



**SUPERVISOR BILL CAMPBELL**  
THIRD DISTRICT  
ORANGE COUNTY BOARD OF SUPERVISORS



# *Orange County Update*



*Presented by*  
*Supervisor Bill Campbell*



*Brea Rotary Club*  
*November 17, 2009*



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## *Presentation Topics*

*1) Orange County Budget Status*

*2) OCTA Bus Service*

*3) Brea Fire Service*



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Finance and Budget



*County Budget Status*



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## State Budget Crisis

- *Budget Gap was \$15 billion for FY 08-09 and \$60 billion for FY 09-10*
- *The Governor projects \$5 to \$7 billion in budgetary shortfall in FY 2009/10*
- *The FY 2010/11 budget gap is projected at \$14 billion*





## *State Budget Crisis, cont.*

- *Borrowing \$1.9 billion in local government property taxes (\$50.9 million for Orange County)*
- *\$32.2 million reduction in funding for safety net services such as:*
  - *CalWORKs*
  - *Mental Health Services*
  - *Child Welfare Services*
  - *Foster Care Services*
  - *Substance Abuse Services*
  - *Juvenile Crime Prevention Funding*
- *Deferral of State mandate reimbursement to Orange County - \$80+ million currently due*





## County Budget Reduction Measures

- *Restructuring of Retiree Medical*
- *Deletion of 937 positions since July 1, 2008*
- *Reduction and deferral of capital and information technology projects*
- *Hiring Freeze*
- *Employee cost savings ideas*
- *Mid-Year budget reductions and expense controls*



## County Budget Reduction Measures, cont.

- *Limited use of reserves*
- *No backfill of State funding reductions*
- *Executive Management salary reduction*
- *New union contract with no increase for 3 years, and a reduced pension for new employees and some existing.*
- *Deferral of scheduled salary increase for managers*
- *The District Attorney's (DA) Office and Social Service Agency (SSA) have exercised furloughs*
- *CEO, DA, Public Works, Probation, Sheriff's Department and SSA have laid off 357 employees.*



## County Budget Potential Problem Areas

### FY 09-10 Potential Budget Problems

- \$25 million bridge of one-time funding provided to the Sheriff's Department
- \$20.6 million bridge of one-time funding provided to DA's Office

### FY 10-11 Potential Budget Problems

- Negative property tax values
- Potential gap of \$55-\$60 million for the Sheriff's Department
- Potential gap of \$20 million for the DA's Office
- Potential \$20 million shortfall throughout the rest of the County



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*OCTA Bus Service*



## Bus Transit Operating Revenues

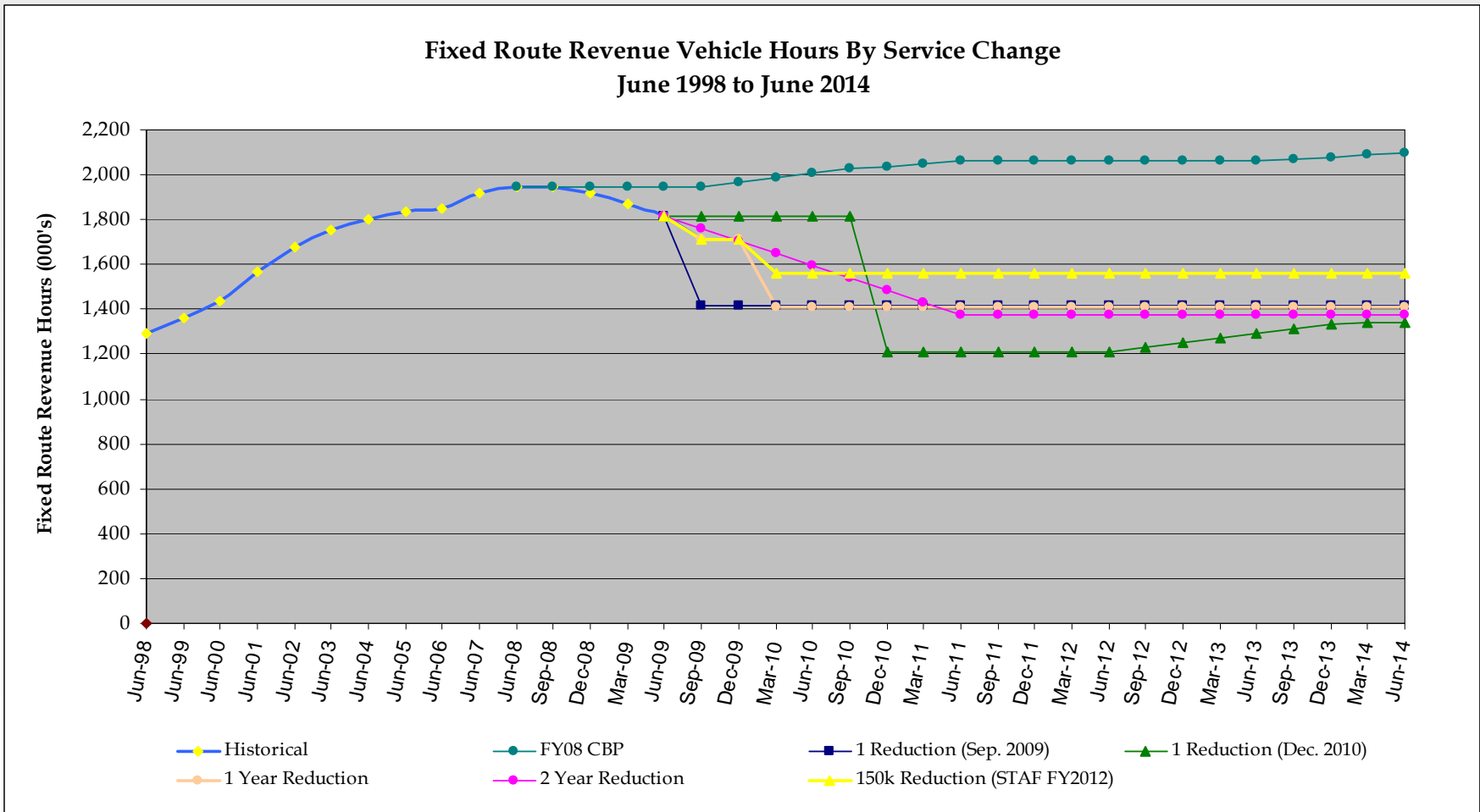
*In May 2009, OCTA estimated the five year shortfall to be \$272 million*

<b>Change in Millions</b>						
<b>Funding Source</b>	<b>FY 09</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>	<b>FY 13</b>	<b>Total</b>
Local Transportation Fund	(\$28.6)	(\$41.6)	(\$46.0)	(\$47.8)	(\$50.5)	(\$214.4)
State Transit Assistance	(17.0)	(20.0)	(20.8)	(21.2)	(20.2)	(99.2)
Other	(10.7)	(16.5)	(18.9)	(6.1)	(4.8)	(57.0)
Federal Formula Grants	(3.3)	14.2	(2.9)	8.5	9.2	25.7
Bus Fares	(1.7)	(0.7)	1.0	4.1	3.6	6.3
Property Taxes	(0.4)	(1.1)	(1.9)	(2.7)	(3.4)	(9.5)
Federal Economic Stimulus	28.0	37.5	10.5	-	-	76.1
<b>Total</b>	<b>(\$33.7)</b>	<b>(\$28.2)</b>	<b>(\$78.9)</b>	<b>(\$65.1)</b>	<b>(\$66.0)</b>	<b>(\$272.0)</b>



# Directly Operated Bus Revenue Hours

Fixed Route Revenue Vehicle Hours By Service Change  
June 1998 to June 2014

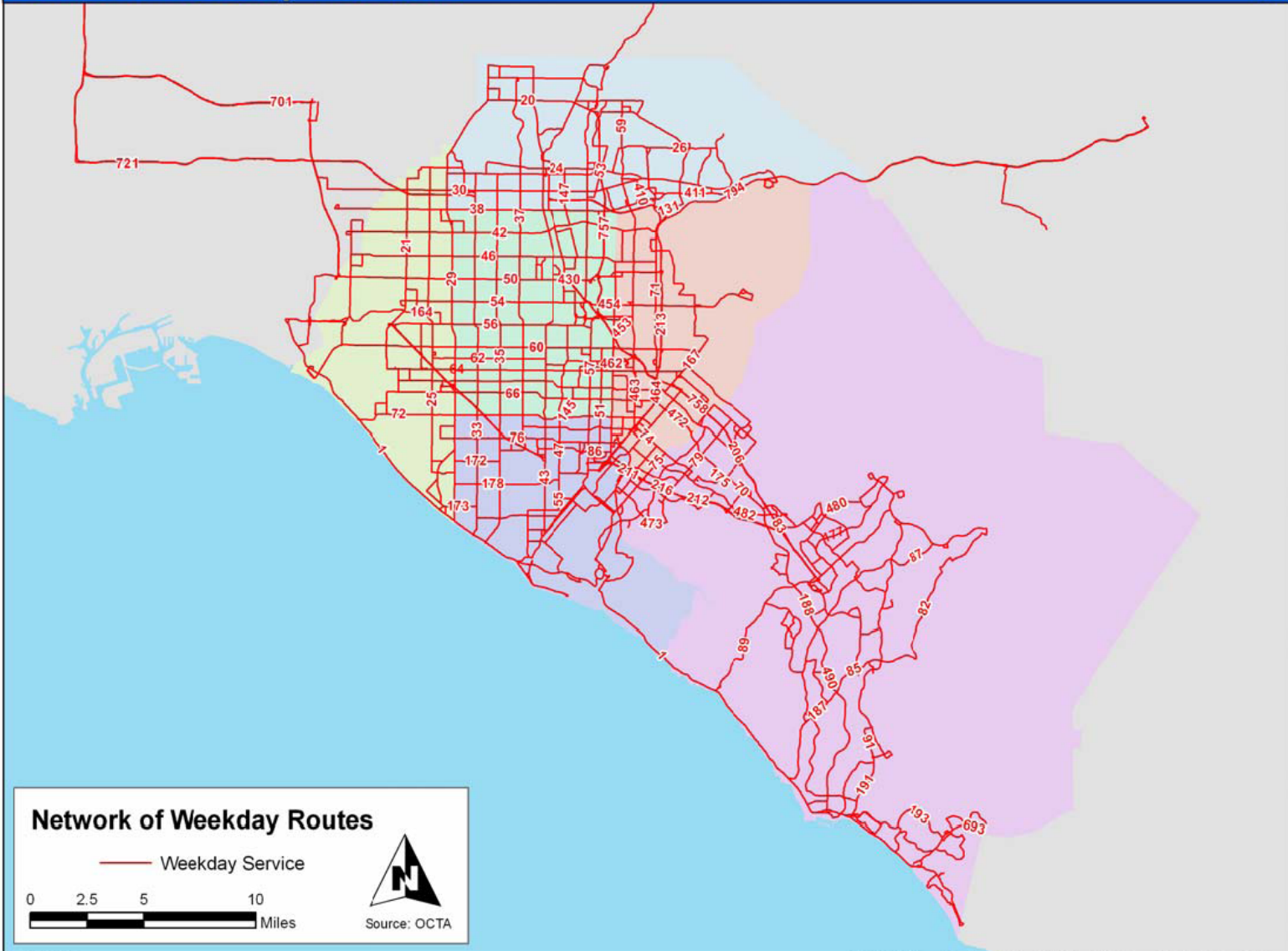




<i>Bus Service Reduction Timeline</i>	<i>Action Taken</i>
OCTA reduces bus service by 133,000 service hours.	<b>December '08- June '09</b>
OCTA prepares its FY 2010 Budget and plans a 400,000 hour service reduction due to lower sales tax and state transit assistant fund revenues.	<b>March '09</b>
First 100,000 hour service reduction is approved and the OCTA Board directs staff to bring the final 300,000 hour service reduction to it by December for implementation in March 2010.	<b>June '09</b>
First 100,000 service hour reduction is implemented.	<b>September '09</b>
The Court rules that the State spending of state transit assistant funds is unconstitutional and that the funds must be spent on transit.	<b>October '09</b>
OCTA Board revisits its transit funding assumptions and reduces the service cut by 150,000 service hours.	<b>November '09</b>
OCTA Board To Take Action on the December service reduction.	<b>November 23</b>



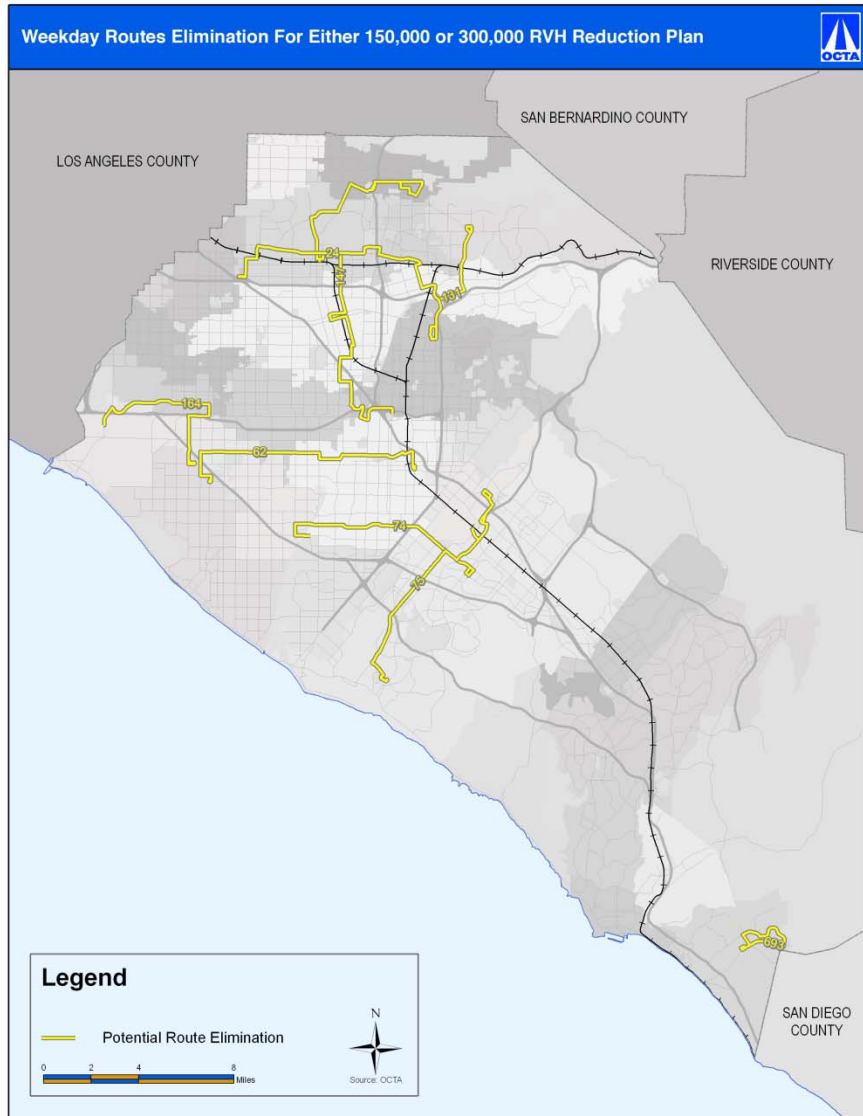
## Current Weekday Network





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November 10, 2009

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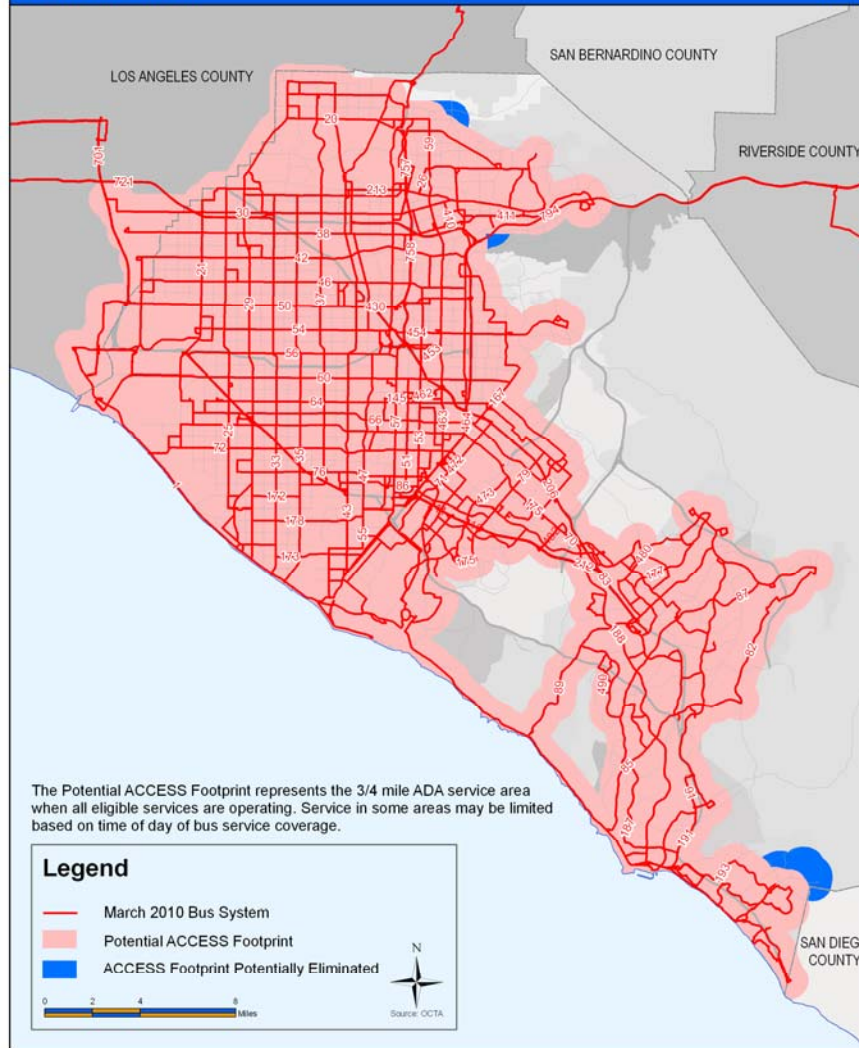




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**Weekday ACCESS Service Impact For Either Recommended 150,000 or 300,000 RVH Reduction Plan**



November 10, 2009

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*Brea Fire Service*



## *Brea Fire Service*

- *On May 9<sup>th</sup> the City of Brea decided to seek proposals for fire services from Orange County Fire Authority (OCFA) and the Consolidated Fire Protection District of Los Angeles County.*
- *OCFA prepared to serve the city on a contract basis.*
- *Contract will insure that level of service will remain unchanged at a lower cost than the city is currently paying to have its own independent department.*
- *OCFA's proposal benefits the City of Brea by providing maximum use of all emergency and support resources, and by providing coordinated fire prevention in both the wildland and urban area.*



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# Questions?

