

State of the County 2013



February 21, 2013

Association of California Cities – Orange County

**Supervisor Shawn Nelson
Chairman**

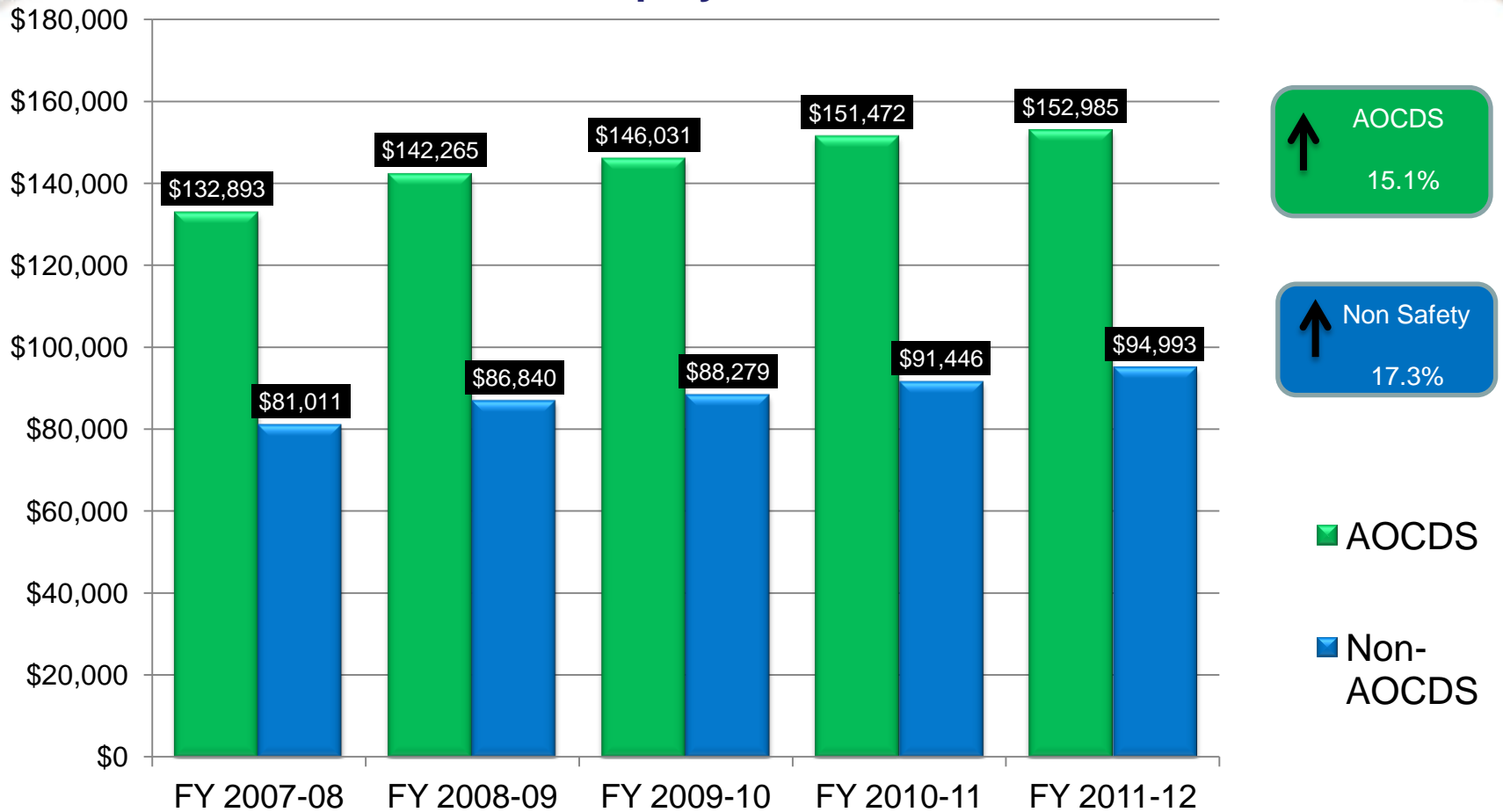
Employee Pensions

- Non-safety: For new hires the formula is **1.62% @ 65**
 - (Formerly 2.7% @ 55 or 1.62% @ 65)
 - (State formula is higher 2% @ 62)

- Safety: For new hires the formula is **2.7% @ 57**
 - (Formerly 3.0% @ 50)

- County is 7 years into the 30 year amortization pay off of the enhanced pension formulas. Unlike CalPERS, OCERS does not continually re-amortize the unfunded liability.

Total Compensation for AOCDS (Safety) Employees & Non-AOCDS Employees, FY 07-08 to FY 11-12



Personnel

- Recruitments For Elected Office Vacancies
 - Auditor – Controller: 29 Applications
 - Clerk – Recorder: 864 Applications (102 qualified)
 - Public – Administrator: 83 Applications

- Recruitments For County Leadership Staff
 - Chief Executive Officer
 - Real Estate Manager
 - Performance Auditor

Vehicle License Fee - Update

- 1994 - Following the OC bankruptcy VLF was secured to bondholders directly to pay down bankruptcy debt
- 2004 - Triple Flip changed how counties received funds
- 2005 - County re-financed, lifting direct tie of funds to bond debt
- 2012 - VLF Payments of \$48 million/year stopped by State of California
- \$73 million/year is actual value retained per State law
- January 29, 2013 – Court hearing; a decision is expected soon

Prisoner Realignment AB 109

Purpose:

A) Redirect inmates scheduled to be paroled to County supervised probation

Issue: Do we get full reimbursement? YES, so far.

B) Sentence “non violent” offenders to do their time in County jail vs. state prison

Issue: Do we get full reimbursement? TBD

Violent status not related to last crime

Experience:

A) Probationers since 2/11/2013 = **2,227**

-Reimbursement from state = \$ 56.3 Million

B) Jail sentence diversion: 928 inmates as of 2/13/2013

-Bookings 200% greater than original estimates

-Medical issues: liver transplants, chronic illnesses, major surgeries, increased medication costs

The Information Technology Challenge

- The challenge of major government IT projects is to develop standardized solutions to common requirements across jurisdictional lines.
- State and Regional agencies have invested hundreds of millions in failed or poorly performing systems such as payroll, benefits, and property tax systems that can be developed according to standard principles.
 1. California DMV System \$254 million
 2. State EDD - \$158 million
 3. State Court Network - \$310 million
 4. LAUSD Payroll System - \$95 million
 5. County of San Diego Property Tax System - \$31 million
 6. State Payroll System \$50 million
 7. **County of Orange Property Tax Management System – \$15.6 million**
- Governments can work together in development and can ultimately maintain and upgrade universal systems with non-profit or educational custodians.

County Contract Sample

- John Wayne Airport: Terminal C -- **McCarthy Building Companies Inc: \$116,328,991**
- Health Care Agency: Mental Health inpatient services --**Royale Health Care \$63,662,405**
- OC Flood Control: SARI Line relocation project --**W.A. Rasic Construction: \$41,800,000**
- OC Flood Control: Wintersburg Garden Grove Channel --**Reyes Construction \$41,392,704**
- Social Services Agency: Welfare to work employment services --**ResCare Inc.: \$43,473,945**
- Health Care Agency: Low income health program pharmacy benefits --**RxAmerica LLC: \$31,982,098**
- OC Waste & Recycling: Heavy equipment maintenance for landfills --**Quinn Company: \$22,500,000**
- OC Waste & Recycling: Hazardous waste collection and disposal --**Clean Harbors Environmental: \$17,736,300**
- John Wayne Airport: Maintenance building project --**Snyder Langston: \$8,683,862**
- OC Dana Point Harbor: Master planning --**PDI: \$8,300,000**

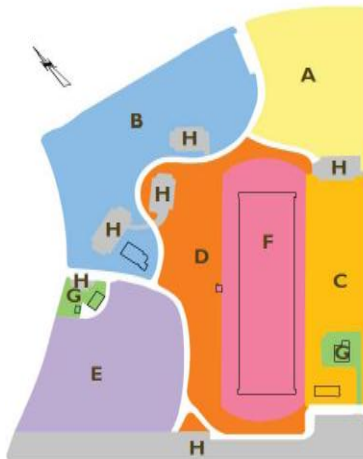
Addressing Homelessness

- 2011 projected homeless: 18,325
- Fiscal year 2010/2011 expenditures: County agencies allocated \$67 million to address the homeless issue.
- 2013: Board of Supervisors unanimously approved a purchase agreement for a location in Fullerton to establish emergency shelter and multi-service center that will replace the current Armory location for the first time in Orange County history.

New location:

- Approximately 29,000 square feet
- Has the capabilities to house a multitude of services including mental health services, job training, social services and emergency housing.

Tustin Regional



- Zone A: Open Field Area, trails, restrooms (10.2 Acres)
- Zone B: Playgrounds, trails, park lake, trails (15.5 Acres)
- Zone C: Open turf field, special event parking, trails (8.1 Acres)
- Zone D: Playgrounds, picnic area, event gathering (9.9 Acres)
- Zone E: Active Recreational Use area(12.0 Acres)
- Zone F: Hangar Plaza, special events(13.8 Acres)
- Zone G: Maintenance Use Area (1.8 Acres)
- Zone H: Parking (9.9 Acres)

Q&A?

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