-risk of homelessness who would benefit from the necessary support services and resources to become stably housed and achieve self-sufficiency in our community.

**9. Mandated or Discretionary Program/Project?**

Discretionary: This project is discretionary but is a critical component in the County's OC CARES initiative for the Housing System of Care.

**10. Implementation Period if Funding Were Available**

The County's 2018 Housing Funding Strategy outlines a plan to develop 2,700 units of supportive housing by 2025. However, implementation is contingent upon continued funding and identification of feasible projects eligible for funding. The County has an ongoing request for projects and is working with cities and developers to identify opportunities for potential projects and partnerships. This is an on-going initiative.

| Permanent Supportive and Affordable Housing Access | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| To Be Determined | TBD | TBD | TBD | TBD | TBD |
| **Total Cost** | **TBD** | **TBD** | **TBD** | **TBD** | **TBD** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| To Be Determined | TBD | TBD | TBD | TBD | TBD |
| **Total Revenue** | **TBD** | **TBD** | **TBD** | **TBD** | **TBD** |
| | | | | | |
| **III. General Fund Requirement** | **TBD** | **TBD** | **TBD** | **TBD** | **TBD** |
| | | | | | |
| **IV. Staffing** | | | | | |
| To Be Determined | TBD | TBD | TBD | TBD | TBD |
| **Total Positions Funded Per Fiscal Year** | **TBD** | **TBD** | **TBD** | **TBD** | **TBD** |

| Permanent Supportive and Affordable Housing Access | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| TBD | TBD | TBD | TBD | TBD | To Be Determined |
| **TBD** | **TBD** | **TBD** | **TBD** | **TBD** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| TBD | TBD | TBD | TBD | TBD | To Be Determined |
| **TBD** | **TBD** | **TBD** | **TBD** | **TBD** | **Total Revenue** |
| | | | | | |
| **TBD** | **TBD** | **TBD** | **TBD** | **TBD** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| TBD | TBD | TBD | TBD | TBD | To Be Determined |
| **TBD** | **TBD** | **TBD** | **TBD** | **TBD** | **Total Positions Funded Per Fiscal Year** |

# System of Care Data Integration for Care Coordination

1. **Program Area**
Public Protection, Community Services

2. **Involved Agencies and Departments**
County Executive Office
OC District Attorney (OCDA)
Health Care Agency (HCA)
OC Community Resources (OCCR)
Probation Department
Public Defender
Sheriff-Coroner Department (OCSD)
Social Services Agency (SSA)
CalOptima Health
Mind OC
Orange County Courts

3. **New or Continuing Strategic Priority**
This is a continuing Strategic Priority, previously identified in the 2016 to 2021 Strategic Financial Plans also referenced as *Data Sharing Platform for Care Coordination*.

Funding was identified for the first phase of this project which addressed the System of Care that included homelessness. The County contracted with IBM to develop the system platform in March 2020 which was implemented by December 2020. Phase 2 of the project incorporated the data from the public protection departments supporting the Community Correction System of Care and was implemented by June 30, 2021. In September 2022, the Office of Care Coordination (OCC) launched the Corrections Cohort Pilot under the Care Plus Program. The FY 2022-23 Budget includes $3.0 million for development of the System of Care Data Integration for Care Coordination (SOCDIS) Aging Cohort.

4. **Description of Strategic Priority**
The County has defined and operates five different systems of care integrating services and programs across various departments to meet the needs of County residents. These systems include health care, behavioral health, community corrections, housing, and benefits and support services. For each system of care, there are several departments providing services and assistance to the specific population of that system. It has become

## System of Care Data Integration for Care Coordination

apparent that there are certain individuals who often cross the systems of care or receive multiple services within one system of care; these individuals are identified as "high-utilizers" and considered the County's most vulnerable residents.

Over the past three years, the County has developed a model for a data sharing platform to allow information sharing among service providers, County departments and external stakeholders related to individuals experiencing homelessness. The software solution is a coordinated data sharing platform that receives information from source databases or systems and includes an environment allowing queries and reporting, while protecting and restricting access to personal health information, as warranted. This allows staff across departments to access relevant information for coordination and delivery of services to best meet the needs of the individual.

In 2022, the Corrections cohort was added and will focus on high-utilizers of the Corrections System, specifically those returning to jail four or more times in one year. Unlike the Homeless cohort, participants must provide authorization to share their information to be enrolled in Care Plus. Implementation of the Corrections cohort brings additional reporting requirements, specifically monitoring trends on a monthly, quarterly and annual basis.

Future expansions of the data sharing platform may include the Master Plan for Aging (MPA) cohort and access for community partners, such as local law enforcement and community-based organizations. With multiple cohorts operating simultaneously, it will be imperative to track high-level trends by cohort and the efficacy and success of the interventions. The vision for the data platform is to fully integrate care coordination throughout all the identified County's systems of care and eventually allow inclusion of contract service providers and partners outside the County.

The County has implemented a multi-disciplinary team approach to care coordination whereby the system is used to identify high-utilizers so the team can begin to address the individuals' main issues which keep them cycling within the specific system of care. Identified with implementation is the need for enhancements to the system to create the needed reports and tracking tools to facilitate this process.

California Senate Bill (SB) 1342, which became law September 27, 2022, authorizes members of aging multi-disciplinary personnel teams to share confidential information for the purpose of expediting identification, assessment, and linkage of older adults to

## System of Care Data Integration for Care Coordination

services. The County is conducting a county-wide healthy aging assessment to identify areas of greatest needs, barriers to accessing services, gaps in services and inequities faced by the aging population. Learnings from the assessment will be used to develop the MPA. Integral to the MPA are system enhancements to implement a SOCDIS Aging Cohort to facilitate multi-disciplinary personnel teams to coordinate care and address the needs of the aging population across the systems of care.

5. **Personnel Impacts**
The system is housed within OCC and additional staffing will be dependent on the enhancements needed and is currently unknown.

6. **Cost Impact**
One-time costs are estimated at $2.0 million for continued development of SOCDIS to enhance the County's data sharing platform to allow departments, service providers, and stakeholders to effectively and efficiently share information pertaining to high-utilizers across the systems of care.

7. **Funding Sources**
The Budget Act of 2021 (Section 174 of SB 170 (Chapter 240, Statutes of 2021), adding Section 19.56€(20) to the Budget Act) allocated $2.0 million in State General Funds to the County for this inititative.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 100% | 0% | 0% |

8. **Stakeholders**
Individuals engaged in one or more of the County's Systems of Care, OCDA, HCA, OCCR, Probation Department, Public Defender, OCSD and SSA.

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary but is a critical component in the County's OC CARES initiative for the Housing System of Care.

10. **Implementation Period if Funding Were Available**
SOCDIS enhancements will implemented by FY 2023-24.

| System of Care Data Integration for Care Coordination | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Services & Supplies | 2,000,000 | 0 | 0 | 0 | 0 |
| **Total Cost** | **2,000,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 2,000,000 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **2,000,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| System of Care Data Integration for Care Coordination | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Services & Supplies |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | Intergovernmental Revenues |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Body Worn Camera Workload Impact Mitigation

1. **Program Area**
Public Protection

2. **Involved Agencies and Departments**
Public Defender (PD)

3. **New or Continuing Strategic Priority**
This is a continuing Strategic Priority previously identified in the 2021 Strategic Financial Plan (SFP). Previous budget cycles and SFPs presented digital evidence workload impact mitigation as an expand augmentation, and in the FY 2022-23 budget process, 12 positions were added as part of the first phase to address the workload impact. Prior to FY 2022-23, eight positions were added for increased evidentiary and discovery requirements.

Positions and funding are requested in a phased-in approach over a three-year period, with first phase implemented. Before requesting the second phase of additional positions, PD will reevaluate staffing needs by measuring the impact of the newly approved positions towards mitigating the current workload.

4. **Description of Strategic Priority**
In FY 2017-18, the PD's Office, in coordination with the OC District Attorney (OCDA) and the Integrated Law and Justice Agency of Orange County partnered with Axon Enterprises to manage the digital evidence – primarily from Body Worn Cameras (BWC) – generated by Orange County's law enforcement agencies. During that same fiscal year, the Department received 1,608 hours of video footage from the District Attorney through Axon's platform known as Evidence.com.

As the number of law enforcement agencies using BWC technology grows, so too does the amount of footage the Department receives, resulting in significant increases to workload. PD has roughly 170 attorneys assigned to criminal proceedings involving BWC footage. Current projections of BWC footage transmitted through the Axon platform could result in each attorney spending more than 350 additional hours reviewing BWC footage in FY 2023-24 representing a 3,600% increase from FY 2017-18.

Current estimates to fully mitigate the projected workload impact entail the addition of 19 attorney positions. Typically, more serious cases result in more responding officers and,

## Body Worn Camera Workload Impact Mitigation

therefore, generate more BWC footage; and because more serious cases are handled by senior, higher ranking attorneys, several attorney classifications are requested.

Although attorneys are most affected by the workload impact of BWC evidence, the department's paralegals have seen increased workloads as well. Paralegals create, redact and edit BWC footage for presentation at trial and other contested hearings. Additionally, paralegals review and correct the transcripts prepared from BWC footage which are required by the California Rules of Court before footage can be played in court. An additional four paralegal positions are requested for the anticipated increase in workload.

**5. Personnel Impacts**

For strategic planning purposes, 23 additional positions would be needed over a span of two years to continue expanding the program established in FY 2017-18.

| Classification | No. of Positions |
|---|---|
| Attorney III | 11 |
| Deputy Attorney IV | 4 |
| Paralegal | 4 |
| Senior Deputy Attorney | 4 |
| **Total Positions** | **23** |

**6. Cost Impact**

Estimated annual ongoing staffing costs range from $1.9 million in FY 2023-24 to $4.3 million in FY 2024-25 and beyond.

**7. Funding Sources**

General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

**8. Stakeholders**

Orange County residents, Department-represented clients, Justice Partner Agencies.

## Body Worn Camera Workload Impact Mitigation

**9. Mandated or Discretionary Program/Project?**

Discretionary: Deputy Public Defenders are ethically required to review all evidence gathered by the prosecution in a criminal case as part of their representation of clients. Only after reviewing all evidence can they effectively direct investigation, make decisions regarding retaining expert witnesses, advise their clients regarding feasible defenses, identify viable pretrial motions, engage in meaningful settlement discussions and advise their clients regarding legal decisions. Although this is a discretionary project, the additional positions would provide the PD with resources needed to continue to comply with this requirement.

**10. Implementation Period if Funding Were Available**

Should ongoing funding become available, activities required to continue expanding this program can be initiated immediately and would occur over a two-year period.

| Body Worn Camera Workload Impact Mitigation | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Salaries & Benefits | 1,861,178 | 4,241,352 | 4,230,586 | 4,241,640 | 4,291,186 |
| Services & Supplies | 13,959 | 31,810 | 31,729 | 31,812 | 32,184 |
| **Total Cost** | **1,875,137** | **4,273,162** | **4,262,315** | **4,273,452** | **4,323,370** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **1,875,137** | **4,273,162** | **4,262,315** | **4,273,452** | **4,323,370** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Attorney III | 4 | 11 | 11 | 11 | 11 |
| Deputy Attorney IV | 2 | 4 | 4 | 4 | 4 |
| Paralegal | 2 | 4 | 4 | 4 | 4 |
| Senior Deputy Attorney | 2 | 4 | 4 | 4 | 4 |
| **Total Positions Funded Per Fiscal Year** | **10** | **23** | **23** | **23** | **23** |

| Body Worn Camera Workload Impact Mitigation | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 4,291,186 | 4,291,186 | 4,291,186 | 4,291,186 | 4,291,186 | Salaries & Benefits |
| 32,184 | 32,184 | 32,184 | 32,184 | 32,184 | Services & Supplies |
| **4,323,370** | **4,323,370** | **4,323,370** | **4,323,370** | **4,323,370** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **4,323,370** | **4,323,370** | **4,323,370** | **4,323,370** | **4,323,370** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 11 | 11 | 11 | 11 | 11 | Attorney III |
| 4 | 4 | 4 | 4 | 4 | Deputy Attorney IV |
| 4 | 4 | 4 | 4 | 4 | Paralegal |
| 4 | 4 | 4 | 4 | 4 | Senior Deputy Attorney |
| **23** | **23** | **23** | **23** | **23** | **Total Positions Funded Per Fiscal Year** |

# Brad Gates – Data Center UPS Upgrade

1. **Program Area**
Public Protection

2. **Involved Agencies and Departments**
Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
This is a new Strategic Priority.

4. **Description of Strategic Priority**
The OCSD's Data Center, located in the Brad Gates building, houses the equipment and infrastructure necessary to support the OCSD's computer systems. These systems are critical to public safety and are utilized by more than fifty local, state, and federal law enforcement agencies. The OCSD Data Center is protected by one 225KVA (kiloVoltAmps) Uninterrupted Power Supply (UPS) system that is 17 years old. This becomes a single point of failure should the UPS have electrical and/or mechanical issues. Installation of a second UPS provides an additional safety factor with redundancy to the existing system as well as additional power capacity to mitigate issues that may be caused by a power outage.

5. **Personnel Impacts**
No additional staffing is required.

6. **Cost Impact**
One-time costs for the Brad Gates – Data Center UPS Upgrade project are estimated at $1.2 million.

7. **Funding Sources**
General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

8. **Stakeholders**
OCSD, local, state, and federal law enforcement agencies.

## Brad Gates – Data Center UPS Upgrade

**9. Mandated or Discretionary Program/Project?**
Discretionary project.

**10. Implementation Period if Funding Were Available**
FY 2023-24

| Brad Gates – Data Center UPS Upgrade | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 1,214,201 | 0 | 0 | 0 | 0 |
| **Total Cost** | **1,214,201** | **0** | **0** | **0** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **1,214,201** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Brad Gates – Data Center UPS Upgrade | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Central Men's Jail – Official Visiting Booth Area Renovation

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority.

4. **Description of Strategic Priority**
   Request to renovate the Official Visiting booth area to increase security at the Central Men's Jail (CMJ). This project would update five existing booths and add six additional booths to include lockable windows dividing the inmates and attorneys, add ceiling-high glass and walls, and an electronic speaker system. In addition, existing lighting would be relocated to accommodate the new layout.

5. **Personnel Impacts**
   No additional staffing is required.

6. **Cost Impact**
   One-time costs for the CMJ – Official Visiting Booth Area renovation project are estimated at $1.0 million.

7. **Funding Sources**
   General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

8. **Stakeholders**
   OCSD employees, inmates, and attorneys.

9. **Mandated or Discretionary Program/Project?**
   Discretionary project.

## Central Men's Jail – Official Visiting Booth Area Renovation

**10. Implementation Period if Funding Were Available**

FY 2023-24

| Central Men's Jail – Official Visiting Booth Area Renovation | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Structures & Improvements | 1,034,000 | 0 | 0 | 0 | 0 |
| **Total Cost** | **1,034,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **1,034,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Central Men's Jail – Official Visiting Booth Area Renovation | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Central Men's Jail Recreation Yard Expansion and ADA Compliance

1. **Program Area**
Public Protection

2. **Involved Agencies and Departments**
Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
This is a new Strategic Priority.

4. **Description of Strategic Priority**
The inmates' recreation yard is located on the Central Men's Jail (CMJ) roof which currently consists of one large and one small caged area. This project will divide the larger caged area into four smaller caged recreation areas, each with security cameras, phones, sinks, and toilets. Additional improvements will include Americans with Disabilities Act (ADA) compliant bathrooms, phones, and tables, enhancing accessibility for disabled inmates. This project will also enable the CMJ to run multiple simultaneous recreation groups by dividing the larger group into smaller units enhancing both security and efficiency of inmate recreation rotations, while also making all recreation areas ADA compliant. This project aligns with the growing needs of the facility and ensure inmates with disabilities are provided equal access to programs and services.

5. **Personnel Impacts**
No additional staffing is required.

6. **Cost Impact**
One-time costs for CMJ – Roof Recreation Expansion and ADA Compliance are estimated at $3.7 million.

7. **Funding Sources**
General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

## Central Men's Jail Recreation Yard Expansion and ADA Compliance

8. **Stakeholders**
   County of Orange and jail inmates.

9. **Mandated or Discretionary Program/Project?**
   Discretionary: This project is discretionary, but modifications to ADA standards will ensure inmates with disabilities are provided equal access to programs and services.

10. **Implementation Period if Funding Were Available**
    FY 2023-24

| Central Men's Jail Recreation Yard Expansion and ADA Compliance | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 3,723,127 | 0 | 0 | 0 | 0 |
| **Total Cost** | **3,723,127** | **0** | **0** | **0** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **3,723,127** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Central Men's Jail Recreation Yard Expansion and ADA Compliance | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Emergency Operations Center Audio-Visual & Security System Upgrades

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority previously identified in the 2021 Strategic Financial Plan.

4. **Description of Strategic Priority**
   The audio-visual and security system upgrade to the Emergency Operations Center (EOC) located at Loma Ridge will allow for conversion of outdated analog technologies to digital technologies. The upgrades will provide a fully integrated system and permit timely display of real-time situational information during day-to-day and emergency operations and provide a secure facility for the EOC.

   The audio-visual system upgrades will provide seamless integration of the wireless network to various systems and offer connectivity for smart boards, projectors, laptops, tablets, cell phones and other technologies for improved information sharing during emergency operations. Proposed upgrades include new digital equipment and infrastructure improvements. The current system is deteriorating due to obsolescence and it is difficult to find replacement parts which may result in delays in obtaining critical information for fast-breaking incidents and could impact first responders' ability to take action and make strategic operational decisions.

   The upgrades to the security system will replace analog cameras with digital, 360 degree, pan/tilt/zoom and infrared technologies to provide safety and security for critical infrastructure and personnel. The project will also include face level and license plate reader cameras at the main entrance, remote accessibility of cameras and gate openers, and a digital recording system to maintain recordings in the event of potential criminal activity at this remote location.

5. **Personnel Impacts**
   No additional staffing is requested.

# Emergency Operations Center Audio-Visual & Security System Upgrades

6. **Cost Impact**
One-time equipment costs are estimated at $2.3 million. The ongoing maintenance and support costs are estimated at $229 thousand per year.

7. **Funding Sources**
General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

8. **Stakeholders**
Orange County residents, County agencies and personnel, first responders and Federal and State employees.

The EOC provides emergency management and preparedness services to the unincorporated areas of Orange County and supports the efforts of the Orange County Operational Area (OA). There are over 100 jurisdictions in the OA encompassing all County departments and agencies, public and private organizations and the general population within the boundaries of Orange County.

9. **Mandated or Discretionary Program/Project?**
Discretionary project.

10. **Implementation Period if Funding Were Available**
FY 2023-24 through FY 2032-33

| Emergency Operations Center Audio-Visual & Security System Upgrades | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Equipment | 1,571,793 | 729,866 | 0 | 0 | 0 |
| Services & Supplies | 0 | 0 | 228,923 | 228,923 | 228,923 |
| **Total Cost** | **1,571,793** | **729,866** | **228,923** | **228,923** | **228,923** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **1,571,793** | **729,866** | **228,923** | **228,923** | **228,923** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Emergency Operations Center Audio-Visual & Security System Upgrades | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Equipment |
| 228,923 | 228,923 | 228,923 | 228,923 | 228,923 | Services & Supplies |
| **228,923** | **228,923** | **228,923** | **228,923** | **228,923** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **228,923** | **228,923** | **228,923** | **228,923** | **228,923** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Intake Release Center Air Handler Units Replacement

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority previously identified in the 2021 Strategic Financial Plan. The FY 2022-23 budget includes $2.5 million in funding and the project has a remaining estimated cost of $9.9 million over four fiscal years.

4. **Description of Strategic Priority**
   This project would replace all the current air-handler units in the Intake Release Center (IRC) which have exceeded their service life expectancy. Replacement of these units will ensure compliance with the provision to maintain a living environment in accordance with the heating, ventilating, and air-conditioning requirements of Parts 2 and 4, and the energy conservation requirements of Part 6, Title 24, California Code of Regulations (CCR).

5. **Personnel Impacts**
   No additional staffing is required.

6. **Cost Impact**
   The one-time remaining costs for the IRC Air Handler Units Replacement project is $9.9 million:

   FY 2023-24 $2,462,972
   FY 2024-25 $2,462,972
   FY 2025-26 $2,462,972
   FY 2026-27 $2,462,972

7. **Funding Sources**
   General Fund support is requested.

## Intake Release Center Air Handler Units Replacement

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

**8. Stakeholders**

Orange County residents, federal and state governments, and local officials visiting OCSD facilities, inmates, as well as County employees working within the facilities.

**9. Mandated or Discretionary Program/Project?**

Discretionary: However, Title 24 of the CCR mandates heating, ventilating, and air-conditioning for inmates.

**10. Implementation Period if Funding Were Available**

FY 2023-24 through FY 2026-27

| Intake Release Center Air Handler Units Replacement | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 2,462,972 | 2,462,972 | 2,462,972 | 2,462,972 | 0 |
| **Total Cost** | **2,462,972** | **2,462,972** | **2,462,972** | **2,462,972** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **2,462,972** | **2,462,972** | **2,462,972** | **2,462,972** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Intake Release Center Air Handler Units Replacement | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Jail Security Electronic Control System Upgrade/Replacement

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority previously identified in the 2014 to 2021 Strategic Financial Plans. The previously submitted Strategic Priority identified a total cost of $35.7 million to complete the jail security electronic control system upgrade project.

   This Strategic Priority is for a total revised project cost of $38.5 million. The FY 2022-23 budget includes carryover funding totaling $4.6 million and the project has a remaining estimated cost of $33.1 million over eight fiscal years.

   The revised jail security electronic control system upgrade project reflects required design services not included in prior year requests, including the Intake Release Center (IRC), Theo Lacy Facility (TLF), Central Men's and Women's Jails where there is currently an outdated mechanical manual system.

4. **Description of Strategic Priority**
   This Strategic Priority addresses aging security electronic control systems that are operating in four of the five OCSD correctional institutions. The oldest of the systems is located at the IRC with 34 years of 24 hours per day, 7 days per week, 365 days per year, continuous operation. The security electronic control systems allow the Guard Station deputy/operator to control movement doors; provide door status indication; seamlessly connect all needed audio communication paths; as well as display relevant surveillance video, all of which forms one single control point for these systems. The facilities are divided into areas with each area having a Guard Station operated by a deputy/operator. Each Guard Station is controlled by its own discrete security electronic control system. When a security electronic control system fails, the corresponding area of that facility is rendered unusable until the system is restored.

   Major operating components, such as programmable logic controllers (PLC) used in some facilities, are no longer available for purchase and the current inventory is depleting without any source for replenishment.

## Jail Security Electronic Control System Upgrade/Replacement

This Strategic Priority provides for the replacement of the following systems within the facilities, listed in order of highest priority:

- IRC: One Main Control and eight Guard Stations
- TLF: Two Main Controls and 20 Guard Stations
- Central Men's Jail (CMJ): One Main Control and 10 Guard Stations
- Central Women's Jail (CWJ): One Main Control and five Guard Stations

**5. Personnel Impacts**

No additional staffing is required.

**6. Cost Impact**

The one-time remaining cost for the Jail Security Electronic Control System Upgrade project is $33.1 million:

FY 2023-24 $4,600,000
FY 2024-25 $4,500,000
FY 2025-26 $3,500,000
FY 2026-27 $5,700,000
FY 2027-28 $2,100,000
FY 2028-29 $2,800,000
FY 2029-30 $5,700,000
FY 2030-31 $4,200,000

**7. Funding Sources**

General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

**8. Stakeholders**

Orange County residents, federal and state governments, inmates, as well as County employees working within the jails.

**9. Mandated or Discretionary Program/Project?**

Discretionary project.

## Jail Security Electronic Control System Upgrade/Replacement

**10. Implementation Period if Funding Were Available**

FY 2023-24 through FY 2030-31

| Jail Security Electronic Control Systems Upgrade/Replacement | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 4,600,000 | 4,500,000 | 3,500,000 | 5,700,000 | 2,100,000 |
| **Total Cost** | **4,600,000** | **4,500,000** | **3,500,000** | **5,700,000** | **2,100,000** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Other Financing Sources | 4,600,000 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **4,600,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **4,500,000** | **3,500,000** | **5,700,000** | **2,100,000** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Jail Security Electronic Control Systems Upgrade/Replacement | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 2,800,000 | 5,700,000 | 4,200,000 | 0 | 0 | Structures & Improvements |
| **2,800,000** | **5,700,000** | **4,200,000** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | Other Financing Sources |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **2,800,000** | **5,700,000** | **4,200,000** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# James A. Musick Facility Expansion – Staffing

1. **Program Area**
Public Protection

2. **Involved Agencies and Departments**
Sheriff-Coroner Department (OCSD)
Health Care Agency (HCA)

3. **New or Continuing Strategic Priority**
This is a continuing Strategic Priority previously identified in the 2013 to 2021 Strategic Financial Plans. Positions and funding are requested beginning FY 2023-24.

The staffing request in this Strategic Priority has been revised to reflect changes in operational needs and a phased-in approach.

As of September 2022, the project is 73% complete with $225.6 million expended. Claims totalling $157.5 million have been submitted to the State, of which $108.1 million has been reimbursed to date.

4. **Description of Strategic Priority**
Anticipating a future need for additional jail beds, the OCSD completed an Environmental Impact Report (EIR) 564 in 1998, which allowed the Musick Facility to expand from its existing 1,256 beds to 7,584 beds. A Supplemental to EIR 564 (SEIR #564), which updates the previously certified EIR 564, has been completed and certified by the Board of Supervisors (Board). The Master Plan for the expansion of Musick was completed and adopted by the Board. Included in the Master Plan is a strategy to phase-in construction of new beds as the need for more beds occurs and as funding becomes available. For strategic planning purposes, it is assumed the design and construction includes the following:

A. Inmate Housing: Two inmate housing units with a total of approximately 512 beds are constructed in Phase 1 and two inmate rehabilitation, treatment and housing units with a total of approximately 384 beds are constructed in Phase 2. The housing units are designed for direct supervision of minimum and medium security inmates. Construction is not expected to impact the existing facilities.

## James A. Musick Facility Expansion – Staffing

B. Administrative and Support Space: This includes office space, locker rooms, storage, health care services, video visitation, and inmate reception.

C. Warehouse/Maintenance Building: This includes office space, warehouse storage, and maintenance shops.

D. Infrastructure and Site Improvements: This includes utilities, access roads, security fencing, parking lots, grading, and storm drain system.

To aid counties with creating new jail beds, the State made funding available through Assembly Bill (AB) 900 Phase I and II programs. The County of Orange received a conditional award of $100 million through AB 900 Phase II for new jail construction. In addition, Senate Bill (SB) 1022 authorizes state lease-revenue bond financing for the acquisition, design and construction of program and treatment space for adult local criminal justice facilities. In March 2014, the County of Orange received a conditional award of $80 million through SB 1022 for new rehabilitation, treatment, and housing construction.

The County of Orange subsequently received project establishment through the State Public Works Board in March 2013 for Phase 1 and March 2014 for Phase 2 and the design of the first and second phase of the Musick expansion was approved by the Board and started shortly after its respective project establishment approval. In addition, on May 5, 2020 the Board approved the Musick Faclity jail construction project. Existing staffing are available once the construction is completed; however, additional staffing may be needed.

### 5. Personnel Impacts

For strategic planning purposes, it is estimated that an additional 423 positions would be needed (293 Sheriff-Coroner positions and 130 Health Care Agency positions). The position needs are estimates and may change depending on the jail population at the time of occupancy.

| Classification | No. of Positions |
|---|---|
| **Sheriff-Coroner Positions:** | |
| Administrative Manager I | 1 |
| Air Conditioning Mechanic | 3 |
| Chief Cook | 1 |

## James A. Musick Facility Expansion – Staffing

| Classification | No. of Positions |
|---|---|
| **Sheriff-Coroner Positions (continued):** | |
| Communications Technician II | 3 |
| Deputy Sheriff I | 116 |
| Education Services Coordinator | 1 |
| Electrician | 2 |
| Facilities Contract Services Inspector | 1 |
| Facilities Mechanic | 3 |
| Information Technologist II | 1 |
| Lieutenant | 2 |
| Metalsmith | 1 |
| Office Specialist | 2 |
| Plumber | 3 |
| Secretary II | 1 |
| Sergeant | 14 |
| Sheriff's Correctional Services Assistant | 80 |
| Sheriff's Records Supervisor | 7 |
| Sheriff's Records Technician | 17 |
| Sheriff's Special Officer II | 7 |
| Senior Engineering Technician | 1 |
| Senior Head Cook | 4 |
| Senior Institutional Cook | 8 |
| Senior Professional Engineer/Architect | 1 |
| Senior Sheriff's Records Technician | 10 |
| Supervising Communications Technician | 1 |
| Telecommunications Engineer III | 1 |
| Warehouse Worker III | 1 |
| **Subtotal Sheriff-Coroner Positions** | **293** |

| Classification | No. of Positions |
|---|---|
| **Health Care Agency Positions:** | |
| Administrative Manager I | 1 |
| Behavioral Health Clinician II | 15 |
| Comprehensive Care Licensed Vocational Nurse | 18 |
| Comprehensive Care Nurse II | 25 |
| Comprehensive Care Nurse Practitioner II | 6 |
| Dental Assistant II | 2 |

## James A. Musick Facility Expansion – Staffing

| Classification | No. of Positions |
|---|---|
| **Health Care Agency Positions (continued):** | |
| Dentist | 2 |
| HCA Service Chief II | 4 |
| Medical Assistant | 11 |
| Mental Health Specialist | 10 |
| Office Specialist | 6 |
| Office Supervisor C | 2 |
| Pharmacist | 2 |
| Pharmacy Technician | 2 |
| Physician II - Correctional | 4 |
| Psychiatrist | 6 |
| Senior Comprehensive Care Nurse | 5 |
| Staff Development Specialist | 2 |
| Staff Specialist | 2 |
| Store Clerk | 2 |
| Supervising Comprehensive Care Nurse | 3 |
| **Subtotal Health Care Agency Positions** | **130** |
| | |
| **Grand Total Positions** | **423** |

6. **Cost Impact**

The following are cost estimates for Strategic Financial Plan purposes only.

One-time costs: $1.3 million (Start-up costs)

Ongoing Costs/Musick Jail Operational Costs: Once fully operational, estimated ongoing costs range from $37.2 million in FY 2023-24 to $75.6 million in FY 2032-33.

7. **Funding Sources**

Costs related to Phase 1 and Phase 2 design and construction of the James A. Musick Expansion are partially funded through AB 900 and SB 1022, respectively and will be reimbursed by the State of California within the limits of the approved award.

The Musick Expansion costs are estimated to be $326.5 million with $180.0 million being reimbursed by the State of California (AB 900 $100 million and SB 1022 $80 million) and $146.5 million General Fund (NCC) contribution.

## James A. Musick Facility Expansion – Staffing

General Fund support is requested for one-time start-up costs and ongoing operational costs.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

8. **Stakeholders**
This is a public safety project for the residents of Orange County.

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary, but adequate housing for inmates is mandated.

10. **Implementation Period if Funding Were Available**
The construction of the facility is scheduled to achieve Substantial Completion / Certificate of Occupancy by spring 2023, and Final Completion anticipated by summer 2023. Full occupancy is anticipated within 90 days of Substantial Completion / Certificate of Occupancy date.

| James A. Musick Facility Expansion – Staffing | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| **Sheriff-Coroner Cost** | | | | | |
| Salaries & Benefits | 28,794,130 | 46,546,926 | 46,062,282 | 45,839,186 | 46,084,914 |
| **Subtotal - Sheriff-Coroner Cost** | **28,794,130** | **46,546,926** | **46,062,282** | **45,839,186** | **46,084,914** |
| | | | | | |
| **Health Care Agency Cost** | | | | | |
| Equipment | 1,316,855 | 0 | 0 | 0 | 0 |
| Other Charges | 4,128 | 4,256 | 4,388 | 4,524 | 4,664 |
| Salaries & Benefits | 5,038,484 | 15,392,322 | 20,211,128 | 20,175,433 | 20,348,818 |
| Services & Supplies | 3,326,052 | 5,968,688 | 6,935,610 | 6,993,520 | 7,091,150 |
| **Subtotal - Health Care Agency Cost** | **9,685,519** | **21,365,266** | **27,151,126** | **27,173,477** | **27,444,632** |
| | | | | | |
| **Grand Total Cost** | **38,479,649** | **67,912,192** | **73,213,408** | **73,012,663** | **73,529,546** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Sheriff-Coroner Revenue | 0 | 0 | 0 | 0 | 0 |
| No Health Care Agency Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **38,479,649** | **67,912,192** | **73,213,408** | **73,012,663** | **73,529,546** |
| | | | | | |
| **IV. Staffing** | | | | | |
| **Sheriff-Coroner Positions** | | | | | |
| Administrative Manager I | 1 | 1 | 1 | 1 | 1 |
| Air Conditioning Mechanic | 2 | 3 | 3 | 3 | 3 |
| Chief Cook | 1 | 1 | 1 | 1 | 1 |
| Communications Technician II | 3 | 3 | 3 | 3 | 3 |
| Deputy Sheriff I | 61 | 116 | 116 | 116 | 116 |
| Education Services Coordinator | 1 | 1 | 1 | 1 | 1 |
| Electrician | 2 | 2 | 2 | 2 | 2 |
| Facilities Contract Services Inspector | 1 | 1 | 1 | 1 | 1 |
| Facilities Mechanic | 3 | 3 | 3 | 3 | 3 |
| Information Technologist II | 1 | 1 | 1 | 1 | 1 |
| Lieutenant | 2 | 2 | 2 | 2 | 2 |
| Metalsmith | 1 | 1 | 1 | 1 | 1 |
| Office Specialist | 1 | 2 | 2 | 2 | 2 |
| Plumber | 2 | 3 | 3 | 3 | 3 |
| Secretary II | 1 | 1 | 1 | 1 | 1 |
| Sergeant | 9 | 14 | 14 | 14 | 14 |
| Sheriff's Correctional Services Assistant | 41 | 80 | 80 | 80 | 80 |
| Sheriff's Records Supervisor | 7 | 7 | 7 | 7 | 7 |
| Sheriff's Records Technician | 15 | 17 | 17 | 17 | 17 |
| Sheriff's Special Officer II | 7 | 7 | 7 | 7 | 7 |
| Senior Engineering Technician | 1 | 1 | 1 | 1 | 1 |
| Senior Head Cook | 4 | 4 | 4 | 4 | 4 |
| Senior Institutional Cook | 8 | 8 | 8 | 8 | 8 |
| Senior Professional Engineer/Architect | 1 | 1 | 1 | 1 | 1 |
| Senior Sheriff's Records Technician | 8 | 10 | 10 | 10 | 10 |

| James A. Musick Facility Expansion – Staffing | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| | | | | | **Sheriff-Coroner Cost** |
| 46,084,914 | 46,084,914 | 46,084,914 | 46,084,914 | 46,084,914 | Salaries & Benefits |
| **46,084,914** | **46,084,914** | **46,084,914** | **46,084,914** | **46,084,914** | **Subtotal - Sheriff-Coroner Cost** |
| | | | | | |
| | | | | | **Health Care Agency Cost** |
| 0 | 0 | 0 | 0 | 1,733,269 | Equipment |
| 4,809 | 4,958 | 5,112 | 5,270 | 5,433 | Other Charges |
| 20,349,423 | 20,350,046 | 20,350,689 | 20,351,352 | 20,352,035 | Salaries & Benefits |
| 7,158,316 | 7,227,496 | 7,298,750 | 7,372,142 | 7,447,737 | Services & Supplies |
| **27,512,548** | **27,582,500** | **27,654,551** | **27,728,764** | **29,538,474** | **Subtotal - Health Care Agency Cost** |
| | | | | | |
| **73,597,462** | **73,667,414** | **73,739,465** | **73,813,678** | **75,623,388** | **Grand Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Sheriff-Coroner Revenue |
| 0 | 0 | 0 | 0 | 0 | No Health Care Agency Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **73,597,462** | **73,667,414** | **73,739,465** | **73,813,678** | **75,623,388** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| | | | | | **Sheriff-Coroner Positions** |
| 1 | 1 | 1 | 1 | 1 | Administrative Manager I |
| 3 | 3 | 3 | 3 | 3 | Air Conditioning Mechanic |
| 1 | 1 | 1 | 1 | 1 | Chief Cook |
| 3 | 3 | 3 | 3 | 3 | Communications Technician II |
| 116 | 116 | 116 | 116 | 116 | Deputy Sheriff I |
| 1 | 1 | 1 | 1 | 1 | Education Services Coordinator |
| 2 | 2 | 2 | 2 | 2 | Electrician |
| 1 | 1 | 1 | 1 | 1 | Facilities Contract Services Inspector |
| 3 | 3 | 3 | 3 | 3 | Facilities Mechanic |
| 1 | 1 | 1 | 1 | 1 | Information Technologist II |
| 2 | 2 | 2 | 2 | 2 | Lieutenant |
| 1 | 1 | 1 | 1 | 1 | Metalsmith |
| 2 | 2 | 2 | 2 | 2 | Office Specialist |
| 3 | 3 | 3 | 3 | 3 | Plumber |
| 1 | 1 | 1 | 1 | 1 | Secretary II |
| 14 | 14 | 14 | 14 | 14 | Sergeant |
| 80 | 80 | 80 | 80 | 80 | Sheriff's Correctional Services Assistant |
| 7 | 7 | 7 | 7 | 7 | Sheriff's Records Supervisor |
| 17 | 17 | 17 | 17 | 17 | Sheriff's Records Technician |
| 7 | 7 | 7 | 7 | 7 | Sheriff's Special Officer II |
| 1 | 1 | 1 | 1 | 1 | Senior Engineering Technician |
| 4 | 4 | 4 | 4 | 4 | Senior Head Cook |
| 8 | 8 | 8 | 8 | 8 | Senior Institutional Cook |
| 1 | 1 | 1 | 1 | 1 | Senior Professional Engineer/Architect |
| 10 | 10 | 10 | 10 | 10 | Senior Sheriff's Records Technician |

| James A. Musick Facility Expansion – Staffing | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **IV. Staffing (continued)** | | | | | |
| Supervising Communications Technician | 1 | 1 | 1 | 1 | 1 |
| Telecommunications Engineer III | 1 | 1 | 1 | 1 | 1 |
| Warehouse Worker III | 1 | 1 | 1 | 1 | 1 |
| **Subtotal Sheriff-Coroner Positions** | **187** | **293** | **293** | **293** | **293** |
| **Health Care Agency Positions** | | | | | |
| Administrative Manager I | 1 | 1 | 1 | 1 | 1 |
| Behavioral Health Clinician II | 6 | 15 | 15 | 15 | 15 |
| Comprehensive Care Licensed Vocational Nurse | 6 | 18 | 18 | 18 | 18 |
| Comprehensive Care Nurse II | 5 | 25 | 25 | 25 | 25 |
| Comprehensive Care Nurse Practitioner II | 6 | 6 | 6 | 6 | 6 |
| Dental Assistant II | 2 | 2 | 2 | 2 | 2 |
| Dentist | 2 | 2 | 2 | 2 | 2 |
| HCA Service Chief II | 4 | 4 | 4 | 4 | 4 |
| Medical Assistant | 6 | 11 | 11 | 11 | 11 |
| Mental Health Specialist | 4 | 10 | 10 | 10 | 10 |
| Office Specialist | 3 | 6 | 6 | 6 | 6 |
| Office Supervisor C | 2 | 2 | 2 | 2 | 2 |
| Pharmacist | 2 | 2 | 2 | 2 | 2 |
| Pharmacy Technician | 2 | 2 | 2 | 2 | 2 |
| Physician II - Correctional | 2 | 4 | 4 | 4 | 4 |
| Psychiatrist | 4 | 6 | 6 | 6 | 6 |
| Senior Comprehensive Care Nurse | 3 | 5 | 5 | 5 | 5 |
| Staff Development Specialist | 2 | 2 | 2 | 2 | 2 |
| Staff Specialist | 0 | 2 | 2 | 2 | 2 |
| Store Clerk | 1 | 2 | 2 | 2 | 2 |
| Supervising Comprehensive Care Nurse | 2 | 3 | 3 | 3 | 3 |
| **Subtotal Health Care Agency Positions** | **65** | **130** | **130** | **130** | **130** |
| | | | | | |
| **Grand Total Positions Funded Per Fiscal Year** | **252** | **423** | **423** | **423** | **423** |

**Note**: The position needs are estimates and may change depending on the jail population at the time of occupancy.

| James A. Musick Facility Expansion – Staffing | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **IV. Staffing (continued)** |
| 1 | 1 | 1 | 1 | 1 | Supervising Communications Technician |
| 1 | 1 | 1 | 1 | 1 | Telecommunications Engineer III |
| 1 | 1 | 1 | 1 | 1 | Warehouse Worker III |
| **293** | **293** | **293** | **293** | **293** | **Subtotal Sheriff-Coroner Positions** |
| | | | | | **Health Care Agency Positions** |
| 1 | 1 | 1 | 1 | 1 | Administrative Manager I |
| 15 | 15 | 15 | 15 | 15 | Behavioral Health Clinician II |
| 18 | 18 | 18 | 18 | 18 | Comprehensive Care Licensed Vocational Nurse |
| 25 | 25 | 25 | 25 | 25 | Comprehensive Care Nurse II |
| 6 | 6 | 6 | 6 | 6 | Comprehensive Care Nurse Practitioner II |
| 2 | 2 | 2 | 2 | 2 | Dental Assistant II |
| 2 | 2 | 2 | 2 | 2 | Dentist |
| 4 | 4 | 4 | 4 | 4 | HCA Service Chief II |
| 11 | 11 | 11 | 11 | 11 | Medical Assistant |
| 10 | 10 | 10 | 10 | 10 | Mental Health Specialist |
| 6 | 6 | 6 | 6 | 6 | Office Specialist |
| 2 | 2 | 2 | 2 | 2 | Office Supervisor C |
| 2 | 2 | 2 | 2 | 2 | Pharmacist |
| 2 | 2 | 2 | 2 | 2 | Pharmacy Technician |
| 4 | 4 | 4 | 4 | 4 | Physician II - Correctional |
| 6 | 6 | 6 | 6 | 6 | Psychiatrist |
| 5 | 5 | 5 | 5 | 5 | Senior Comprehensive Care Nurse |
| 2 | 2 | 2 | 2 | 2 | Staff Development Specialist |
| 2 | 2 | 2 | 2 | 2 | Staff Specialist |
| 2 | 2 | 2 | 2 | 2 | Store Clerk |
| 3 | 3 | 3 | 3 | 3 | Supervising Comprehensive Care Nurse |
| **130** | **130** | **130** | **130** | **130** | **Subtotal Health Care Agency Positions** |
| | | | | | |
| **423** | **423** | **423** | **423** | **423** | **Grand Total Positions Funded Per Fiscal Year** |

# Loma Ridge Communications Redundancy

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority.

4. **Description of Strategic Priority**
   This project is part of a continuity of government operations strategy in resiliency and recovery. The OCSD facility at Loma Ridge provides a variety of critical and essential services, both to the Department and the Operational Area. The facility houses the OCSD's 911-call center which is a public safety answering point and the first point of contact for over 800,000 residents seeking emergency services through 911 and business lines. This call center averages 1.2 million phone calls per year.

   Additionally this facility houses the County and Operational Area Emergency Operations Center (EOC), which is a legally mandated function and serves as an intermediate coordination level between jurisdictions and the State.

   The facility also houses critical components of the countywide 800 MHz coordinated communications system. These components are necessary for the successful functioning of the radio system relied upon by all police, fire, and public works agencies as well as other County and city services.

   This project consists of implementing a communications redundancy to voice/landline and data lines that support the Loma Ridge facility (Emergency Communications Bureau [911-dispatch center, Control One] and the County's EOC). The majority of Loma Ridge's communications infrastructure is dependent upon above ground wires and a single AT&T facility. The current situation makes Loma Ridge vulnerable and could result in a loss of communications (voice and data) to and from the facility. In order to ensure continuity of communications, an alternate path needs to be installed.

5. **Personnel Impacts**
   No additional staffing is required.

## Loma Ridge Communications Redundancy

6. **Cost Impact**
One-time costs for the Loma Ridge Communications Redundancy project are estimated at $1.5 million.

7. **Funding Sources**
General Fund support is requested to complete the construction of the Loma Ridge Communications Redundancy project. Previous funding approved for this project has been reallocated to the Loma Ridge Gate Replacement project. OCSD's Gate Replacement project will be completed together with OC Public Works' Loma Ridge Road Widening project prior to starting the Loma Ridge Communications Redundancy project.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

8. **Stakeholders**
County of Orange and EOC personnel.

9. **Mandated or Discretionary Program/Project?**
Discretionary project.

10. **Implementation Period if Funding Were Available**
FY 2023-24

| Loma Ridge Communications Redundancy | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Structures & Improvements | 1,500,000 | 0 | 0 | 0 | 0 |
| **Total Cost** | **1,500,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **1,500,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Loma Ridge Communications Redundancy | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Orange County Jail Facilities ADA Compliance Upgrade

1. **Program Area**
Public Protection

2. **Involved Agencies and Departments**
Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
This is a continuing Strategic Priority previously identified in the 2021 Strategic Financial Plan. This previously submitted Strategic Priority identified a total cost of $9.7 million to complete the Orange County Jail (OCJ) Facilities Americans with Disabilities Act (ADA) Compliance Upgrade project. This project has a remaining estimated cost of $7.2 million over five fiscal years.

4. **Description of Strategic Priority**
As part of the agreement between Disability Rights California (DRC) and the County of Orange, Sabot Consulting was selected as a neutral third-party expert to perform an accessibility survey of the OCJ facilities. This survey was an effort to identify accessibility barriers to housing and related elements used by inmates as defined by the 1991 Americans with Disabilities Act Accessibility Guidelines (ADAAG) and 2010 ADA standards. The field survey was performed on August 12 & 13, 2020. According to Sabot's preliminary report, some of the OCJ facilities could more closely comply with the ADA standards in providing access to all services, activities, and programs for inmates with disabilities by making upgrades to the physical plant. Sabot recommends that an effort to remove barriers be undertaken as soon as possible, especially where it can be demonstrated that the changes will significantly increase the level of accessibility for disabled inmates. Some barrier removal will require the services of a licensed architect and structural engineer and involve additional design and constructability study.

5. **Personnel Impacts**
No additional staffing is required.

6. **Cost Impact**
The one-time remaining cost for the OCJ Facilities ADA Compliance Upgrade project is $7.2 million:

FY 2023-24 $959,070

## Orange County Jail Facilities ADA Compliance Upgrade

FY 2024-25 $1,415,780
FY 2025-26 $1,488,000
FY 2026-27 $1,547,520
FY 2027-28 $1,802,240

**7. Funding Sources**
General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

**8. Stakeholders**
County of Orange and jail inmates

**9. Mandated or Discretionary Program/Project?**
Discretionary project: Implementation of modifications for ADA compliance will ensure inmates with disabilities are provided equal access to programs and services.

**10. Implementation Period if Funding Were Available**
FY 2023-24 through FY 2027-28

| Orange County Jail Facilities ADA Compliance Upgrade | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 959,070 | 1,415,780 | 1,488,000 | 1,547,520 | 1,802,240 |
| **Total Cost** | **959,070** | **1,415,780** | **1,488,000** | **1,547,520** | **1,802,240** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **959,070** | **1,415,780** | **1,488,000** | **1,547,520** | **1,802,240** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Orange County Jail Facilities ADA Compliance Upgrade | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

## OCSD Facilities Capital Improvement Plan

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This Strategic Priority is a recurring annual request to fund building maintenance and improvements responsibilities that cannot be funded from the operating budget. Unfunded projects have been submitted and the project list updated each year beginning in 1997.

4. **Description of Strategic Priority**
   The projects in priority order below, range from deferred maintenance projects to renewing critical structural and utilities components that are beyond their useful life expectancy, to rehabilitation of building life/safety systems that fully comply with regulatory requirements. Also included is the expansion of some existing facilities to meet the growing needs of the OCSD.

   1. Retrofit Fire Detection/Alarm/Suppression Systems – The County jail facilities share common fire alarm design that has reached obsolescence. The existing system should be replaced with new detection devices and monitoring equipment to comply with all current fire/life safety regulations. The total project cost is estimated at $8,000,000.

   2. Theo Lacy Air Handlers Replacement (Housing Modules I and J) – The air handlers in the Housing Modules I and J of the Theo Lacy Facility have been in service for almost 33 years, have reached the end of their service life, and are beginning to deteriorate at a more rapid pace. This equipment provides conditioned air to areas of the facility to meet Title 15 requirements and keep up with the environmental demands of a 24-hour facility. As this equipment continues to age, the facility may experience more air quality issues including moisture, dirt, bacteria, and outside air particulates. The total project cost is estimated at $2,000,000.

   3. Establish a New or Alternate Emergency Operations Center (EOC) – Establishment of a new or alternate EOC in a centrally accessible location with flexible spacing uses would provide increased functionality and provide an alternate location should the

## OCSD Facilities Capital Improvement Plan

primary site be unavailable or inaccessible (Loma Ridge EOC). The total project cost is estimated at $21,568,860.

4. OCSD's Headquarters Renovations and Hazardous Material Abatement – The OCSD's Headquarters is more than 43 years old and requires modifications and improvements. The existing building's structural components would benefit from reinforcement to meet current seismic standards and a new elevator should be constructed to comply with the most recent Federal ADA requirements. Additionally, some materials used in the original construction of the building may need to be mitigated or abated. The total project cost is estimated at $9,519,334.

5. Loma Ridge Communication Equipment Rooms HVAC Assessment – The HVAC system is unsatisfactory for maintaining consistently uniform room temperature for installed communication equipment operation. The total project cost is estimated at $1,035,405.

6. OC Crime Lab – Renovate and Reconfigure the Forensic Areas – The OC Crime Lab is currently housed on floors six, seven and eight of the Brad Gates Building. While the total Crime Lab floor space is adequate, reconfiguration and reorientation of office and laboratory space would accommodate new priorities and facilitate efficient and functional services. For example, the redesign of the seventh-floor areas would address the growth in DNA services; the Controlled Substances area now exceeds the originally allocated space and should be relocated within the building; and the modular office areas on all three floors would benefit from a redesign to align staff with their assignments. Additionally, to ensure continued safe laboratory operations and personnel safety, the mechanical airflow and exhaust system should be examined. The total project cost is estimated at $1,386,375.

7. Jail Hardening – The OCSD initiated a comprehensive review of all jail facilities to determine long-term jail hardening measures needed to improve and obtain a higher level of security. The identified areas for improvements include additional lighting fixtures to various internal and external areas of the jails; implementation of an RFID (Radio-frequency identification) inmate logging and tracking system; hardening of window and ventilation areas of the jails, new razor wire installations, fencing and secure door improvements; and replacement of windows using polycarbonate safety materials. The total project cost is estimated at $2,143,237.

## OCSD Facilities Capital Improvement Plan

8. Theo Lacy Air Handlers Replacement (Administrative Building) - The air handlers in the Administrative Building of the Theo Lacy Facility have been in service for almost 31 years, have reached the end of their service life, and are beginning to deteriorate at a more rapid pace. This equipment provides conditioned air to areas of the facility to meet Title 15 requirements and keep up with the environmental demands of a 24-hour facility. As this equipment continues to age, the facility may experience more air quality issues including moisture, dirt, bacteria, and outside air particulates. The total project cost is estimated at $2,695,076.

9. Central Men's Jail – Freight Elevators Overhaul – Modernization of drive components for Elevators 1 and 2 at the Central Men's Jail would be optimal. The total project cost is estimated at $2,632,160.

10. Central Men's Jail - Roof Replacement - The roof on the Central Men's Jail is at the end of its useful life and should be replaced. The total project cost is estimated at $3,074,141.

11. Theo Lacy Air Handler Ducting Replacement (Administrative Building and Modules I & J) – The air handler ducting is at the end of its useful life and refurbishment or replacement is needed. The total project cost is estimated at $3,000,000.

12. Intake Release Center (IRC) – Sally Port Concealment Solar Panels – Install solar panels in the parking lot of Sally port entrance to provide concealment from the Twin Tower parking lot and shade for deputies and officers transporting inmates to the IRC. The total project cost is estimated at $1,200,000

13. Replace HVAC Units Using R-22 Refrigerant – R-22 refrigerant and components designed to operate with it are no longer manufactured. There are various facilities still operating R-22 AC units that need to be replaced with the new 410A refrigerant systems. The total project cost is estimated at $1,081,500.

14. IRC – Replace Hot Water System Thermostatic Mixing Valve – The domestic water tempering valves are outdated and would benefit from replacement with a more suitable and up-to-date means of controlling the hot water temperature. The total project cost is estimated at $2,500,000.

## OCSD Facilities Capital Improvement Plan

15. Central Men's Jail Escalator Replacement – Modernization of drive components for the escalators in the Central Men's Jail would be optimal. The total project cost is estimated at $6,677,454.

16. Loma Ridge Emergency Operations System Expansion – Increases in new functions and manpower requirements have caused a shortage of space within the existing building. A previous assessment study indicated an additional 2,640 square feet is needed to accommodate expanding present and future facility requirements. The total project cost is estimated at $1,391,184.

### 5. Personnel Impacts

No additional staffing is required.

### 6. Cost Impact

Estimated one-time project costs over ten years total $69.9million:

FY 2024-25 $7,808,860
FY 2025-26 $8,190,000
FY 2026-27 $9,949,667
FY 2027-28 $10,380,000
FY 2028-29 $6,866,174
FY 2029-30 $5,483,201
FY 2030-31 $8,376,686
FY 2031-32 $4,781,500
FY 2032-33 $8,068,638

### 7. Funding Sources

General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

### 8. Stakeholders

Orange County residents, federal and state governments, and local officials visiting OCSD facilities, inmates, as well as County employees working within the facilities.

## OCSD Facilities Capital Improvement Plan

9. **Mandated or Discretionary Program/Project?**
   Discretionary: These projects are discretionary, however, some of the requests include projects to continue meeting the overall mandate to maintain safe, healthy buildings and facilities under the California Health and Safety Code, Titles 15 and 24, California State Fire Code, and various environmental protection mandates. The CIP program also includes projects necessary to support the OCSD’s public safety mission.

10. **Implementation Period if Funding Were Available**
    The implementation period for these projects is within the fiscal years reflected in the CIP from FY 2024-25 through FY 2032-33, should funding be available. For some complex projects, design and construction span over several fiscal years in order to meet this requirement.

| OCSD Facilities Capital Improvement Plan | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 0 | 7,808,860 | 8,190,000 | 9,949,667 | 10,380,000 |
| **Total Cost** | **0** | **7,808,860** | **8,190,000** | **9,949,667** | **10,380,000** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **7,808,860** | **8,190,000** | **9,949,667** | **10,380,000** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

**OCSD Facilities Capital Improvement Plan**

| FY 28-29 | FY 29-30 | FY 30-31 | FY 31-32 | FY 32-33 | |
|---|---|---|---|---|---|
| | | | | | **I. Cost** |
| 6,866,174 | 5,483,201 | 8,376,686 | 4,781,500 | 8,068,638 | Structures & Improvements |
| **6,866,174** | **5,483,201** | **8,376,686** | **4,781,500** | **8,068,638** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **6,866,174** | **5,483,201** | **8,376,686** | **4,781,500** | **8,068,638** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Theo Lacy Facility – Security Block Wall

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority.

4. **Description of Strategic Priority**
   The Theo Lacy Facility (TLF) is a maximum-security facility located adjacent to the former OC Animal Shelter. With the Animal Shelter property vacant, the only barrier along the south and west perimeters of the TLF is a chain-link fence. To improve the security of the facility and make the Animal Shelter property more attractive for other uses, a properly built and maintained block wall would be needed. The original project to install a block wall was estimated to be under $2.0 million and funding was approved in FY 2021-22 and FY 2022-23. However, the geotechnical report revealed the soil structure is not suitable to support a block wall, and additional methods are needed to make the structure viable for the long term, increasing the estimated cost of the project. This request is for additional funding to complete the TLF security block wall project.

5. **Personnel Impacts**
   No additional staffing is required.

6. **Cost Impact**
   One-time additional estimated cost is $1.5 million, for a revised total project cost of $3.3 million. Funding for this project was previously approved for $1.8 million ($300 thousand in FY 2021-22 and $1.5 million in FY 2022-23).

7. **Funding Sources**
   General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

## Theo Lacy Facility – Security Block Wall

**8. Stakeholders**
County of Orange, jail inmates, visitors to the facility, and City of Orange.

**9. Mandated or Discretionary Program/Project?**
Discretionary project.

**10. Implementation Period if Funding Were Available**
FY 2023-24

| Theo Lacy Facility – Security Block Wall | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Structures & Improvements | 1,525,000 | 0 | 0 | 0 | 0 |
| **Total Cost** | **1,525,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **1,525,000** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Theo Lacy Facility – Security Block Wall | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Structures & Improvements |
| **0** | **0** | **0** | **0** | **0** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Theo Lacy Facility Additional Staffing

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority, previously identified in the 2021 Strategic Financial Plan.

4. **Description of Strategic Priority**
   The County, along with OCSD and Health Care Agency (HCA) Correctional Health Services (CHS), are committed to implementation of the projects identified in the OC CARES 2025 Vision Report. One of the main objectives is to increase and enhance programming, treatment and services for those in-custody to better prepare them for post custody services or reentering the community upon release. Additionally, there is a commitment to ensuring inmates have continued access to medical and mental health care. This has been addressed as part of the OC CARES 2025 Vision and Sabot Consulting Report from August 7, 2020. There are also federal, state, and departmental policies guaranteeing inmates' access to care. These include the American with Disabilities Act, 28 CFR § 35.152, Unruh Civil Rights Act, and Title 15 of the California Code of Regulations (CCR).

   In recent years, CHS added over 170 positions to enhance in-custody behavioral health treatment which was identified in previous Strategic Financial Plans. Additionally, the Theo Lacy Facility (TLF) implemented various new programs to address inmate mental health and provide enhanced reentry programs. The increased CHS staffing and new programs implementation creates a need for additional staffing to provide security and supervision when inmates receive treatment for medical and mental health services and transportation to hospitals for advanced treatment. There is also an increased need to provide general security for the medical office and security and supervision in the new specialty housing units.

   **CHS Staff Security (26 Deputy Sheriff Is):**
   In FY 2021-22, CHS completed their expansion of an additional 170 positions over a three year period with no corresponding increases to OCSD staffing at the Deputy level. The

## Theo Lacy Facility Additional Staffing

additional 26 positions are requested to provide appropriate staffing levels in conjunction with the increased medical and mental health staffing. Deputies would be assigned to each of the eleven housing locations at TLF, which has a capacity of 3,430 inmates, to provide security where medical and mental health staff respond and provide care to inmates.

**Medical Office Security (three Deputy Sheriff Is):**
The additional deputies would enhance the safety and security of the medical office by ensuring adequate coverage of staff and inmates, providing additional safety checks and general security services to the medical providers working inside the medical office and providing escort services for inmates transferring from housing to medical offices for treatment.

**Inmate Transportation and Emergency Room Treatment (eight Deputy Sheriff Is):**
Inmates often require medical treatment that can't be provided by the CHS medical staff. Once it is determined that an inmate needs to be transported to a hospital, deputies are assigned to travel with the inmate in the ambulance. The number of deputies assigned to the inmate is based on the inmate's housing classification. As TLF is a maximum security jail complex, many inmates require two or more deputies in attendance any time the inmate moves outside of their normal housing assignment. The deputies ensure the safety of the medical staff during transportation and that the inmate does not attempt to escape from custody. The deputies escorting the inmate are reassigned from various other duties at TLF. Over the last three years, the number of inmates requiring transportation and treatment in the Emergency Room has increased.

**New Specialized Housing Units and Programming (eight Deputy Sheriff Is):**
TLF has implemented or is in the process of implementing, several new programs and specialty housing units. These include specialized housing units for the mentally ill, in-custody substance use treatment and enhanced reentry programs. These programs and specialized housing units include the Housing Unit for Military Veterans (HUMV), Transitional Aged Youth (TAY), Phoenix House, Cell Dog, and a Step-Down program. These programs and specialized housing units require additional inmate movement monitoring and positive interaction with law enforcement.

### 5. Personnel Impacts

For strategic planning purposes, 45 additional Deputy Sheriff I positions would be needed to enhance safety and security of the medical offices at TLF.

## Theo Lacy Facility Additional Staffing

6. **Cost Impact**
Estimated ongoing staffing costs range from $9.4 million in FY 2023-24 to $9.1 million in FY 2032-33.

7. **Funding Sources**
General Fund support is requested.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

8. **Stakeholders**
OCSD, HCA CHS, Advocacy Groups and Disability Right California (DRC).

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project would help fulfill the County's commitment to the 2025 Vision plan for inmates to successfully reenter society after their period in the correctional system has concluded and to provide inmates' access to the most integrated and least restrictive setting possible. The additional staffing would ensure OCSD and CHS staff continue to operate in a safe and secure environment.

10. **Implementation Period if Funding Were Available**
FY 2023-24

| Theo Lacy Facility Additional Staffing | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Salaries & Benefits | 9,425,078 | 9,346,206 | 9,201,178 | 9,116,248 | 9,123,524 |
| **Total Cost** | **9,425,078** | **9,346,206** | **9,201,178** | **9,116,248** | **9,123,524** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **9,425,078** | **9,346,206** | **9,201,178** | **9,116,248** | **9,123,524** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Deputy Sheriff I | 45 | 45 | 45 | 45 | 45 |
| **Total Positions Funded Per Fiscal Year** | **45** | **45** | **45** | **45** | **45** |

| Theo Lacy Facility Additional Staffing | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 9,123,524 | 9,123,524 | 9,123,524 | 9,123,524 | 9,123,524 | Salaries & Benefits |
| **9,123,524** | **9,123,524** | **9,123,524** | **9,123,524** | **9,123,524** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **9,123,524** | **9,123,524** | **9,123,524** | **9,123,524** | **9,123,524** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 45 | 45 | 45 | 45 | 45 | Deputy Sheriff I |
| **45** | **45** | **45** | **45** | **45** | **Total Positions Funded Per Fiscal Year** |

# Expand Environmental Health Division

1. **Program Area**
   Community Services

2. **Involved Agencies and Departments**
   Health Care Agency (HCA)

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority initially identified as an Emerging Initiative in the 2021 Strategic Financial Plan.

4. **Description of Strategic Priority**
   The Environmental Health Division (EH) provides mandated regulatory oversight including permitting, inspection and enforcement activities for businesses and entities throughout the County. EH encompasses a wide variety of programs, each designed to monitor and protect the environment as well as protect public health and safety. Examples of these programs include food protection, foodborne illness prevention, public pool inspections, hazardous materials surveillance and mitigation oversight, medical waste management inspections, solid waste management oversight, water quality monitoring of oceans and beaches, childhood lead exposure prevention, underground and aboveground storage tank oversight, body art facility and practitioner oversight, and used oil recycling education.

   Local land development, new construction, and new laws and regulations have steadily increased EH inventory and demand for inspections. The County benefits from sufficient inspection frequency and the opportunity to continue to ensure compliance with relevant health and safety codes, to reduce the number of unpermitted businesses, such as street food vendors, as well as to identify enforcement cases. This Strategic Priority would provide additional staffing to accommodate increased program needs, especially within the Food and Pool Safety program, to continue to conduct regular inspections and compliance enforcement to protect the environment as well as protect public health and safety in Orange County.

5. **Personnel Impacts**
   For strategic planning purposes, 60 additional positions would be needed over a span of five years to expand the EH program.

## Expand Environmental Health Division

| Classification | No. of Positions |
|---|---|
| Administrative Manager I | 1 |
| Civil Engineer | 1 |
| Environmental Health Specialist III | 36 |
| Hazardous Materials Specialist III | 6 |
| Office Manager | 1 |
| Senior Environmental Health Aide | 8 |
| Staff Specialist | 1 |
| Supervising Environmental Health Specialist | 5 |
| Supervising Hazardous Materials Specialist | 1 |
| **Total Positions** | **60** |

6. **Cost Impact**

Estimated costs include one-time operating expenses, such as equipment and office furniture, and ongoing costs for County staff time.

| Fiscal Year | One-Time | Ongoing |
|---|---|---|
| 2023-24 | $ 202,301 | $ 3,218,267 |
| 2024-25 | $ 205,513 | $ 5,545,662 |
| 2025-26 | $ 161,139 | $ 7,348,408 |
| 2026-27 | $ 88,601 | $ 9,048,545 |
| 2027-28 | $ 0 | $ 10,059,644 |
| 2028-29 | $ 0 | $ 10,049,780 |
| 2029-30 | $ 0 | $ 10,106,935 |
| 2030-31 | $ 0 | $ 10,165,940 |
| 2031-32 | $ 0 | $ 10,227,254 |
| 2032-33 | $ 0 | $ 10,290,336 |

7. **Funding Sources**

Costs related to this Strategic Priority would be funded from EH fees.

Funding for EH programs is attained through fees assessed in accordance with respective program laws and regulations to recover the costs of administering and enforcing the regulatory programs. EH regularly conducts fee studies and includes program costs, business inventories, anticipated program changes and actual staff activity time in the calculation of a regulatory program fee. EH fees are designed to recover the cost of regulating the community's environmental health, rather than being simply a fee for a specific government-provided service. In order to offset these added costs, an updated

## Expand Environmental Health Division

fee study that includes additional inventory and staffing must be approved by the Board of Supervisors prior to implementation. In addition, EH is actively pursuing Center of Disease Control grant funding, which could partially offset these costs.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 0% | 100% |

**8. Stakeholders**

The municipalities of Orange County, affected regulated businesses, non-governmental organizations, consumers, residents and visitors of Orange County, cities, corresponding industry organizations such as restaurant associations in Orange County, and local fire agencies.

**9. Mandated or Discretionary Program/Project?**

Mandated project: Environmental health programs are mandated by the State of California and delegated to local health or comprehensive environmental agencies. Environmental health programs administered under a local health agency are organized under the provisions of Chapter 3, Subchapter 1 (Section 1250 et seq.) of Title 17 of the California Code of Regulations.

**10. Implementation Period if Funding Were Available**

Full implementation is anticipated by FY 2027-28, dependent on Board of Supervisors approval of an updated fee study.

| Expand Environmental Health Division | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Other Charges | 181,704 | 187,155 | 243,499 | 250,804 | 258,328 |
| Salaries & Benefits | 2,276,690 | 4,471,238 | 6,055,858 | 7,498,194 | 8,289,396 |
| Services & Supplies | 962,174 | 1,092,782 | 1,210,190 | 1,388,148 | 1,511,920 |
| **Total Cost** | **3,420,568** | **5,751,175** | **7,509,547** | **9,137,146** | **10,059,644** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Charges For Services | 3,420,568 | 5,751,175 | 7,509,547 | 9,137,146 | 10,059,644 |
| **Total Revenue** | **3,420,568** | **5,751,175** | **7,509,547** | **9,137,146** | **10,059,644** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Administrative Manager I | 1 | 1 | 1 | 1 | 1 |
| Civil Engineer | 1 | 1 | 1 | 1 | 1 |
| Environmental Health Specialist III | 8 | 16 | 24 | 32 | 36 |
| Hazardous Materials Specialist III | 2 | 3 | 4 | 5 | 6 |
| Office Manager | 0 | 1 | 1 | 1 | 1 |
| Senior Environmental Health Aid | 2 | 4 | 6 | 8 | 8 |
| Staff Specialist | 0 | 1 | 1 | 1 | 1 |
| Supervising Environmental Health Specialist | 2 | 4 | 5 | 5 | 5 |
| Supervising Hazardous Materials Specialist | 0 | 1 | 1 | 1 | 1 |
| **Total Positions Funded Per Fiscal Year** | **16** | **32** | **44** | **55** | **60** |

**Expand Environmental Health Division**

| FY 28-29 | FY 29-30 | FY 30-31 | FY 31-32 | FY 32-33 | |
|---|---|---|---|---|---|
| | | | | | **I. Cost** |
| 266,336 | 274,592 | 283,104 | 291,880 | 300,928 | Other Charges |
| 8,289,396 | 8,289,396 | 8,289,396 | 8,289,396 | 8,289,396 | Salaries & Benefits |
| 1,494,048 | 1,542,947 | 1,593,440 | 1,645,978 | 1,700,012 | Services & Supplies |
| **10,049,780** | **10,106,935** | **10,165,940** | **10,227,254** | **10,290,336** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 10,049,780 | 10,106,935 | 10,165,940 | 10,227,254 | 10,290,336 | Charges For Services |
| **10,049,780** | **10,106,935** | **10,165,940** | **10,227,254** | **10,290,336** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 1 | 1 | 1 | 1 | 1 | Administrative Manager I |
| 1 | 1 | 1 | 1 | 1 | Civil Engineer |
| 36 | 36 | 36 | 36 | 36 | Environmental Health Specialist III |
| 6 | 6 | 6 | 6 | 6 | Hazardous Materials Specialist III |
| 1 | 1 | 1 | 1 | 1 | Office Manager |
| 8 | 8 | 8 | 8 | 8 | Senior Environmental Health Aid |
| 1 | 1 | 1 | 1 | 1 | Staff Specialist |
| 5 | 5 | 5 | 5 | 5 | Supervising Environmental Health Specialist |
| 1 | 1 | 1 | 1 | 1 | Supervising Hazardous Materials Specialist |
| **60** | **60** | **60** | **60** | **60** | **Total Positions Funded Per Fiscal Year** |

# Future of Public Health Initiative

1. **Program Area**
   Community Services

2. **Involved Agencies and Departments**
   Health Care Agency (HCA)

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority.

4. **Description of Strategic Priority**
   Starting in FY 2022-23, the California Budget Act of 2022 provides ongoing state general funds to California Department of Public Health (CDPH) for the Future of Public Health (FoPH) initiative to support the public health infrastructure at the state and local levels. The FoPH initiative aims at transforming and modernizing California to be able to handle public health emergencies. The COVID-19 pandemic highlighted the critical role of the public health systems, but also the understaffing, inadequate information technology systems, and lab capacity. As required by statute, at least 70% of the FoPH funding must be spent on expanding permanent public health workforce with the remaining funds, not to exceed 30%, to be used for supplies and minor equipment and other administrative purposes. The funds allocated to each Local Health Jurisdiction should only be used to supplement, rather than supplant.

   To fulfill the County's public health mandates, prevent and control infectious diseases for nearly 3.2 million Orange County residents, Public Health Services will need to expand their workforce to provide services to the growing needs of individuals who are at highest risk among the population experiencing multiple vulnerabilities.

   The Strategic Priority would provide additional staffing to accommodate increased public health needs and to continue to safeguard the health of our community by:
   - Promoting healthy communities and healthy behavior
   - Preventing the spread of disease
   - Protecting against health hazards

5. **Personnel Impacts**
   For strategic planning purposes, 20 additional positions would be needed in FY 2022-23:

## Future of Public Health Initiative

| Classification | No. of Positions |
|---|---|
| Administrative Manager I | 5 |
| Medical Assistant | 3 |
| Nurse Practitioner I | 3 |
| Public Health Nurse | 6 |
| Staff Assistant | 3 |
| **Total Positions** | **20** |

**6. Cost Impact**

Estimated costs include one-time operating expenses, such as equipment and office furniture, and ongoing costs for County staff time.

| Fiscal Year | One-Time | Ongoing |
|---|---|---|
| 2023-24 | $ 183,330 | $ 3,745,938 |
| 2024-25 | $ 0 | $ 3,758,212 |
| 2025-26 | $ 0 | $ 3,751,946 |
| 2026-27 | $ 0 | $ 3,760,394 |
| 2027-28 | $ 206,340 | $ 3,805,774 |
| 2028-29 | $ 0 | $ 3,811,239 |
| 2029-30 | $ 0 | $ 3,816,864 |
| 2030-31 | $ 0 | $ 3,822,653 |
| 2031-32 | $ 232,237 | $ 3,828,610 |
| 2032-33 | $ 0 | $ 3,834,740 |

**7. Funding Sources**

All one-time and ongoing costs would be funded by CDPH.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 100% | 0% | 0% |

**8. Stakeholders**

Orange County residents, County departments, CDPH, community based-organizations, community healthcare providers, hospitals and clinical laboratories and cities school districts

## Future of Public Health Initiative

**9. Mandated or Discretionary Program/Project?**

Discretionary: This project is discretionary, but County public health prevention, protection, and promotion is mandated through California Health and Safety Code.

**10. Implementation Period if Funding Were Available**

This initiative can be implemented immediately.

| Future of Public Health Initiative | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Salaries & Benefits | 2,958,962 | 2,965,084 | 2,955,756 | 2,958,476 | 2,991,610 |
| Services & Supplies | 970,306 | 793,128 | 796,190 | 801,918 | 1,020,504 |
| **Total Cost** | **3,929,268** | **3,758,212** | **3,751,946** | **3,760,394** | **4,012,114** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 3,929,268 | 3,758,212 | 3,751,946 | 3,760,394 | 4,012,114 |
| **Total Revenue** | **3,929,268** | **3,758,212** | **3,751,946** | **3,760,394** | **4,012,114** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Administrative Manager I | 5 | 5 | 5 | 5 | 5 |
| Medical Assistant | 3 | 3 | 3 | 3 | 3 |
| Nurse Practitioner I | 3 | 3 | 3 | 3 | 3 |
| Public Health Nurse | 6 | 6 | 6 | 6 | 6 |
| Staff Assistant | 3 | 3 | 3 | 3 | 3 |
| **Total Positions Funded Per Fiscal Year** | **20** | **20** | **20** | **20** | **20** |

| Future of Public Health Initiative | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 2,991,610 | 2,991,610 | 2,991,610 | 2,991,610 | 2,991,610 | Salaries & Benefits |
| 819,629 | 825,254 | 831,043 | 1,069,237 | 843,130 | Services & Supplies |
| **3,811,239** | **3,816,864** | **3,822,653** | **4,060,847** | **3,834,740** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 3,811,239 | 3,816,864 | 3,822,653 | 4,060,847 | 3,834,740 | Intergovernmental Revenues |
| **3,811,239** | **3,816,864** | **3,822,653** | **4,060,847** | **3,834,740** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 5 | 5 | 5 | 5 | 5 | Administrative Manager I |
| 3 | 3 | 3 | 3 | 3 | Medical Assistant |
| 3 | 3 | 3 | 3 | 3 | Nurse Practitioner I |
| 6 | 6 | 6 | 6 | 6 | Public Health Nurse |
| 3 | 3 | 3 | 3 | 3 | Staff Assistant |
| **20** | **20** | **20** | **20** | **20** | **Total Positions Funded Per Fiscal Year** |

# Implement CDC Recommendations for Correctional Settings

1. **Program Area**
   Community Services

2. **Involved Agencies and Departments**
   Health Care Agency (HCA)
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a new Strategic Priority.

4. **Description of Strategic Priority**
   Correctional Health Services (CHS) provides 24/7 medical, mental health, dental, nursing and pharmaceutical services to all inmates in the County's adult correctional facilities. In April 2022, CDC released the *Recommendations for Correctional and Detention Settings* that focused on testing, vaccination, and treatment of human immunodeficiency viruses (HIV), hepatitis, tuberculosis (TB) and sexually transmitted infections (STIs).

   The CDC guidelines and recommendations impact the health of the incarcerated individuals while detained and upon release. Implementation of the CDC recommendations for testing and treatment in County jails will help reduce the number of new infections by facilitating access to prevention, care, and treatment services. Furthermore, incarcerated individuals are disproportionately impacted by HIV and other STIs compared to the general population. Testing and treatment in the County jails is critical for addressing these infections among the incarcerated population who are at a higher risk of infection. CHS in collaboration with Public Health Services can provide these public health prevention and treatment services in the County jails to comply with the CDC guidance for healthcare provision in correctional settings.

   Testing, vaccinating, and treating for COVID-19, HIV, viral hepatitis, TB and STIs in jails is considered a cost-effective public health strategy to protect the community. Improving the health of the incarcerated population, safeguards County employees working in these correctional facilities and their families, and the communities to which most incarcerated individuals return upon release.

## Implement CDC Recommendations for Correctional Settings

5. **Personnel Impacts**

For strategic planning purposes, an initial estimate of six additional positions would be required, as it is anticipated that services will be delivered both by in-custody CHS staff and through vendors with expertise in this field. The following are estimates of associated staffing needs:

| Classification | No. of Positions |
|---|---|
| Comprehensive Care Nurse II | 1 |
| Medical Assistant | 4 |
| Physician III – Correctional (Part Time) | 1 |
| **Total Positions** | **6** |

6. **Cost Impact**

Estimated costs include ongoing costs for County staff time, testing, treatment and contract services.

| Fiscal Year | Ongoing |
|---|---|
| 2023-24 | $ 4,352,168 |
| 2024-25 | $ 6,187,570 |
| 2025-26 | $ 6,258,764 |
| 2026-27 | $ 6,335,551 |
| 2027-28 | $ 6,422,133 |
| 2028-29 | $ 6,503,730 |
| 2029-30 | $ 6,587,857 |
| 2030-31 | $ 6,674,592 |
| 2031-32 | $ 6,764,016 |
| 2032-33 | $ 6,856,212 |

7. **Funding Sources**

AIDS Drug Assistance Program
Ending the HIV Epidemic Initiative Grant
Net County Cost

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 1% | 38% | 61% | 0% |

## Implement CDC Recommendations for Correctional Settings

8. **Stakeholders**
   Individuals in County jails, Board of Supervisors, County Counsel, OCSD, District Attorney – Public Administrator, Public Defender, Probation, Courts, Disability Rights California, hospitals and community clinics and healthcare providers.

9. **Mandated or Discretionary Program/Project?**
   Discretionary: This project is discretionary, but adequate healthcare for inmates is mandated.

10. **Implementation Period if Funding Were Available**
    The implementation period is approximately 6 months.

| Implement CDC Recommendations for Correctional Settings | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Salaries & Benefits | 713,088 | 713,772 | 710,510 | 710,532 | 717,970 |
| Services & Supplies | 3,639,080 | 5,473,798 | 5,548,254 | 5,625,019 | 5,704,163 |
| **Total Cost** | **4,352,168** | **6,187,570** | **6,258,764** | **6,335,551** | **6,422,133** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 2,329,600 | 2,401,818 | 2,210,534 | 2,279,060 | 2,349,711 |
| **Total Revenue** | **2,329,600** | **2,401,818** | **2,210,534** | **2,279,060** | **2,349,711** |
| | | | | | |
| **III. General Fund Requirement** | **2,022,568** | **3,785,752** | **4,048,230** | **4,056,491** | **4,072,422** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Comprehensive Care Nurse II | 1 | 1 | 1 | 1 | 1 |
| Medical Assistant | 4 | 4 | 4 | 4 | 4 |
| Physician III – Correctional | 1 | 1 | 1 | 1 | 1 |
| **Total Positions Funded Per Fiscal Year** | **6** | **6** | **6** | **6** | **6** |

| Implement CDC Recommendations for Correctional Settings | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 717,970 | 717,970 | 717,970 | 717,970 | 717,970 | Salaries & Benefits |
| 5,785,760 | 5,869,887 | 5,956,622 | 6,046,046 | 6,138,242 | Services & Supplies |
| **6,503,730** | **6,587,857** | **6,674,592** | **6,764,016** | **6,856,212** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 2,422,552 | 2,497,651 | 2,575,078 | 2,654,906 | 2,737,208 | Intergovernmental Revenues |
| **2,422,552** | **2,497,651** | **2,575,078** | **2,654,906** | **2,737,208** | **Total Revenue** |
| | | | | | |
| **4,081,178** | **4,090,206** | **4,099,514** | **4,109,110** | **4,119,004** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 1 | 1 | 1 | 1 | 1 | Comprehensive Care Nurse II |
| 4 | 4 | 4 | 4 | 4 | Medical Assistants |
| 1 | 1 | 1 | 1 | 1 | Physician III – Correctional |
| **6** | **6** | **6** | **6** | **6** | **Total Positions Funded Per Fiscal Year** |

# Jail Based Competency Treatment

1. **Program Area**
   Community Services

2. **Involved Agencies and Departments**
   Health Care Agency (HCA)
   Sheriff-Coroner Department (OCSD)

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority previously identified in the 2021 Strategic Financial Plan.

4. **Description of Strategic Priority**
   HCA requests development and implementation of a Jail Based Competency Treatment program (JBCT) within the Orange County jails. The need for a JBCT in Orange County is driven primarily by historical, legislative, and financial factors.

   Historically, criminal defendants in California who are found incompetent to stand trial (IST) are committed to the California Department of State Hospitals (DSH) or California Department of Developmental Services (DDS) to receive treatment services with the goals of restoring competency and allowing criminal proceedings to resume. According to the Stiavetti Appellate Court Decision (Stephanie Stiavetti et. al v. Stephanie Clendenin, Director of DSH, 6/15/21), instead of prompt admission to DSH or DDS, IST defendants often remain in County jails for extended periods of time while awaiting transfer. The appellate court imposed a 28-day constitutional outer limit for transfer to a DSH or DDS facility and commencement of IST jail based competency treatment. DSH incurs a substantial financial fine if they do not adhere to this limit.

   In response to the Stiavetti decision, the DSH is attempting to expand partnerships with counties, local Sheriff agencies and providers to meet the needs of IST individuals with serious mental illness involved in the criminal justice process. The Budget Act of 2021 allocated $379.9 million to the DSH to support solutions for individuals deemed IST on felony charges in California. One of these solutions expands JBCT programs.

   Orange County jails typically house between 40 and 55 IST defendants awaiting placement at DSH and only a small number of these defendants qualify for outpatient placement under the existing Orange County Conditional Release Program (CONREP).

## Jail Based Competency Treatment

Orange County would benefit from a JBCT program to manage and treat these inmates. HCA is currently exploring a partnership with the DSH to implement a JBCT program providing competency treatment in the Orange County jails. DSH would fund 100% of the costs to administer a JBCT program in Orange County.

Implementing a JBCT in Orange County may mitigate future financial impacts to the County. Assembly Bill 133 (AB 133, Chapter 143), signed into law by Governor Newsom on July 27, 2021 and effective October 1, 2021, authorizes the DSH to charge counties a daily bed rate ($699/day) for treatment of defendants committed to DSH as IST, who are not timely transported and returned to the committing county under specific statutory circumstances. AB 133, Chapter 143 also includes corresponding statutory changes to Welfare and Institutions Code section 17601 allowing DSH to collect reimbursement from counties. The ability to treat IST defendants locally may reduce future Orange County liability under AB 133.

Given the impact of IST's on the Orange County jail system and the ability to leverage available state funding to create and implement a JBCT program in Orange County provides both legal and financial benefits and aligns with the County's mission of delivering timely services to the community.

**5. Personnel Impacts**

For strategic planning purposes, an initial estimate of 12 additional positions would be required but staffing needs will be reevaluated pending further information from DSH. DSH provided a bed analysis for Orange County identifying a need for 21 to 23 beds. Although DSH has not yet identified the exact number of staff for a 21 to 23 bed unit, the following are estimates of associated staffing needs:

| Classification | No. of Positions |
|---|---|
| Administrative Manager I | 1 |
| Behavioral Health Clinician II | 5 |
| Clinical Psychologist II | 2 |
| Deputy Sheriff II | 2 |
| Office Specialist | 1 |
| Psychiatrist | 1 |
| **Total Positions** | **12** |

## Jail Based Competency Treatment

**6. Cost Impact**

Estimated costs include one-time operating expenses and ongoing costs for County staff time.

| Fiscal Year | One-Time | Ongoing |
|---|---|---|
| 2023-24 | $ 20,000 | $ 4,355,824 |
| 2024-25 | $ 0 | $ 4,352,268 |
| 2025-26 | $ 0 | $ 4,335,768 |
| 2026-27 | $ 0 | $ 4,329,536 |
| 2027-28 | $ 0 | $ 4,344,758 |
| 2028-29 | $ 20,000 | $ 4,344,768 |
| 2029-30 | $ 0 | $ 4,344,768 |
| 2030-31 | $ 0 | $ 4,344,768 |
| 2031-32 | $ 0 | $ 4,344,768 |
| 2032-33 | $ 0 | $ 4,344,768 |

**7. Funding Sources**

Current indications from the DSH are that funding for this program will not require local matching dollars. DSH is proposing a Per Diem Daily Bed Rate of approximately $420 per day per patient inmate, to include all costs such as medical treatment and medication, transportation, etc. with potential increased rates in the future. One-time implementation costs are allowable subject to a limit.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 100% | 0% | 0% |

**8. Stakeholders**

Board of Supervisors, County Counsel, OCSD, OC District Attorney, Public Defender, Courts, DSH and the Community Program Director (CPD), pursuant to Penal Code 1605.

**9. Mandated or Discretionary Program/Project?**

Discretionary project.

**10. Implementation Period if Funding Were Available**

The implementation period is approximately 12 to 18 months.

| Jail Based Competency Treatment | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Other Charges | 2,225,017 | 2,225,017 | 2,225,017 | 2,225,017 | 2,225,017 |
| Salaries & Benefits | 2,106,852 | 2,103,296 | 2,086,796 | 2,080,564 | 2,095,796 |
| Services & Supplies | 43,955 | 23,955 | 23,955 | 23,955 | 23,955 |
| **Total Cost** | **4,375,824** | **4,352,268** | **4,335,768** | **4,329,536** | **4,344,768** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 4,375,824 | 4,352,268 | 4,335,768 | 4,329,536 | 4,344,768 |
| **Total Revenue** | **4,375,824** | **4,352,268** | **4,335,768** | **4,329,536** | **4,344,768** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Administrative Manager I | 1 | 1 | 1 | 1 | 1 |
| Behavioral Health Clinician II | 5 | 5 | 5 | 5 | 5 |
| Clinical Psychologist II | 2 | 2 | 2 | 2 | 2 |
| Deputy Sheriff II | 2 | 2 | 2 | 2 | 2 |
| Office Specialist | 1 | 1 | 1 | 1 | 1 |
| Psychiatrist | 1 | 1 | 1 | 1 | 1 |
| **Total Positions Funded Per Fiscal Year** | **12** | **12** | **12** | **12** | **12** |

| Jail Based Competency Treatment | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 2,225,017 | 2,225,017 | 2,225,017 | 2,225,017 | 2,225,017 | Other Charges |
| 2,095,796 | 2,095,796 | 2,095,796 | 2,095,796 | 2,095,796 | Salaries & Benefits |
| 43,955 | 23,955 | 23,955 | 23,955 | 23,955 | Services & Supplies |
| **4,364,768** | **4,344,768** | **4,344,768** | **4,344,768** | **4,344,768** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 4,364,768 | 4,344,768 | 4,344,768 | 4,344,768 | 4,344,768 | Intergovernmental Revenues |
| **4,364,768** | **4,344,768** | **4,344,768** | **4,344,768** | **4,344,768** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 1 | 1 | 1 | 1 | 1 | Administrative Manager I |
| 5 | 5 | 5 | 5 | 5 | Behavioral Health Clinician II |
| 2 | 2 | 2 | 2 | 2 | Clinical Psychologist II |
| 2 | 2 | 2 | 2 | 2 | Deputy Sheriff II |
| 1 | 1 | 1 | 1 | 1 | Office Specialist |
| 1 | 1 | 1 | 1 | 1 | Psychiatrist |
| **12** | **12** | **12** | **12** | **12** | **Total Positions Funded Per Fiscal Year** |

# Master Plan for Aging

1. **Program Area**
Community Services

2. **Involved Agencies and Departments**
Social Services Agency (SSA)
County Executive Office (CEO)
Health Care Agency (HCA)
OC Community Resources (OCCR)

3. **New or Continuing Strategic Priority**
This is a new Strategic Priority, initially identified as an Emerging Initiative in the 2021 Strategic Financial Plan.

4. **Description of Strategic Priority**
California's Master Plan for Aging (MPA) was released in January 2021 and includes a person-centered, data driven, ten-year plan to prepare the State for coming demographic changes and continue California's leadership in aging, disability, and equity. The plan includes five overarching goals in the areas of Housing, Health, Inclusion, Caregiving, and Affordability, along with a Playbook to guide counties on how to approach developing their own plans. The purpose of the MPA is to provide counties with a framework to identify gaps in services and to establish programs to better meet the needs for the aging population. The MPA aligns with the County's overall vision of integrating services to ensure the health and safety of Orange County residents. With the senior population (ages 60+) expected to grow to 28% by 2030 in Orange County, there is a recognition of the need for broader and more integrated services to this demographic. COVID-19 also highlighted the vulnerability of this population and the service gaps within the scope of and continuity in services that the County provides.

SSA, HCA and OCCR have collaborated to build the foundational needs for Orange County. SSA is currently in the process of a Community Assessment of the County's Aging Population Request for Proposal. In addition, starting in FY 2023-24, OCCR, Office on Aging, will provide information support and resources to older adults and those with disabilities via a Call Center and HCA will lead a Public Health Nursing team who will provide home visitation, health needs assessment, care plan development, care coordination, and case management services for high risk older adults with complex needs.

## Master Plan for Aging

5. **Personnel Impacts**
For strategic planning purposes, an additional 64 positions would be needed (55 SSA positions, one OCCR position and eight Health Care Agency positions).

| Classification | No. of Positions |
|---|---|
| **Social Services Agency Positions:** | |
| Administrative Manager I | 1 |
| Office Technician | 2 |
| Social Services Supervisor I | 7 |
| Social Services Supervisor II | 3 |
| Social Worker II | 42 |
| **Subtotal Social Services Agency Positions** | **55** |

| Classification | No. of Positions |
|---|---|
| **OC Community Resources Positions:** | |
| Senior Citizens Representative II | 1 |
| **Subtotal OC Community Resources Positions** | **1** |

| Classification | No. of Positions |
|---|---|
| **Health Care Agency Positions:** | |
| Office Specialist | 1 |
| Public Health Nurse | 6 |
| Supervising Public Health Nurse | 1 |
| **Subtotal Health Care Agency Positions** | **8** |
| | |
| **Grand Total Positions** | **64** |

6. **Cost Impact**
Estimated ongoing costs range from $3.0 million in FY 2023-24 to $7.2 million in FY 2032-33 for operating expenses and County staff time.

7. **Funding Sources**
Specific funding sources are not known at this time; however, the Governor has committed to providing funds to broaden MPA services. As more information becomes available, updates will be provided.

## Master Plan for Aging

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 50% | 50% | 0% | 0% |

**8. Stakeholders**

Stakeholders include multiple County departments including SSA, HCA, CEO, OCCR, OC District Attorney and County's senior population and community based-organizations.

**9. Mandated or Discretionary Program/Project?**

Discretionary: While the Master Plan for Aging framework is not mandated, components within the plan are and may become legislatively required. Many of the goals will require legislative action that the Governor and Legislature have indicated an interest in changing. The MPA allows broad discretion as to how counties and partners will implement. There are many active advocate groups, community-based partners and stakeholders that have already begun working on concepts within the MPA and have met with the Board of Supervisors.

**10. Implementation Period if Funding Were Available**

Full implementation spans over five years and is anticipated by FY 2027-28.

| Master Plan for Aging | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Salaries & Benefits | 2,707,016 | 4,357,660 | 5,197,374 | 5,902,564 | 6,868,658 |
| Services & Supplies | 254,895 | 302,382 | 251,780 | 282,335 | 317,265 |
| **Total Cost** | **2,961,911** | **4,660,042** | **5,449,154** | **6,184,899** | **7,185,923** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Intergovernmental Revenues | 2,961,911 | 4,660,042 | 5,449,154 | 6,184,899 | 7,185,923 |
| **Total Revenue** | **2,961,911** | **4,660,042** | **5,449,154** | **6,184,899** | **7,185,923** |
| | | | | | |
| **III. General Fund Requirement** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Administrative Manager I | 0 | 0 | 1 | 1 | 1 |
| Office Specialist | 1 | 1 | 1 | 1 | 1 |
| Office Technician | 1 | 1 | 1 | 1 | 2 |
| Public Health Nurse | 6 | 6 | 6 | 6 | 6 |
| Senior Citizens Representative II | 1 | 1 | 1 | 1 | 1 |
| Social Services Supervisor I | 2 | 4 | 5 | 6 | 7 |
| Social Services Supervisor II | 0 | 2 | 2 | 2 | 3 |
| Social Worker II | 12 | 24 | 30 | 36 | 42 |
| Supervising Public Health Nurse | 1 | 1 | 1 | 1 | 1 |
| **Total Positions Funded Per Fiscal Year** | **24** | **40** | **48** | **55** | **64** |

| Master Plan for Aging | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 6,868,658 | 6,868,658 | 6,868,658 | 6,868,658 | 6,868,658 | Salaries & Benefits |
| 317,265 | 317,265 | 317,265 | 317,265 | 317,265 | Services & Supplies |
| **7,185,923** | **7,185,923** | **7,185,923** | **7,185,923** | **7,185,923** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 7,185,923 | 7,185,923 | 7,185,923 | 7,185,923 | 7,185,923 | Intergovernmental Revenues |
| **7,185,923** | **7,185,923** | **7,185,923** | **7,185,923** | **7,185,923** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 1 | 1 | 1 | 1 | 1 | Administrative Manager I |
| 1 | 1 | 1 | 1 | 1 | Office Specialist |
| 2 | 2 | 2 | 2 | 2 | Office Technician |
| 6 | 6 | 6 | 6 | 6 | Public Health Nurse |
| 1 | 1 | 1 | 1 | 1 | Senior Citizens Representative II |
| 7 | 7 | 7 | 7 | 7 | Social Services Supervisor I |
| 3 | 3 | 3 | 3 | 3 | Social Services Supervisor II |
| 42 | 42 | 42 | 42 | 42 | Social Worker II |
| 1 | 1 | 1 | 1 | 1 | Supervising Public Health Nurse |
| **64** | **64** | **64** | **64** | **64** | **Total Positions Funded Per Fiscal Year** |

# Expand Weights and Measures Program

1. **Program Area**
Infrastructure & Environmental Resources

2. **Involved Agencies and Departments**
OC Public Works (OCPW)

3. **New or Continuing Strategic Priority**
This is a new Strategic Priority.

4. **Description of Strategic Priority**
The County of Orange Agricultural Commissioner/Sealer of Weights & Measures (W&M) Program is required to inspect commercial devices to ensure consumers receive the full weight, volume, count, or other measurement of purchased commodities, as mandated under the California Business and Professions Code and based on a frequency by device type established under the California Code of Regulations. Each year, the W&M Program registers 4,635 locations with 177,888 devices in the County and under a standard inspection frequency is required to test 44,232 devices annually.

In 1991, the W&M Program received state authorization to operate under a Variable Frequency of Inspections plan (VFI). The VFI plan authorizes the County to reduce the frequency of inspections for computing/counter scales and retail motor fuel devices to once every two years instead of the standard annual inspection. The VFI adjusts the total number of devices required to be inspected each year from 44,232 to 31,030 (approximately 30% reduction). For calendar year 2020, the W&M Program inspected 23,196 of the 31,030 devices due for inspection (75% or 52% inspection completion rate with/without VFI, respectively). For calendar year 2021, the W&M Program inspected 22,912 devices (74% or 52% inspection compliance rate with/without VFI, respectively).

On April 28, 2021, Title 4CCR, Section 4071 and Section 4073 were amended to require justification and findings to support VFI plans. Furthermore, VFI plans are not approved for more than five years. All alternative plans approved by the Secretary of Agriculture prior to July 1, 2021, including Orange County's current VFI plan, will expire on July 1, 2026. Once the alternative plan expires, all device inspection frequencies will revert to those established in Title 4CCR, Section 4070.

## Expand Weights and Measures Program

OCPW will complete a detailed workload, staffing and funding analysis no later than December 2024, to determine if the request for an alternative VFI plan past July 1, 2026 can be justified under the amended requirements or if staffing levels will need to be increased to meet a standard inspection frequency plan.

An additional eight Agricultural/Standards Inspectors are requested: four in FY 2023-24 to allow the W&M Program to work towards 100% or 74% inspection completion rate with/without VFI, respectively and four in FY 2026-27 to meet a standard inspection frequency plan, if an alternative VFI plan is not approved by the Secretary of Food and Agriculture.

**5. Personnel Impacts**

For strategic planning purposes, eight additional Agricultural/Standards Inspector positions would be needed over a span of four years to expand the W&M Program.

**6. Cost Impact**

Estimated annual ongoing staffing costs range from $500 thousand to $1 million in General Fund (NCC).

**7. Funding Sources**

General Fund support is requested. The total costs of providing these services exceed the collection of annual registration fees, which are capped by statute, therefore requiring General Fund subsidy to meet full cost recovery of the services.

OCPW and Legislative Affairs will pursue a change in statue, if possible. In addition, the California Agricultural Commissioners and Sealers Association is currently conducting a statewide analysis to identify possible solutions for a full cost recovery legislative proposal.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

**8. Stakeholders**

Orange County residents, visitors, and businesses.

## Expand Weights and Measures Program

9. **Mandated or Discretionary Program/Project?**
Mandated: This program is mandated to meet service levels for inspecting commercial devices under Division 5, Chapter 2, Section 12212 of the California Business and Professions Code and based on a frequency established under Title 4, Division 9, Chapter 3, Article 1 of the California Code of Regulations.

10. **Implementation Period if Funding Were Available**
Should ongoing funding become available, expansion of the W&M Program can be initiated immediately and would occur over a four-year period.

| Expand Weights and Measures Program | | | | | |
|---|---|---|---|---|---|
| | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| **I. Cost** | | | | | |
| Salaries & Benefits | 498,056 | 498,392 | 495,912 | 991,528 | 1,001,488 |
| **Total Cost** | **498,056** | **498,392** | **495,912** | **991,528** | **1,001,488** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **498,056** | **498,392** | **495,912** | **991,528** | **1,001,488** |
| | | | | | |
| **IV. Staffing** | | | | | |
| Agricultural/Standards Inspector | 4 | 4 | 4 | 8 | 8 |
| **Total Positions Funded Per Fiscal Year** | **4** | **4** | **4** | **8** | **8** |

| Expand Weights and Measures Program | | | | | |
|---|---|---|---|---|---|
| FY 28-29 | FY 29-30 | FY 30-31 | FY 31-32 | FY 32-33 | |
| | | | | | **I. Cost** |
| 1,001,488 | 1,001,488 | 1,001,488 | 1,001,488 | 1,001,488 | Salaries & Benefits |
| **1,001,488** | **1,001,488** | **1,001,488** | **1,001,488** | **1,001,488** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **1,001,488** | **1,001,488** | **1,001,488** | **1,001,488** | **1,001,488** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 8 | 8 | 8 | 8 | 8 | Agricultural/Standards Inspector |
| **8** | **8** | **8** | **8** | **8** | **Total Positions Funded Per Fiscal Year** |

# CAPS+ Financial/Procurement & Human Resources (HR)/Payroll Software and Hardware Upgrade

1. **Program Area**
General Government Services

2. **Involved Agencies and Departments**
Auditor-Controller
County Executive Office (CEO)

3. **New or Continuing Strategic Priority**
This Strategic Priority was originally identified in the 2013 Strategic Financial Plan (SFP) and, in each SFP since then, time frames and projections are updated to reflect the most current available information. This Strategic Priority includes software and hardware upgrades.

4. **Description of Strategic Priority**
The County's financial, procurement, human resources, and payroll information systems, collectively known as the County-wide Accounting and Personnel System+ (CAPS+), is a vital component of the County's infrastructure. CAPS+ is a sophisticated system requiring a regular maintenance program to keep it abreast of system improvements and IT environment changes.

The CAPS+ Financial/Procurement system maintains the County's financial records and generates financial statements, collects costs for federal and state billings, procures goods and services, and issues vendor payments. The CAPS+ HR/Payroll system is used in administering personnel records, tracking all personnel information and managing and paying over 16,500 employees on a bi-weekly basis.

The core of CAPS+ is licensed to the County by CGI Technologies and Solutions, Inc. (CGI). CGI releases periodic updates to the software, offering new functionality with each release. In order to receive patches to the CAPS+ system, the County must stay within two major releases of the current software version offered. Staying current with the changing technology would enable the County to take advantage of improvements made in the software, ensure the latest security measures are in place, and allow all associated systems and departments the ability to be compatible with the latest Internet browser version.

## CAPS+ Financial/Procurement & Human Resources (HR)/Payroll Software and Hardware Upgrade

The County upgraded the CAPS+ Financial/Procurement system to version 3.10 in October 2016 and the CAPS+ HR/Payroll System to version 3.11 in May 2017. CGI intends to combine the two systems into one with the next release. As such, funding is requested to update or replace the CAPS+ system in FY 2023-24 and FY 2030-31.

Currently, the County uses three servers (IBM AIX P8) for CAPS production, user acceptance testing and a disaster recovery platform. The equipment is seven years old and, according to the manufacturer, the life cycle of the servers is between five and seven years. As such, the servers will need replacement in FY 2023-24.

### 5. Personnel Impacts

No additional staffing is required at this time; however, staffing needs will be evaluated upon project approval and during the development and implementation periods. County departments will be engaged to perform functional testing and acceptance of the upgraded solution.

### 6. Cost Impact

Currently, this project is pending an in-depth analysis and the request for proposal process, but the one-time costs are estimated at $19.1 million for the upgrade or replacement of the CAPS+ system. The ongoing cost for license and maintenance support is estimated at $2.4 million annually and will be partially offset by an estimated $1.3 million in current CAPS+ system costs.

### 7. Funding Sources

Funding for this project would be 100% General Fund. However, approximately 24% of the cost is recoverable from non-General Fund sources through the County-wide Cost Allocation Plan.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 100% | 0% |

### 8. Stakeholders

The primary stakeholders of the CAPS+ processes include County personnel; vendors conducting business with the County; special districts; school districts receiving property

## CAPS+ Financial/Procurement & Human Resources (HR)/Payroll Software and Hardware Upgrade

tax allocations, OC Courts, and, other governmental entities receiving payments from the County.

**9. Mandated or Discretionary Program/Project?**

Discretionary: This project is discretionary; however, replacement or upgrade of the current CAPS+ system software could mitigate the risks of operating on an unsupported version. Also, if the CAPS+ hardware is refreshed on a regular schedule, critical CAPS+ processes could avoid interruption of service.

**10. Implementation Period if Funding Were Available**

The estimated implementation period is three and a half to five years. Phase I will include vendor identification and selection, contract development and negotiation and is anticipated to be completed within 10 to 12 months. Phase II will include the implementation of a new Software as a Service (SaaS) solution and is anticipated to be completed within 36 to 48 months.

| **CAPS+ Financial/Procurement & Human Resources (HR)/Payroll Software and Hardware Upgrade** | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Equipment | 606,375 | 0 | 0 | 0 | 0 |
| Intangible Assets-Amortizable | 6,166,667 | 6,166,667 | 6,166,667 | 0 | 0 |
| Services & Supplies | 0 | 2,400,000 | 2,400,000 | 1,162,177 | 1,100,286 |
| **Total Cost** | **6,773,042** | **8,566,667** | **8,566,667** | **1,162,177** | **1,100,286** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| No Revenue | 0 | 0 | 0 | 0 | 0 |
| **Total Revenue** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **III. General Fund Requirement** | **6,773,042** | **8,566,667** | **8,566,667** | **1,162,177** | **1,100,286** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| CAPS+ Financial/Procurement & Human Resources (HR)/Payroll Software and Hardware Upgrade | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Equipment |
| 0 | 0 | 0 | 0 | 0 | Intangible Assets-Amortizable |
| 1,100,286 | 1,100,286 | 1,100,286 | 1,100,286 | 1,100,286 | Services & Supplies |
| **1,100,286** | **1,100,286** | **1,100,286** | **1,100,286** | **1,100,286** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 0 | 0 | 0 | 0 | 0 | No Revenue |
| **0** | **0** | **0** | **0** | **0** | **Total Revenue** |
| | | | | | |
| **1,100,286** | **1,100,286** | **1,100,286** | **1,100,286** | **1,100,286** | **III. General Fund Requirement** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# County Facilities Master Plan

1. **Program Area**
General Government Services

2. **Involved Agencies and Departments**
County Executive Office (CEO)
Health Care Agency (HCA)
OC Public Works (OCPW)
Sheriff-Coroner Department (OCSD)
OC Flood Control District (OCFCD)

3. **New or Continuing Strategic Priority**
This Strategic Priority is a recurring annual update to the prior year's Strategic Financial Plan.

4. **Description of Strategic Priority**

**I. <u>In Progress Real Estate Projects:</u>**

**a. Laguna Niguel Parcel (Former South County Justice Center):**
The former South County Justice Center property is an approximate 28-acre site located in the City of Laguna Niguel and bordered on three sides by Alicia Parkway, Crown Valley Parkway, and Pacific Island Drive. The site occupants include the County (22 acres), the OC Fire Authority (1.5 acres), and the City of Laguna Niguel (4.1 acres). The County-owned 28-acre property includes a County Vehicle Maintenance Yard, the former South County Justice Center, undeveloped land, and an Orange County Public Library branch.

One of the continuing initiatives approved by the Board of Supervisors (Board) is to analyze potential uses and sources that may be developed from the former courthouse complex in Laguna Niguel. Since 2014, the County has worked to engage a qualified master developer to enter into a long-term ground lease for a portion of the 22-acre site. The County released a Request for Proposal (RFP) on February 21, 2018 and began negotiations with the primary respondent, Laguna Niguel Town Center Partners (LNTCP), on November 1, 2018.

On June 4, 2019, the Board approved an option and lease agreement for the site with LNTCP. The approved option agreement consists of a one-year option term during which

## County Facilities Master Plan

LNTCP will work on entitlements for the project with the City of Laguna Niguel and perform necessary due diligence on the property. Due to the COVID-19 pandemic, and per Board delegated authority, a Tolling Agreement was executed with LNTCP, which extends the option period for the pendency of the State of Emergency due to the pandemic. As part of the proposal, LNTCP requested to relocate the Laguna Niguel Library at its cost. The approved lease agreement, which will be executed if LNTCP fulfills the conditions in the option, provides for a 79-year term and allows development of approximately 200,000 square feet of commercial space and 275 residential rental units.

On June 24, 2022, the City of Laguna Niguel approved LNTCP's project and Environmental Impact Report (EIR). Construction is anticipated to begin in late 2023 and conclude in 2027.

This Strategic Priority includes $4.7 million in development-related costs, of which $3 million is the one-time relocation cost of the County Vehicle Maintenance Yard offset by $3.5 million in revenue from the development of the site for FY 2023-24 through FY 2032-33. The $3 million one-time relocation cost of the County Vehicle Maintenance Yard would address ongoing repair and maintenance of the OCSD's patrol fleet for the South County contract cities. CEO Real Estate and OCPW are currently assessing the feasibility of relocating the County Vehicle Maintenance Yard to property owned by the County at the former Marine Corps Air Station (MCAS) El Toro. The $4.7 million in staffing and moving costs is offset by $3.5 million revenue from site development beginning in FY 2025-26, resulting in a Net County Cost (NCC) of $1.2 million for FY 2023-24 through FY 2032-33.

**b. El Toro Parcels (100 Acres and West Alton):**

The County owns, or will own, two parcels at the former MCAS El Toro, one approximately 108 acres along Marine Way (100AP) and one approximately 32 acres along West Alton Parkway (WAP). The 100AP is located between the Orange County Great Park and the Orange County Transportation Authority Metrolink railroad tracks and will be bound by the planned realignment of Marine Way to the north, the existing Ridge Road and Interstate 5 Freeway to the west, the Southern California Regional Rail Authority/Metrolink rail line to the south, and two warehouse buildings to the east, which are not part of the parcel.

Since 2011, the County has pursued viable development options, which to date have not proven successful. The County continues to engage with the City of Irvine and other stakeholders regarding long-term planning for the properties. In addition to various interim

## County Facilities Master Plan

uses on the 100AP and WAP, the eastern 40 acres of the 100AP is currently being planned for County public uses including the Be Well Irvine Campus, a County warehouse and a new HCA public health and emergency response facility.

On June 23, 2020, the Board approved an interim 5-year ground lease with OC Storage, LLC, for a 20-acre site to provide vehicle storage at the 100AP. The lease revenue is currently $72,855 and will increase to $158,333 per month effective January 2023.

This Strategic Priority includes $8.6 million in expenses offset by $17.1 million in revenue, comprised of $10.1 million of El Toro Improvement Fund (15T) implementation revenue, $0.6 million License Fee revenue, and $6.4 million of Ground Lease revenue, resulting in an anticipated net $8.5 million in revenue available to the County General Fund during FY 2023-24 through FY 2032-33.

**c. Civic Center Strategic Facilities Plan Phase I (County Administration South) and Phase II (County Administration North):**

This Strategic Priority excludes Civic Center Strategic Facilities Plan (CCSFP) Phase I & Phase II revenue, debt service, and other costs as forecasts of these components are included in the County Administration South (CAS) user departments budgets. The following information provides costs and funding related to the new CAS and County Administration North (CAN) buildings.

On April 25, 2017, the Board approved the CCSFP, consisting of four development phases. Phase 1 and 2 projects are as follows:

- Phase 1 – County Administration South (CAS)
  Demolition of the old Building 16, and development of a 250,000 square foot replacement building with a freestanding conference and events center successfully completed with a ribbon cutting ceremony on August 28, 2019. CAS is home to a Customer Service Center providing a centralized location for the public to access County services. County departments now occupying the building include OCPW, OC Waste & Recycling, Treasurer-Tax Collector, Clerk-Recorder, and OC Community Resources Administration. General Fund Revenue offset and Non-General Fund departments occupying CAS fund approximately 76% of the $10 million debt service cost in the form of lease payments. The remaining 24% is funded from a combination of waste importation revenue from OC Waste & Recycling and NCC.

- Phase 2 – County Administration North (CAN)

## County Facilities Master Plan

On September 25, 2018 and October 16, 2018 (2nd reading), the Board approved CAN as Phase 2 of the CCSFP, including demolition of existing Buildings 11, 12, and 14, and construction of surface parking and perimeter fence installation. The plan replaces Buildings 11, 12, and 14 with a 250,000 square foot sister building to CAS that houses the occupants of the Hall of Administration (HOA), a number of HCA staff and other CEO staff (Risk Management, Real Estate and Procurement). The CAN debt service cost will be funded approximately 54% by Non-General Funds in the form of lease payments. The remaining 46% is funded from a combination of waste importation revenue from OC Waste & Recycling and NCC. The CAN user departments' Strategic Financial Plan base request includes $12.9 million annually for CAN debt service payments. WDA revenue is sufficient to cover Phase 2 CCSFP expenses for the next four years including:

1) CCSFP Phase 2 CAN debt service beginning in FY 2022-23;
2) Moving costs
3) Fencing costs
4) HOA Demolition costs, etc.

Demolition of Buildings 11, 12 and 14 is complete. Construction of the CAN facility began in Spring 2020 and in August 2022 occupants moved into the facility. On September 13, 2022, the Board approved an amendment to the Development Agreement and $16.1 million Guarantee Maximum Price with Griffin Structures, Inc., for the demolition of former HOA, Building 10, and construction of a surface parking lot. The demolition and the surface parking lot project will be completed in FY 2023-24.

Phase 3 and 4 projects are discretionary and still in the early planning stages. A Request for Interest for the development of property related to these phases was released with statements of interest due by July 12, 2021. CEO Real Estate reviewed responses to the RFI and an RFP is anticipated to be released soliciting interest in a public-private partnership in the development of property associated with these phases, which will occur after CCSFP Phase 3 and 4 scopes are updated. It is anticipated that this effort will commence in early 2023.

**d. Fruit Street Assessment, County Operations Center Plan:**

This Strategic Priority excludes funding needs for Fruit Street and the County Operations Center. The Fruit Street Complex is an approximate twelve-acre collection of County-owned properties (Fruit Street Property) located near the intersection of Santa Ana Blvd and the Interstate 5 Freeway (I-5) and bounded on the east by the Santa Ana Regional

## County Facilities Master Plan

Transportation Center (SARTC). OCPW occupies the Fruit Street Property, including Fleet Management Services. The complex of buildings on this site consists of approximately 111,024 square feet (sf) of space some of which was originally built in 1929. The total gross square footage, including storage space is 165,000 sf. Building uses include Construction and Architecture & Engineering (32,092 sf), Transportation Vehicle Repair (36,728 sf) and Facilities Operations (42,228 sf). Because of the facility age and condition efforts have been made over the years to relocate the existing users to other sites in the County and/or build out the empty space at the south side of the Construction and Architecture & Engineering site for some of the current Fruit Street users. The Construction and Architecture & Engineering site and south empty lot are not impacted by the Transit Oriented Development.

The Fruit Street Property has tremendous potential value as a Transit Oriented Development given its adjacency to the SARTC, but the County would need to relocate existing occupants to alternate facilities. Various sites are currently being studied, including consolidation of maintenance operations at the 100 Acre Parcel in Irvine and relocation of the Materials Lab to an existing warehouse-type facility. The City of Santa Ana (City) would like the County's future development to integrate into the SARTC.

The Fruit Street Property is located in the City's Transit Village District Center, which includes substantial development for residential units. There is no funding or revenue included in this Strategic Priority for the Fruit Street Property project.

**e. Ninety-Five Acre Industrial Development Opportunity in Chino (Prado Dam Mountains):**

The OCFCD owns approximately 95 acres of vacant real property at the southeast corner of Mountain and Bickmore in the City of Chino (City). The property was originally acquired by OCFCD as required by the Army Corps of Engineers for furtherance of the Santa Ana River Mainstem Project. The property represents an opportunity to create a dependable, long-term revenue stream by establishing a ground lease and developing a state-of-the-art logistics center. The Board approved an Option Agreement with Majestic Realty on October 25, 2016, which included a form ground lease for the property. On September 11, 2018, the Board approved an amendment to the Option Agreement providing an additional three years for Majestic to process entitlements for this project. The Option Agreement was further amended, Second Amendment on December 13, 2021, and on May 19, 2022, to provide additional time for Majestic to process its entitlements. The Option is set to expire on December 20, 2022.

## County Facilities Master Plan

Majestic is processing a development application with the City and the required entitlements were approved by the City Council on June 15, 2021. On June 29, 2022, the County received a United States Army Corps of Engineers – South Pacific Los Angeles (USACE) Permission for the Section 408 Activity; however, the permission disallows the building of any structure within the existing 1941 flowage easement areas, affecting the ability to build one of the two proposed buildings. Majestic is planning on submitting a letter of reconsideration to USACE, to obtain approval for the project.

This Strategic Priority includes $0.5 million in staffing expenses and $34.2 million in revenue used for $12.1 million in revenue sharing with OC Flood, resulting in an anticipated net $21.6 million available to the County General Fund during FY 2023-24 through FY 2032-33. Revenue generated from this project would be shared between OCFCD and the County at a rate of 35% and 65%, respectively. OCFCD and CEO Real Estate will enter into a Cooperative Agreement when the project is closer to completion.

**f. The Crossroads at Washington, Santa Ana, CA**

On February 25, 2020, the Board approved an Option Agreement with Washington Santa Ana Housing, L.P., a subsidiary of The Related Companies of California, LLC (Related), along with a 65-year ground lease term. The Crossroads at Washington will be an 86-unit affordable housing development at 1126 and 1146 E. Washington Avenue in the City of Santa Ana (City), to be built over a 16-month term. In addition, as approved in the Option Agreement, Related will design, construct, operate and manage The Crossroads at Washington property. Also approved was a Joint Powers Agreement between the County and the City Housing Authority to facilitate tenants-in-common ownership for the joint development of the County-owned and Housing Authority-owned property. Finally, the Board approved a Memorandum of Agreement between the County and the City to provide an agreement for the transfer of Regional Housing Needs Assessment allocation shares between the County and the City. Along with these agreements, the Board approved a loan commitment to a limited partnership between Related and A Community of Friends (co-developer and lead service provider) in an amount not to exceed $2,280,701. On July 25, 2022, Related signed the ground lease. Under the ground lease, Related will pay capitalized ground rent payments for the County site, estimated at $2,341,864, with 3% simple interest, from residual receipts after the repayment of the OC Community Resources loan. Existing appropriations will be used for the issuance of the Certificate of Occupancy. The loan will be 100% funded with HOME Investment Partnership Act in OC Housing Fund 15G and/or Housing Asset Fund 170. The 43 project-based Housing Choice Vouchers available to recipients is 100% funded by Department

## County Facilities Master Plan

of Housing and Urban Development (HUD) and included in OC Housing Authority Fund 15F base budget. This Strategic Priority includes an anticipated $0.1 million in staffing and consultant expenses and $0 in revenue, resulting in an anticipated $0.1 million NCC for FY 2023-24 through FY 2032-33.

**g. HCA 17th Street Clinic, Santa Ana, CA**

On September 20, 2021, CEO Real Estate solicited an RFP from qualified and experienced development teams interested in entering into a public-private partnership with the County, to plan, design, entitle, finance, construct, operate, manage and maintain a mixed-use development, including a new County Health Care Facility and other potential uses determined by the successful proposer, on 9.3 acres of County owned land located at 1725 West 17th Street, Santa Ana (Property).

For the Public Facility Development, the County seeks construction of a new state-of-the-art, efficient and cost-effective HCA Clinic that could provide the programmatic and operational infrastructure necessary for HCA to deliver public health services to its clients and patients.

The County also seeks development of any remaining property, outside the reduced development footprint of a new HCA Clinic.

Responses to the RFP were due in November 2021 and proposals were reviewed and ranked. On August 9, 2022, the successful respondent was recommended to the Board for approval to enter into an option and lease agreement for the development of the Property. The County continues to negotiate with the successful proposer, 17th Street Partners and plans to return to the Board with an option and lease agreement in early 2023. There is no funding or revenue included in this Strategic Priority for the 17th Street Clinic project.

**h. Fleet Facilities Needs Assessment**

A draft Fleet Needs Assessment was completed in FY 2021-22 by Mercury Associates, Inc. (Mercury) developing space requirements for the County's fleet management and maintenance and repair operations for two future fleet facility options:

- Option 1 would replace the outdated, undersized and poorly configured Fruit Street maintenance complex and consolidate it with South County Shop operations at a new location.

## County Facilities Master Plan

- Option 2 proposes developing a centralized fleet management and maintenance and repair facility replacing the Fruit Street Shop, South County Shop and the Civic Center Garage.

OCPW and CEO Real Estate are working to holistically centralize Fleet and Facility Operations in a central location. CEO Real Estate continues to actively monitor the real estate market for any new sale or lease listings of automotive dealerships that may meet Fleet's needs, as well as analyze and assess the opportunity for consolidation at the County Operations Center. There is no funding or revenue included in this Strategic Priority for the Fleet Facilities needs assessment project.

**i. 909 Main Street Building**

The building located at 909 Main Street, Santa Ana, is approximately 110,612 square feet and is currently occupied by Probation, and staffing related to community courts, including OCSD and OC District Attorney personnel. The building is a former Buffum's Department store building listed on the City of Santa Ana's Register of Historical Properties for its architectural design. Many of the systems in the building are reaching the end of their useful life and the historical designation complicates upgrades to and renovation of the building. The Board-approved CCSFP identifies the building for sale due to its age and historic designation. Prior to sale of the property, alternate space will need to be located for Probation and the court staff. CEO Real Estate advocates reviewing options for relocating the facilities as part of the upcoming CCSFP update. There is no funding or revenue included in this Strategic Priority for the 909 Main Street facility projects.

**j. El Toro Parcel**

In 2020, CEO Real Estate received Board approval for an option and ground lease agreement with Mind OC for the entitlement, construction, operation, management and maintenance of the Be Well Irvine Campus at 7780, 7800, 7850, 7880, 7900, and 8010 Marine Way, Irvine, on approximately 22 acres of the County's property. Be Well Irvine would expand and enhance Orange County's shared system of behavioral health care and support by providing a second location for residents of Orange County to access countywide behavioral health and substance use disorder and other related services. The option agreement has an initial option term of two years and an option price of $1. The option term may be extended two times with prior written approval from the Chief Real Estate Officer. Each extended option period would have a maximum term of two years, for a total of four additional years. The first two-year extension was approved in September 2022. Mind OC intends to begin Phase 1 of the development in late 2022

## County Facilities Master Plan

with demolition and grading. The Be Well Irvine capital improvement project will be funded from American Rescue Plan Act revenue replacement and other state funding. There is no funding or revenue included in this Strategic Priority for the El Toro Parcel projects.

### II. Completed Real Estate Projects:

**a. Gothard Landfill Huntington Beach, CA**

As a result of the Ground Lease Agreement with Huntington Beach Jeep Chrysler, this Strategic Priority includes $0.4 million in staffing and sage scrub mitigation expenses offset by $2.4 million in revenue. The Strategic Priority also includes a $1.2 million repayment to OC Waste & Recycling resulting in $0.8 million available to the County General Fund during FY 2023-24 through FY 2032-33.

**b. Long-Term Lease of OC Flood Control District (OCFCD) Property at 1100 Bristol Street, Costa Mesa:**

Due to the 21-year ground lease between the OCFCD and Ganahl Lumber Company, this Strategic Priority includes $0.2 million in staffing expenses offset by $6.6 million in revenue and $2.3 million in revenue sharing with OC Flood, resulting in an anticipated net $4.1 million available to the County General Fund during FY 2023-24 through FY 2032-33.

**c. Coyote Canyon Development Opportunity in Newport Beach, CA**

Based on the 75-year lease agreement with Tait Development, LLC, this Strategic Priority includes $0.2 million in staffing expenses offset by $2.7 million in revenue and $0.9 million in revenue sharing with OC Waste & Recycling, resulting in an anticipated net $1.6 million available to the County General Fund during FY 2023-24 through FY 2032-33.

**d. Green River Golf Course**

As a result of the 20-year lease with Course Co., this Strategic Priority includes $0.1 million in staffing and consultant expenses offset by $1.0 million in revenue and, $0.3 million in revenue sharing with OC Flood, resulting in an anticipated $0.6 million available to the County General Fund during FY 2023-24 through FY 2032-33.

**e. Greenspot Property Sale:**

The OC Flood Control District (OCFCD) owned approximately 1,658 acres of vacant real property (Greenspot Property) in the southeastern-most portion of the City of Highland, south of the San Bernardino National Forest; east of the Santa Ana River and Greenspot

## County Facilities Master Plan

Road; and north of Mill Creek and State Highway 38. The Greenspot Property was originally acquired by OCFCD as a borrow site in conjunction with the construction of the Seven Oaks Dam as part of the Santa Ana River Project, but the property is no longer used for the dam construction. After efforts to develop the Greenspot Property for residential uses were unsuccessful the property was sold at public auction to the San Bernardino Valley Water District, with the sale closing in February of 2022.

On June 22, 2021, the Board adopted a resolution declaring OCFCD's intent to sell the Greenspot Property. On September 8, 2021 the County of Orange accepted a bid for $31,815,000 from the San Bernardino Municipal Valley Water District. On February 17, 2022 the sale of the Greenspot property to the San Bernardino Municipal Valley Water District closed. The State of California will receive 70% of the proceeds net of expenses, Orange County and OCFCD will receive 17.70%, San Bernardino County will receive 7.03% and Riverside County will receive 5.27%. Orange County and OCFCD are expected to split evenly their share of the net proceeds. Orange County's 50% portion of net sale proceeds are estimated at $3,106,016.

5. **Personnel Impacts**
These projects will be managed by existing staff and consultants hired for specific projects.

6. **Cost Impact**
The following $14.9 million in costs are for staff and consultant time and materials and do not include offsetting revenues.

| Fiscal Year | Costs (in millions) |
|---|---|
| 2023-24 | $ 5.4 |
| 2024-25 | 2.4 |
| 2025-26 | 2.4 |
| 2026-27 | 2.4 |
| 2027-28 | 0.4 |
| 2028-29 | 0.4 |
| 2029-30 | 0.3 |
| 2030-31 | 0.4 |
| 2031-32 | 0.4 |
| 2032-33 | 0.4 |
| **Total** | **$14.9** |

## County Facilities Master Plan

**7. Funding Sources**

The following $67.5 million gross revenue included in the Strategic Priority stems from various real estate initiatives. Some Facilities Master Plan projects propose requests for General Funds, but each project will be discussed separately with the CEO and the Board for possible alternate funding.

| Fiscal Year | Gross Revenue (in millions) |
|---|---|
| 2023-24 | $ 11.1 |
| 2024-25 | 10.9 |
| 2025-26 | 6.0 |
| 2026-27 | 5.2 |
| 2027-28 | 4.9 |
| 2028-29 | 5.1 |
| 2029-30 | 5.7 |
| 2030-31 | 5.9 |
| 2031-32 | 6.2 |
| 2032-33 | 6.5 |
| **Total** | **$67.5** |

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 0% | 100% |

**8. Stakeholders**

Residents and leadership of the City of Santa Ana, the City of Laguna Niguel, the City of Irvine, the City of Highland and the City of Chino in San Bernardino County (Greenspot and Prado), residents served by HCA, OCPW, CEO and other County agencies and departments.

**9. Mandated or Discretionary Program/Project?**

Discretionary: All projects are discretionary and would be implemented as directed by the Board.

**10. Implementation Period if Funding Were Available**

This is a continuing Strategic Priority since 2006 based on prior Board directives and is updated annually to reflect input from Board members and CEO Executives.

## County Facilities Master Plan

This Strategic Priority is projected to provide $52.6 million in net revenue, of which $36.0 million will be distributed to the County General Fund to address one-time capital investments and other obligations in the ten-year plan and may provide net revenue contributions to the General Fund as follows:

| Fiscal Year | Net Revenue (in millions) |
|---|---|
| 2023-24 | $ 4.1 |
| 2024-25 | 7.1 |
| 2025-26 | 2.1 |
| 2026-27 | 1.2 |
| 2027-28 | 2.9 |
| 2028-29 | 3.2 |
| 2029-30 | 3.6 |
| 2030-31 | 3.8 |
| 2031-32 | 3.9 |
| 2032-33 | 4.1 |
| **Total** | **$ 36.0** |

These amounts are the net General Fund contributions after deducting $16.8 million for FY 2023-24 through FY 2032-33 revenue sharing with OC Flood ($14.7 million) and OC Waste & Recycling ($2.1 million).

In addition to these projects, the County has aging infrastructure, such as its central jail and Probation facilities that may require substantial infrastructure investments in the future. The County will use its Computerized Maintenance Management System (CMMS), in the identification of pending capital and deferred maintenance projects and infrastructure needs for all County facilities.

| County Facilities Master Plan | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Services & Supplies | 5,425,471 | 2,408,749 | 2,404,962 | 2,415,050 | 425,389 |
| **Total Cost** | **5,425,471** | **2,408,749** | **2,404,962** | **2,415,050** | **425,389** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Other Financing Sources | 11,074,751 | 10,921,184 | 6,018,230 | 5,152,122 | 4,850,481 |
| **Total Revenue** | **11,074,751** | **10,921,184** | **6,018,230** | **5,152,122** | **4,850,481** |
| | | | | | |
| **III. Reserves** | | | | | |
| Reserves | 5,649,280 | 8,512,435 | 3,613,268 | 2,737,072 | 4,425,092 |
| **Total Reserves Inc/(Dec)** | **5,649,280** | **8,512,435** | **3,613,268** | **2,737,072** | **4,425,092** |
| | | | | | |
| **IV. Balance** | **0** | **0** | **0** | **0** | **0** |
| | | | | | |
| **V. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| County Facilities Master Plan | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 346,110 | 339,504 | 347,952 | 356,611 | 365,486 | Services & Supplies |
| **346,110** | **346,110** | **347,952** | **356,611** | **365,486** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 5,122,445 | 5,706,714 | 5,924,145 | 6,203,742 | 6,486,540 | Other Financing Sources |
| **5,122,445** | **5,706,714** | **5,924,145** | **6,203,742** | **6,486,540** | **Total Revenue** |
| | | | | | |
| | | | | | **III. Reserves** |
| 4,776,335 | 5,367,210 | 5,576,193 | 5,847,131 | 6,121,054 | Reserves |
| **4,776,335** | **5,367,210** | **5,576,193** | **5,847,131** | **6,121,054** | **Total Reserves Inc/(Dec)** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **V. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

# Physical Identity Access Management (PIAM)

1. **Program Area**
   Insurance, Reserves & Miscellaneous

2. **Involved Agencies and Departments**
   This Strategic Priority encompasses all County departments.

3. **New or Continuing Strategic Priority**
   This is a continuing Strategic Priority previously identified in the 2019 to 2021 Strategic Financial Plans.

4. **Description of Strategic Priority**
   Currently, badge access managers use five separate request systems and manually manage 25,000 badge identities across six disparate access systems: OC Information Technology (OCIT) building access, Sheriff-Coroner Department (OCSD) building access, OC Public Works (OCPW) Parking, OCPW Fleet Fuel, OCIT Secure Printing and OC Parks Parking system for employees. Physical Identity Access Management (PIAM) systems were developed to automate current manual practices that have resulted in former employees, contractors and visitors having active badges with unauthorized access to County assets as reported in the Auditor-Controller's 2018 Audit Findings, Audit No. 1748-A (Reference 1644-F1) – Information Technology Audit. PIAM is a policy-driven workflow system that automates badge access management by interfacing with Microsoft Identity Manager (MIM) and existing badge systems to provide a central portal for provisioning and de-provisioning, reporting and auditing badge access to County assets (legal evidence rooms, crime labs, Central Utility Facility, OC Data Center, technology systems, Registrar of Voters ballot areas, Elected Offices, facility entrances, office suites, money vaults, parking garages, and vehicle fuel pumps). Key benefits of PIAM include: reduced operating costs through automation of manual processes; increased control by centrally managing County-issued identities across disparate badge systems; reduced delays in on- and off-boarding identities and access to the badge system; and minimized risks associated with manual enforcement of policies related to access provisioning and de-provisioning.

5. **Personnel Impacts**
   No additional staffing is required.

## Physical Identity Access Management (PIAM)

6. **Cost Impact**
One-time cost for software, server builds, professional services, and project management is $1.4 million.
Ongoing annual maintenance (software and two Virtual Servers) is $208 thousand.

7. **Funding Sources**
OCIT requests $1.6 million in General Fund (NCC) for one-time project development costs during FY 2023-24 through FY 2024-25 and the FY 2025-26 annual cost. The remaining ongoing annual cost of $208 thousand beginning FY 2026-27 will be included in OCIT's Budget and billed back to departments through Badge Access pass-through rates.

| Funding Sources | | | |
|---|---|---|---|
| **Federal** | **State** | **General Fund** | **Other** |
| 0% | 0% | 53% | 47% |

8. **Stakeholders**
The County Executive Office provides project budget review and directs countywide Identity Management compliance policies for agencies to follow. The system owners include OCIT, OCPW, OCSD and OC Community Resources. All agency Directors or designees (Administration and Building managers) are participant stakeholders. John Wayne Airport (JWA) is implementing a similar Identity Management System and can offer expertise and guidance. OCIT is unable to use the JWA's aviation solution for Identity Management due to different security restrictions, architecture, interface and workflows. In addition, the JWA system cannot be segmented to support the County's badge environment.

9. **Mandated or Discretionary Program/Project?**
Discretionary project.

10. **Implementation Period if Funding Were Available**
OCIT anticipates issuing a Request for Proposal in FY 2023-24. If funding is identified, the project would then be presented to the Board of Supervisors for approval. If funding is identified in FY 2023-24, information gathering, functional design, workflow policies development, system baseline installation, user access testing and training could occur in FY 2024-25. Under this scenario, PIAM production deployment (Go Live) could take place in FY 2025-26.

| Physical Identity Access Management (PIAM) | | | | | |
|---|---|---|---|---|---|
| | **FY 23-24** | **FY 24-25** | **FY 25-26** | **FY 26-27** | **FY 27-28** |
| **I. Cost** | | | | | |
| Equipment | 980,000 | 420,000 | 0 | 0 | 0 |
| Services & Supplies | 18,000 | 18,000 | 208,000 | 208,000 | 208,000 |
| **Total Cost** | **998,000** | **438,000** | **208,000** | **208,000** | **208,000** |
| | | | | | |
| **II. Non-General Fund Revenue** | | | | | |
| Charges For Services | 0 | 0 | 0 | 208,000 | 208,000 |
| **Total Revenue** | **0** | **0** | **0** | **208,000** | **208,000** |
| | | | | | |
| **III. General Fund Requirement** | **998,000** | **438,000** | **208,000** | **0** | **0** |
| | | | | | |
| **IV. Staffing** | | | | | |
| No Positions | 0 | 0 | 0 | 0 | 0 |
| **Total Positions Funded Per Fiscal Year** | **0** | **0** | **0** | **0** | **0** |

| Physical Identity Access Management (PIAM) | | | | | |
|---|---|---|---|---|---|
| **FY 28-29** | **FY 29-30** | **FY 30-31** | **FY 31-32** | **FY 32-33** | |
| | | | | | **I. Cost** |
| 0 | 0 | 0 | 0 | 0 | Equipment |
| 208,000 | 208,000 | 208,000 | 208,000 | 208,000 | Services & Supplies |
| **208,000** | **208,000** | **208,000** | **208,000** | **208,000** | **Total Cost** |
| | | | | | |
| | | | | | **II. Non-General Fund Revenue** |
| 208,000 | 208,000 | 208,000 | 208,000 | 208,000 | Charges For Services |
| **208,000** | **208,000** | **208,000** | **208,000** | **208,000** | **Total Revenue** |
| | | | | | |
| **0** | **0** | **0** | **0** | **0** | **IV. Balance** |
| | | | | | |
| | | | | | **IV. Staffing** |
| 0 | 0 | 0 | 0 | 0 | No Positions |
| **0** | **0** | **0** | **0** | **0** | **Total Positions Funded Per Fiscal Year** |

Our Community.
Our Commitment.


COUNTY OF ORANGE

400 W. Civic Center Dr., 5th Floor, Santa Ana, CA 92701
Tel: 714.834.2345
www.ocgov.com


Visit the County website at www.ocgov.com for more information about County programs and Board meeting dates and agendas.