STRATEGIC FINANCIAL PLAN · 2020 ·

COUNTY OF ORANGE CALIFORNIA

BEHAVIORAL HEALTH

HEALTHCARE

HOUSING

COMMUNITY CORRECTIONS

BENEFITS & SUPPORT SERVICES

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Acknowledgement:

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The Integrated Services Strategy is an outcome of the Stepping Up Initiative and is a collaborative success strategy focused on implementing enhanced care coordination. Under Integrated Services, the Orange County 2025 Vision includes five Systems of Care. These systems provide care and resources to the County's most vulnerable residents.

Integrated Services 2025 Vision Report

BEHAVIORAL HEALTH

Be Well OC Campus

HEALTHCARE

17th Street Clinic

HOUSING

Della Rosa

COMMUNITY CORRECTIONS

Orange County Central Men's Jail

BENEFITS & SUPPORT SERVICES

Social Services Agency Mobile Response Vehicle

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CALIFORNIA

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. As a result of the Novel Coronavirus (COVID-19) pandemic, the year leading up to the 2020 Strategic Financial Plan process evidenced a recession with a decline in Gross Domestic Product (GDP), high unemployment rates coupled with a strong housing market, high online consumer spending and strong technology, moderate residential construction and significantly reduced tourism. Given the unprecedented nature of the impact of the pandemic on the economy, economists have differing projections. However, economists universally agree that growth will be significantly facilitated with the widespread inoculations of COVID-19 vaccines. While revenue growth in recent years has allowed the County to fund one-time projects and enhanced service levels, the level of future growth will dictate the impacts on projects and levels of service. The County is committed to maintaining essential services and will endeavor to align 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 outpace revenue growth, 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:

- **Building a System of Care:** The County continues to move forward with several key initiatives to improve the overall response to homelessness across the region, including:
  - **Regional Response to Homelessness and Emergency Shelter Developments:** The most recent adopted budget includes funding for the operation of the Yale Transitional Center facility. The Yale Transitional Center is

an emergency shelter and will serve up to 425 individuals experiencing homelessness in the Central Service Planning Area of Orange County. The County also remains committed to supporting city-led shelter programs through field-based outreach teams that integrate County behavioral health resources. The continuous partnerships between the County and each of the 34 cities in Orange County is essential to meet the needs of people, linking them from street outreach to shelter, as the System of Care continues to expand. Through these efforts and others, the County is working together with cities to respond to regional community needs. Also included in the budget is funding for bridge housing and housing navigation to assist homeless individuals in overcoming barriers as they transition from the street to permanent housing.

- **System Integration:** The County leverages available resources by integrating various County services within the emergency shelter, health care, behavioral health and community re-entry systems. Proposed initiatives address mental health and substance abuse treatment, providing linkages to services, recidivism reduction, and post-incarceration re-entry services to the community. To that end, the County purchased a centrally located building in the City of Orange to establish a behavioral health campus made possible through partnerships with community organizations. The campus will employ an integrated approach, co-locating mental health and substance abuse treatment and will provide the ability to leverage funding and establish more effective and efficient service delivery systems. Services offered will include crisis stabilization, recidivism reduction, and linkages to services for all community members. Construction of the Be Well OC Behavioral Health Services campus is anticipated to be completed in December 2020 with services fully implemented by June 2021.

- **Data Sharing Platform for Care Coordination:** A project is underway to develop a system platform that would integrate information and data across the County's System of Care, including health care, behavioral health, community corrections, housing, and benefits and support services, with the first phase completed in December 2020. Mental Health Services Act and Whole Person Care funds ($3.8 million) were used to map processes across the involved departments and identify potential vendors to develop a system platform. In March 2020, the County contracted with IBM to develop the system platform. Implementation of an operationally proven, innovative, scalable and sustainable platform is a priority for the County. In addition, efforts will continue to identify funding for the next phases of the project.

- **Integrated Services Strategy:** The Integrated Services 2025 Vision Report, presented to the Board of Supervisors on October 22, 2019, lays the groundwork for implementation of the Integrated Services Strategy. This strategy prioritizes behavioral health prevention and reentry efforts, in-custody behavioral health treatment, in-custody vocational and educational programming and collaboration with courts as part of the larger effort to strengthen the County's System of Care.

- **Capital and Infrastructure Improvements:** The County continues on a path to improve agency infrastructure in various areas including the Civic Center Facilities Strategic Plan (CCFSP), an initiative that addresses 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; and better manage long-term occupancy and maintenance costs. The County is also actively exploring options for development projects that would use County assets to generate ongoing revenue streams.

The Process

The Strategic Financial Plan (the Plan or SFP) is a financial component of the County's Strategic Plan that provides short and long-term operational linkage between the County's Strategic Plan and the annual budget process. It offers a means to gauge Departments' needs and resources to ensure the County's financial position is sufficient to support ongoing services and long-term needs while ensuring genuine sustainability within potential future economic constraints. The Plan 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 Plan provides the context for a five-year operating budget and prepares for development of the next fiscal year budget with the condition that assumptions used in developing the plan may change over time. The Plan 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 which are 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 Plan consist of the following in addition to the projected General Purpose Revenue:

Revenue Type	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
State Revenue	$ 1,336.5	$ 1,378.1	$ 1,405.6	$ 1,432.8	$ 1,459.4
Federal Revenue	479.4	465.1	469.4	474.6	480.5
Charges for Services	507.1	529.0	528.2	540.4	540.1
Other Financing Sources	392.9	397.8	384.1	375.7	381.1
Licenses, Permits & Franchises	24.9	25.8	26.0	26.1	26.3
Miscellaneous Revenues	11.2	11.6	12.3	13.3	14.4
Fines, Forfeitures & Penalties	8.3	8.0	8.1	8.1	8.1
Use of Money & Property	11.2	13.8	15.7	15.8	15.8
Other Governmental Agencies	14.0	14.4	14.8	15.2	15.6
Subtotal	***$ 2,785.5***	***$ 2,843.7***	***$ 2,864.2***	***$ 2,901.9***	***$ 2,941.2***
General Purpose Revenue	949.2	968.2	998.9	1,030.4	1,062.9
Grand Total	**$ 3,734.7**	**$ 3,811.9**	**$ 3,863.1**	**$ 3,932.3**	**$ 4,004.1**

State and Federal revenue sources, in particular, are reviewed and closely monitored to identify possible issues. Any issues identified during the SFP process are reported to the County's Legislative Affairs unit, which then communicates the concerns to 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 issues.

As in prior years, the SFP focuses on General Fund gap analysis to highlight the continuing impact of projected declining General Fund revenue growth and the ongoing cost of doing business. The plan focuses on identification of General Fund fiscal gaps (comprised of Departmental planned expenditures net of Departmental revenues and NCC) and imbalances that will need to be addressed during the FY 2021-22 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 2021-22 prior to the usual timeframe of the annual budget process, thereby allowing more time for collaboration and creative 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 2020 SFP includes:

- General Purpose Revenue forecast developed in conjunction with forecasts by the Auditor-Controller, the 2020-21 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 2020 was included as part of the 2020 SFP instructions. As changes occur in the economy, projections will be updated during the FY 2021-22 annual budget development process.

Key Assumptions:

- The total cost of salaries and benefits is expected to increase over the five-year plan 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 plan. 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 2020 SFP are the following economic and demographic assumption changes adopted by the Orange County Employees Retirement System (OCERS) Board on October 16, 2017, which included a three-year phase-in of the cost impact to the contribution rates associated with the Unfunded Actuarially Accrued Liability (UAAL):

- Reduced the assumed investment rate of return from 7.25% to 7.00%
- Reduced the assumed rate of price inflation from 3.00% to 2.75%
- Adopted the use of generational tables, which have identified reduced rates of mortality for members

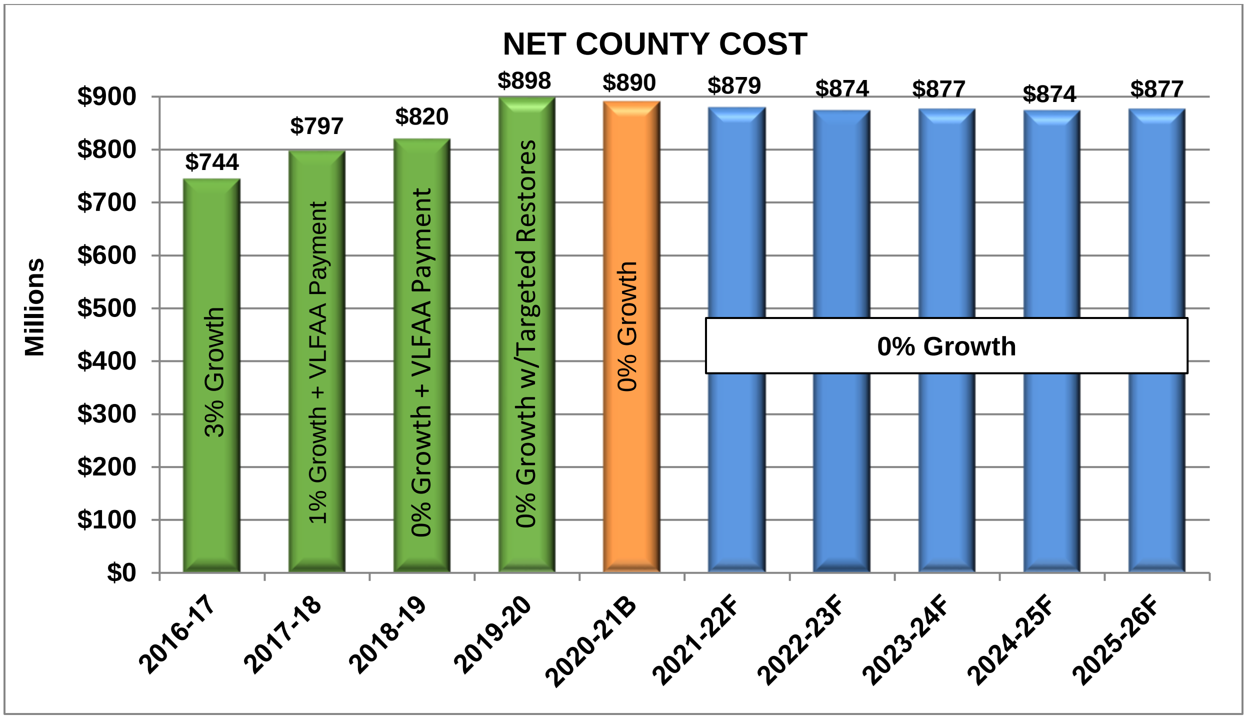
As a result of the cumulative effect of the three-year phase-in of the assumption changes to the UAAL and the unfavorable 2018 investment losses of 2.46%, contribution rates increased beginning in FY 2019-20 through FY 2021-22, the first year of the plan. After the three-year phase-in, contribution rates are projected to stabilize beginning in FY 2022-23, fluctuating slightly due to investment smoothing.

- Retirement Rate Assumptions (Tier II) utilize the assumed investment rate of return of 7.00% for all years, which resulted in the following retirement rates over the five-year plan:
  - Safety Rate ranges from 72.5%% to 75.2% (3@50; excludes retiree medical)
  - Non-Safety Rate ranges of 35.6% to 36.9% (2.7@55; excludes retiree medical)
  - Retiree Medical for Safety ranges from 1.4% to 1.6% (3.1% to 3.3% for Law Enforcement Management)
  - Retiree Medical for Non-Safety ranges from 3.3% to 3.4%

- Health Benefit Cost Assumptions
  - 5-Year Growth from $217 million to $289 million, a 33% increase

- Consumer Price Index (CPI) Assumptions for Services & Supplies: 3.7% to 3.8%

- Departmental NCC limits were set for ongoing baseline operations (current levels of service). FY 2021-22 NCC limits were projected using the adopted FY 2020-21 limits ($890 million) as a starting point, with amendments for technical adjustments and removal of one-time items resulting in proposed baseline limits for FY 2021-22 of $879 million. Departments have identified $203 million in appropriation reductions that would be required to meet the FY 2021-22 NCC limits. After factoring in NCC limit growth of 0% in FY 2021-22 through year five of the Plan and removing any one-time items, Departments identified a 5-year cumulative budget gap of $586 million The following table summarizes historical budgeted and forecasted NCC.



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

Program	16-17	17-18	18-19	19-20	20-21B	21-22F	22-23F	23-24F	24-25F	25-26F
Public Protection	$413.37	$454.05	$441.67	$506.60	$601.08	$500.08	$498.15	$498.15	$498.15	$498.15
Community Services	127.23	128.77	129.43	152.32	178.05	178.13	178.13	178.13	178.13	178.13
Infrastructure	22.33	22.27	37.10	35.71	36.41	35.85	35.85	35.85	35.85	35.85
General Government	121.27	123.84	116.25	140.98	130.18	131.16	127.54	131.07	127.54	131.07
Capital Improvements	20.31	15.74	22.93	53.81	28.96	21.99	22.98	22.98	22.98	22.98
Debt Service	0.87	0.87	0.24	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Insurance, Reserves & Misc.	38.87	51.36	72.38	9.00	(84.64)	12.00	10.86	10.86	10.86	10.86
GRAND TOTAL NCC	**$744.25**	**$796.90**	**$820.00**	**$898.47**	**$890.09**	**$879.26**	**$873.56**	**$877.09**	**$873.56**	**$877.09**

Note: FY 20-21B NCC is the adopted budget. SFP years are forecasted (F).

Outlook and Opportunities

In general, key economic indicators reflect a return to previous growth trends with the widespread availability of a vaccine and a relatively strong economic performance by the second or third year of the plan. 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 declining 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.

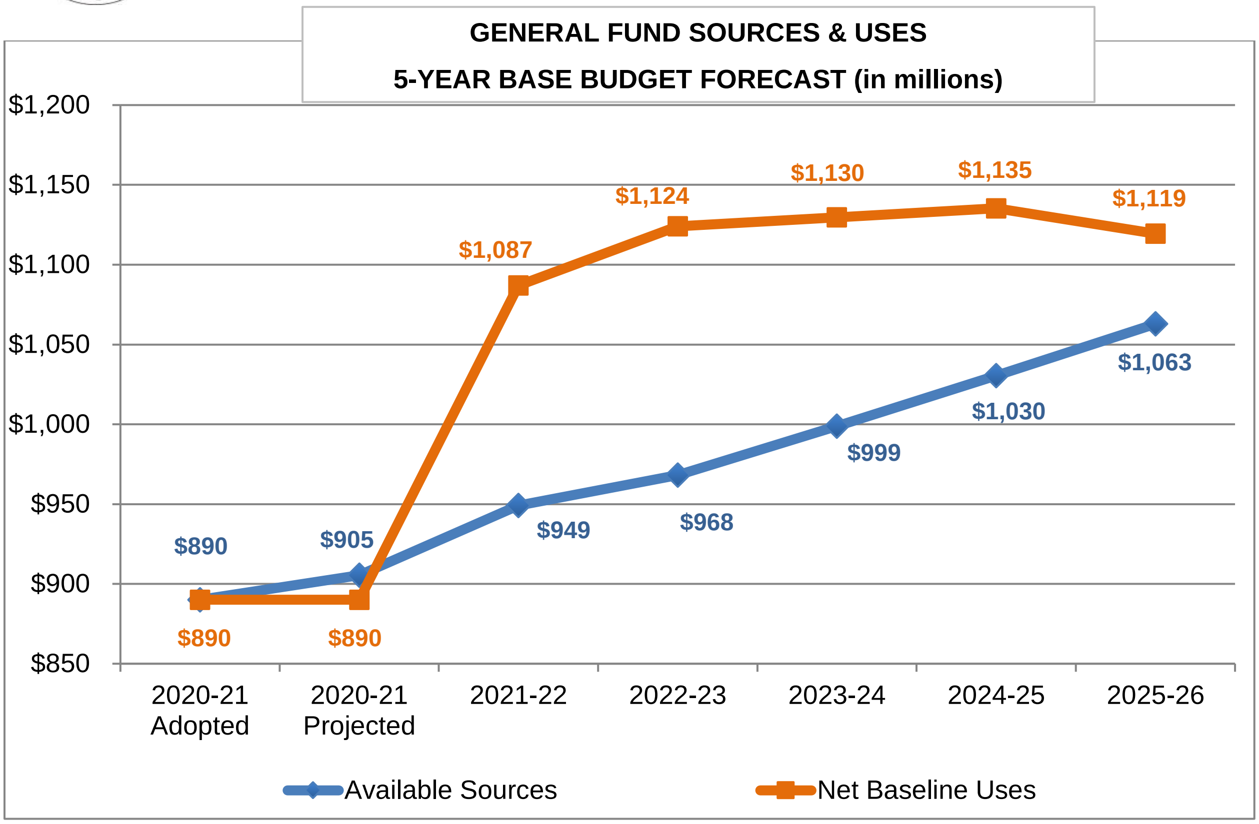
Expenditures

Key Issues –

- The cost of doing business continues to grow faster than the growth in revenue.
- 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.

The gap between sources and uses begins at a negative $138 million in the first year of the Plan; grows to $156 million and $131 million in years two and three, respectively; and then decreases to $56 million by year five. The projected cumulative deficit for the five years is $586 million if all restore 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

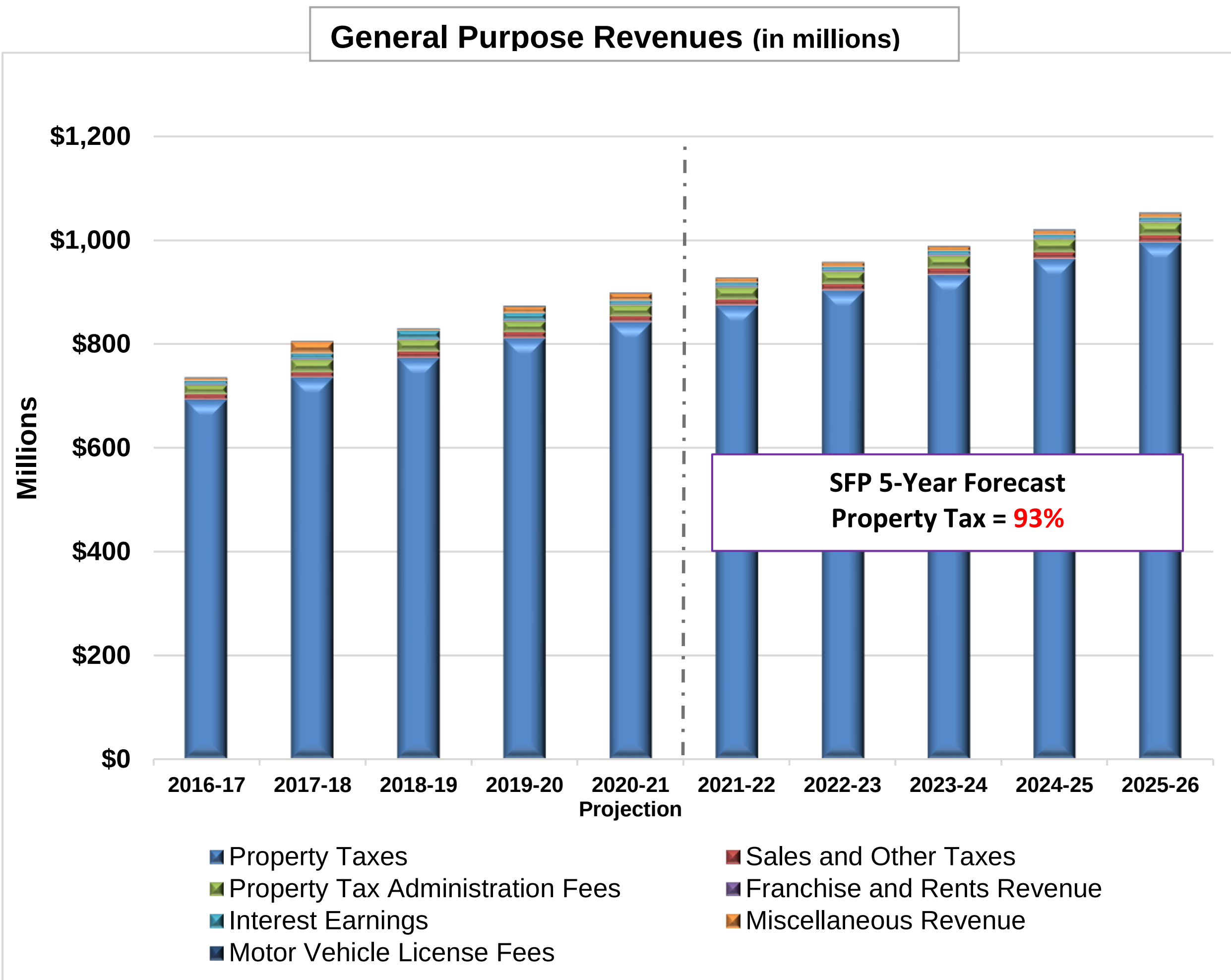
It is important to note that unexpected shifts in economic conditions could cause the gaps between available sources and net baseline uses to narrow or invert. For example, FY 2020-21 actual Prop 172 Excess Public Safety Sales Tax revenue receipts are coming in higher than budget, which could reset the base revenue amount for FY 2021-22 during the budget development process, resulting in a gap lower than the current $138 million estimate. However, increasing costs in Community Services, such as in IHSS, General Relief and homelessness initiatives could constrain the ability to fund operations in other areas.

Over the five years of the Plan, departments requested a total of $130 million in expand augmentation requests primarily to fund the James A. Musick expansion, increased staffing and equipment needs. In addition, departments requested a total of $435 million in strategic priority requests including $60 million related to Integrated Services programs with the remaining $375 million related to department-specific requests.

Revenues

As previously illustrated, Departmental base revenues (sources) are projected to grow slowly, and not to the extent of Departmental base expenditures (uses).

The Plan 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.

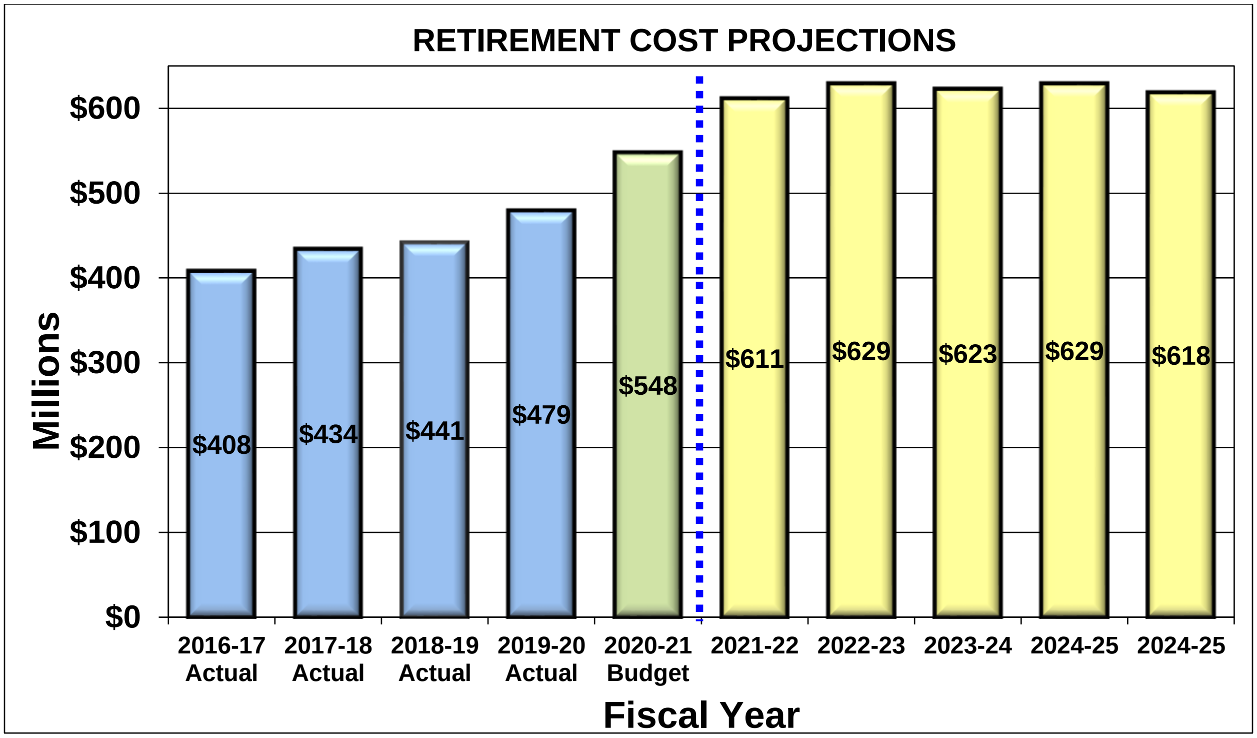
Retirement

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 required contributions to OCERS that, when combined with employee contributions and investment income, fully provide for member benefits by the time they retire.

For the 2020 SFP, the County's projected cost of retirement shows a significant increase over the 2019 SFP forecast primarily due to the following:

- Negotiated contract salary increases, as well as reduction in the reverse pickup, approved by the Board of Supervisors during FY 2019-20 for FY 2019-20 through FY 2022-23.
- The final year of the three-year phase-in of the unfunded actuarial accrued liability (UAAL) cost impact due to actuarial assumption changes adopted by the OCERS Board on October 16, 2017, which includes:
    - A reduction in the assumed rate of return from 7.25% to 7.00%
    - A reduction in price inflation from 3.00% to 2.75%
    - The application of generational tables presenting reduced rates of mortality
- The 2019 Cost of Living Adjustment (COLA) increase for retirees was larger than expected. The inflation assumption is 2.75%; however, in 2019, a 3.0% COLA increase was provided to retirees. Therefore, there was an additional 0.25% over the expected COLA.
- Investment losses after smoothing. Even though 2019 returns were 14.79%, only one fifth of the 14.79% gains are recognized. Two fifths of the 2018 market losses of 2.46% are also being recognized.

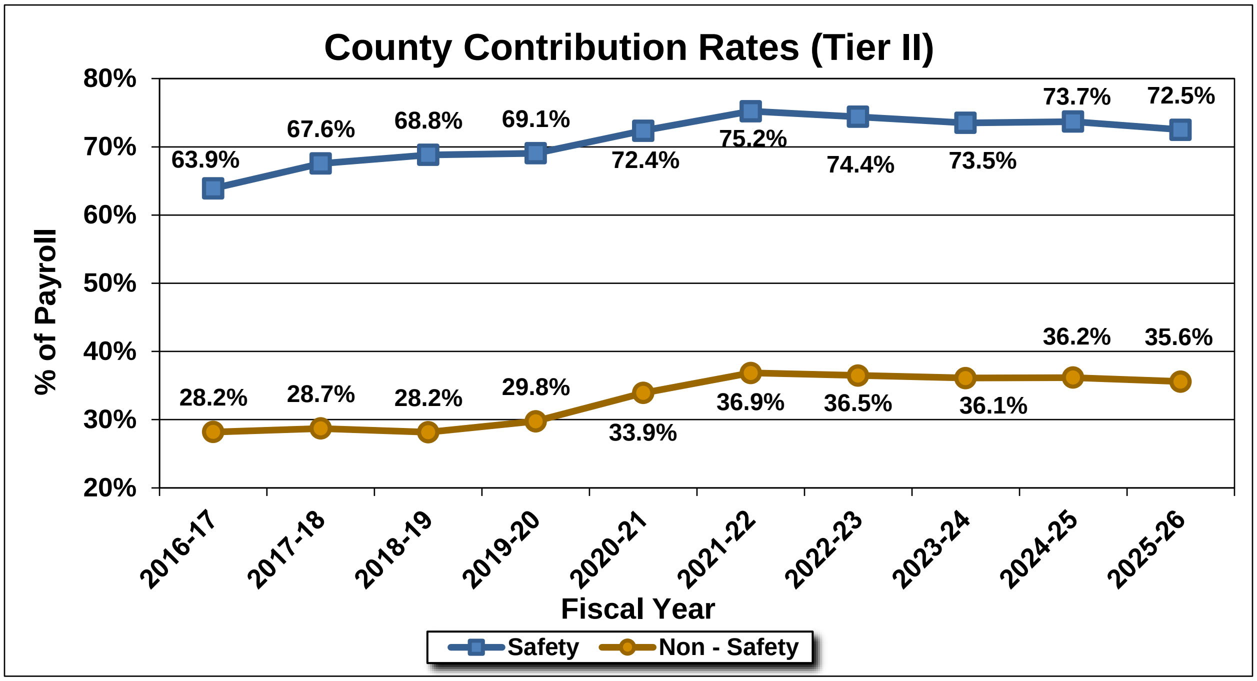
Due to these impacts and as illustrated in the table below, forecasts for retirement reflect annual costs increasing significantly to $629 million in FY 2022-23 and FY 2024-25. Due to investment smoothing, retirement costs fluctuate through FY 2024-25, before declining in FY 2025-26. The average annual change in retirement rates over the plan is 2.58%.



Note: All years exclude Pension Prepayment and Retiree Medical.

The following chart of estimated County Contribution Rates for Tier II employees reflects increased retirement rates for Non-Safety and Safety employees beginning in FY 2019-20 related to the three-year phase-in of the assumption changes to the UAAL, as well as the impact of the 2018 investment losses. After the three-year phase-in, contribution rates are projected to stabilize beginning in FY 2022-23, fluctuating slightly due to investment smoothing. Assuming all actuarial assumptions are met in the future and there are no future changes in any of the actuarial assumptions, retirement rates should begin to decline as the UAAL is paid down over the 20-year amortization period.

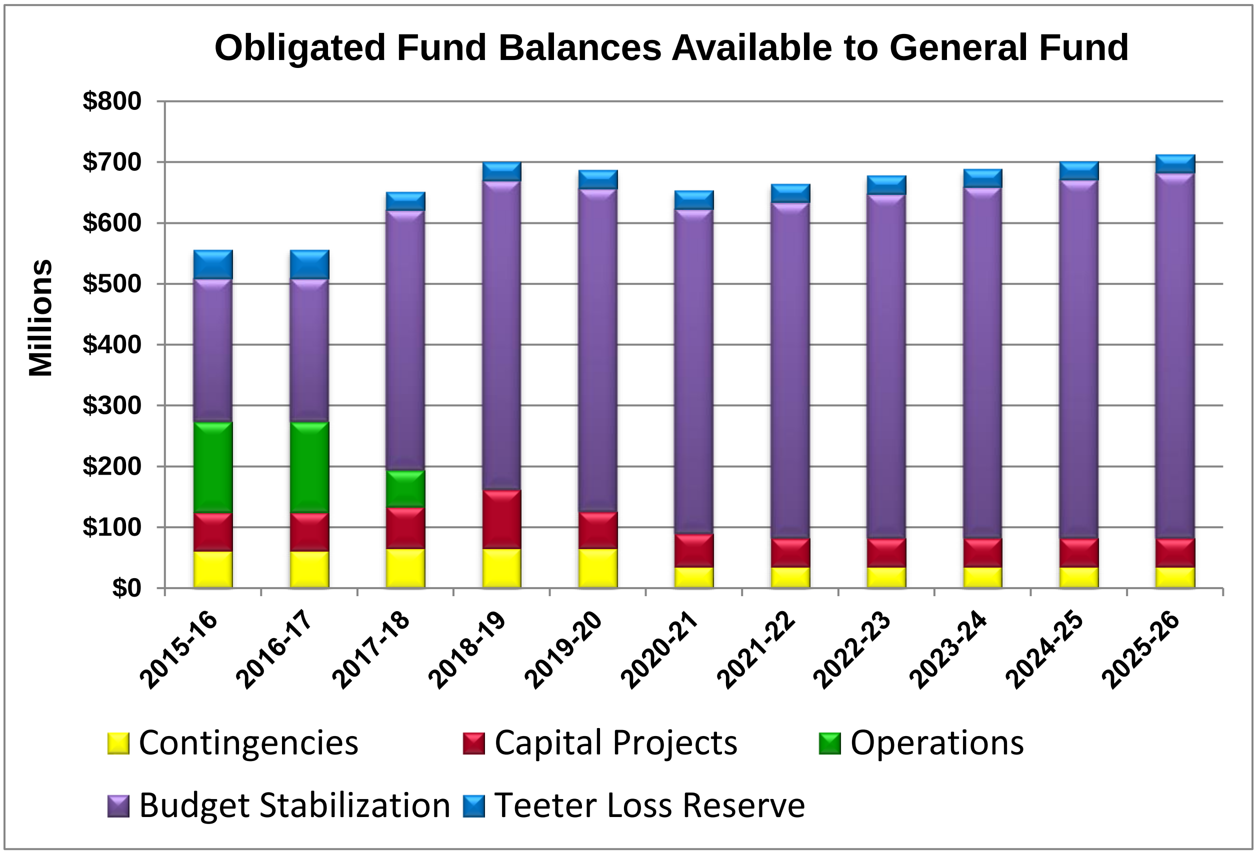
In addition, a long-term positive impact on the County's cost of retirement is expected, due to the reduced retirement benefits established under the California Public Employees' Pension Reform Act of 2013 (PEPRA). New County employees hired on or after January 1, 2013, who are considered "New Members" within the meaning of PEPRA, are enrolled in lower cost PEPRA retirement plans. As of October 2020, the County had 6,304 (approximately 39%) County employees enrolled in PEPRA retirement plans, an increase from 5,731 (approximately 35%) County employees as of September 2019.



Notes: All years exclude Retiree Medical.

Obligated Fund Balances and Cash

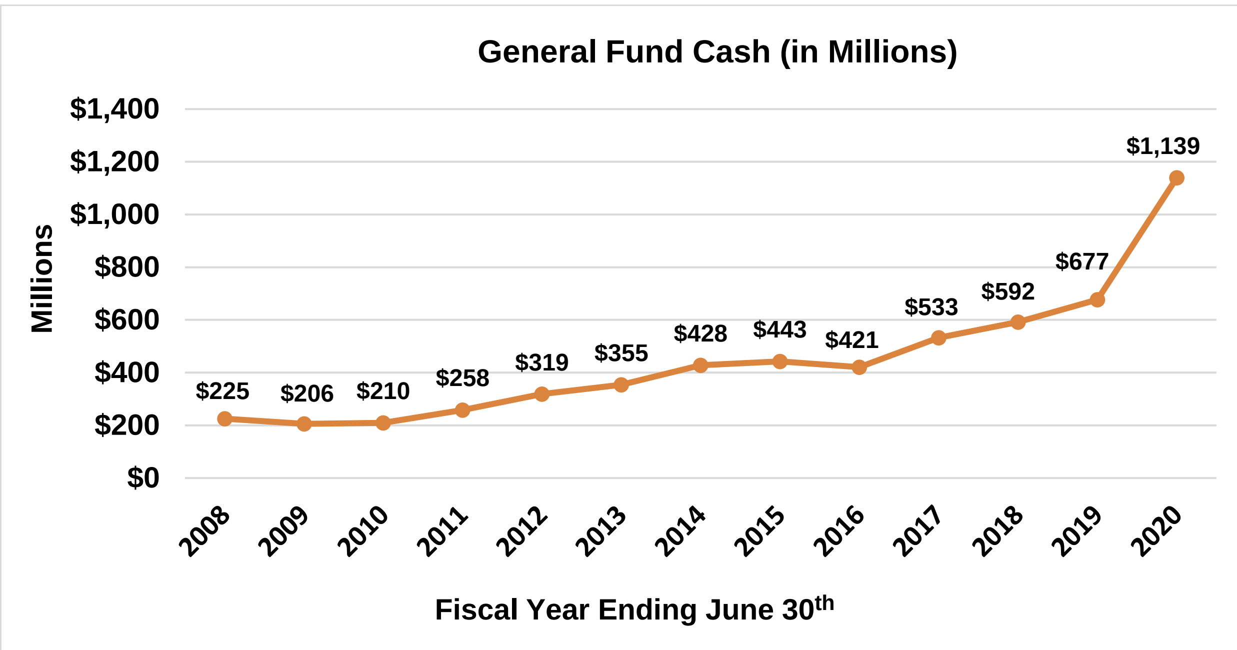
The County maintains an established reserves policy (please see the *Reserves Policy* portion of this document) to mitigate cash flow impacts, maintain best debt ratings and positive borrowing position, and to provide liquidity in the event of a catastrophic event.



(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 current and projected obligated fund balances available to the General Fund reflect a healthier reserve position. Only increases to the Budget Stabilization reserve are forecasted in order to maintain the GFOA recommended target reserve in each of the Plan 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, 2020. 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 2020 is due to the receipt of one-time Coronavirus Aid, Relief, and Economic Security (CARES) Act revenue.



Note: Cash balances are as of June 30 of each year as reported in the Comprehensive Annual Financial Report (CAFR). Cash balance for 2020 is preliminary as of November 19, 2020.

Infrastructure & Capital Expenditures

Economic conditions and competing priorities for General Funds influence how the County addresses capital spending. Beginning in FY 2007-08, like other peer counties, Orange County deferred necessary investments in capital assets and equipment to balance strained budgets and lessen potential cuts to ongoing operations and programs. Since that time, the County has used a portion of the modest growth in revenues to fund previously deferred critical projects such as the Sheriff's CCTV (closed circuit television) jail video system, jail electronic security and electrical upgrades, jail hardening, Sheriff vehicle replacement, and renovation and upgrade to the Katella Training Facility. In addition, one-time revenues are being utilized to fund the James A. Musick facility expansion and upgrades to the County Property Tax System.

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 2021-22 budget process with a goal of preserving the capacity to provide quality services to stakeholders, including external clients and employees. 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. In addition, projected budgetary impacts as a result of the COVID-19 pandemic mean that re-evaluation of Department budgets and reprioritization of projects will be required during the budget process.

Summary

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. The County continues to make significant progress with key initiatives including construction of the two new Civic Center Buildings, expansion of the James A. Musick facility, completion of the Be Well OC Behavioral Health Services campus, and completion of the new Yale Transitional Center.

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 continues to apply discipline to financial management;
- Structural balance focused on values and core services continues to be a priority;
- The County continues to seek creative alternatives and partnerships.

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

COUNTY OF ORANGE

CALIFORNIA

Economic Forecast

Introduction - General Economy

The 2020 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 global economy contracted severely as a result of the Novel Coronavirus (COVID-19) pandemic and the shutdown measures employed in an attempt to contain the virus. As a result of surging COVID-19 infections and continued social distancing, the December 2020 UCLA Anderson Forecast projects slower growth in Gross Domestic Product (GDP) of 1.8% in first quarter 2021 and recovery at 6% beginning in second quarter 2021 due to mass vaccinations and a substantial spike in consumption of services previously curbed by the pandemic. Growth over 3% is anticipated through 2023, with the economy returning to its prior peak by year-end in 2021. Housing activity is expected to remain strong through 2023 due to low interest rates, additional inventory previously constrained by the pandemic, and demographic shifts related to telecommuting opportunities and millennials starting families. Inflation, as measured by the Consumer Price Index (CPI), is projected at approximately 2.1% to 2.2% annually and the unemployment rate is estimated to hover above 5% through 2021, slowly progressing to 4% by 2023. The forecast also assumes that the economy will improve because of fiscal relief; however, without further aid and depending on the need for additional social distancing and the pervasiveness of COVID-19 infections, the economy may slip into recession.

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. Survey results are used by news and investment outlets to report on economic conditions. Updates from these sources suggest a mixed outlook. The University of Michigan reports an unforeseen increase in consumer sentiment in December due primarily to a partisan shift and a more positive long-term economic outlook, with a preliminary December 2020 Index of Consumer Sentiment at 81.4, above the November 2020 index of 76.9 and still well below the December 2019 index of 99.3. Employment and income decreases are expected to grow and consumer sentiment about personal finances remains unchanged as any adopted federal relief will not support recipients until after the holidays. In the same vein, the Conference Board's

Consumer Confidence Survey reports that consumer outlook in the short-term remains steady and that consumers do not anticipate an improved economy nor job market. Nonetheless, the Conference Board's Consumer Confidence Index reflects a decrease from 101.4 in October 2020 to 96.1 in November 2020.

The Federal Reserve Board, as of November 2020, maintained the federal funds rate target range at 0% to 0.25% and anticipates continuing this until maximum employment and inflation has increased to 2% and remains above 2% for a period of time. The decision to maintain the rate target range supports the Federal Reserve's price stability and maximum employment goals. The Committee acknowledges that "overall financial conditions remain accommodative," but "the ongoing public health crisis will continue to weigh on economic activity, employment, and inflation in the near term, and poses considerable risks to the economic outlook over the medium term." 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. While still well below early 2020 levels, recent activity reflects a recovering economy and labor market; weaker demand and earlier oil price declines have been suppressing inflation.

National Economy

The Congressional Budget Office (CBO) in its November 2020 Monthly Budget Review: Summary for Fiscal Year 2020 reports that the fiscal year 2020 federal budget deficit totaled $3.1 trillion, three times the fiscal year 2019 deficit, and 14.9% of GDP, due primarily to the economic impacts of the pandemic and the countering passed legislation. The major sources of government revenues, individual income taxes and social insurance taxes, decreased by 6% and increased by 5%, respectively. Total federal outlays are projected to increase by 47%.

Based on the CBO September 2020 Update to the Budget Outlook: 2020 to 2030, the budget deficit is estimated to be 8.6% of GDP in 2021, decreasing through 2027, subsequently increasing for a few years, and amounting to 5.3% of GDP in 2030. The CBO projects that outlays as a percentage of GDP decrease over four years, and subsequently increase from approximately 22% to 23% of GDP in 2030 due to a shift from pandemic-related spending to major entitlement program spending focused on the aging population and growing healthcare costs.

The following table provides CBO forecasts of key national indices.

National Indices	Notes	2021	2022	Annual Average	
				2023-2024	2025-2030
Real GDP	1	4.8%	2.2%	2.2%	2.1%
CPI	1	1.6%	2.0%	2.2%	2.2%
Unemployment Rate	2	7.6%	6.9%	5.9%	4.4%
3-Month Treasury Bill	3	0.2%	0.2%	0.2%	1.0%
10-Year Treasury Note	3	0.9%	1.1%	1.5%	2.6%
Deficit	4	(8.6%)	(6.1%)	(4.7%)	(4.8%)

Source: Congressional Budget Office An Update to the Economic Outlook: 2020 to 2030, July 2020
Congressional Budget Office An Update to the Budget Outlook: 2020 to 2030, September 2020

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 – Calendar Year Average, Percent
4 – Gross Domestic Product, Percentage Of

California Economy

On June 29, 2020, the Governor signed the FY 2020-21 State Budget, which is projected to end with $11.4 billion in reserves, consisting of $8.3 billion in the Budget Stabilization Account, $2.6 billion in the Special Fund for Economic Uncertainties, and $450 million in the Safety Net Reserve. The FY 2020-21 General Fund revenues and transfers budget is estimated to remain flat at $137.7 billion, due to tax revenue decreases offset by reserve transfers and loans from special funds for closing the shortfall. The General Fund expenditure budget totals $133.9 billion, a 9% or $13 billion decrease over the revised prior year level. As outlined by the Legislative Analyst's Office (LAO) in *The 2020-21 Budget: Overview of the California Spending Plan* publication, major features of the spending plan include education, cost shifts and borrowing, COVID-19 spending, safety net programs, and funding for local governments. Since then, LAO's *The 2021-22 Budget: California's Fiscal Outlook* reports a projected one-time $26 billion surplus in FY 2021-22 and a forecasted ongoing deficit increasing to $17 billion by FY 2024-25.

State labor markets are in general not as strong as those in the nation at 2020 year-end due to the more restrictive mandates adopted by California than those in other states. Both the December 2020 UCLA Anderson Forecast and December 2020 Chapman University Economic & Business Review project that recovery after the pandemic will be faster in the State than in the nation. While California's recovery may occur later than some other states, the State's rebound is ultimately anticipated to trend similarly to that of the nation. Chapman University also brings attention to the net outflow of 173,000 California residents to other states in 2019, totaling 770,000 people from 2015 to 2019, which presents longer-term impacts to California's economy.

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

California Indices	Notes	Chapman	UCLA		
		2021	2021	2022	2023
CPI	1	N/A	2.3%	2.8%	2.4%
Taxable Sales	1	12.6%	8.1%	1.5%	2.5%
Personal Income	1	6.0%	1.3%	5.0%	5.9%
Payroll Employment	1	2.5%	6.1%	3.4%	2.2%
Unemployment Rate	2	N/A	6.9%	5.2%	4.4%

Sources: Chapman University Economic & Business Review, December 2020; UCLA Anderson Forecast, December 2020

Notes: 1 – Percentage Change; 2 – Not Percentage Change

Orange County Economy

Chapman University indicates that the pandemic affected Orange County more than the State, due to the County's greater reliance on tourism. Given the assumption of COVID-19 vaccinations, the County's recovery is anticipated to trend similarly to that of the State, continuing through year-end 2021. Furthermore, residential construction activity will drive the Orange County economy.

Payroll employment is projected to decrease by 8.6% in 2020 and increase by 2.6% in 2021 for Orange County, in comparison to 7.1% and 2.5%, respectively, for the State. Most jobs are forecasted to be created in the services sector, such as those for trade, transportation & utilities, construction, financial activities, information, professional & business, education & health, and leisure & hospitality.

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 7.8% in 2020 and 4.4% in 2021 for the price of existing single-family homes and a decrease of 13.5% in 2020 and an increase of 12.5% for taxable sales in 2021.

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

Orange County Indices (Year-To-Year Changes)	**2017**	**2018**	**2019**	**2020 Estimate**	**2021 Forecast**
Payroll Employment	2.1%	2.0%	1.3%	(8.6%)	2.6%
Total Personal Income	4.5%	5.6%	3.9%	5.8%	5.8%
Taxable Sales	3.3%	3.6%	3.3%	(13.5%)	12.5%
Residential Permits	(15.2%)	(21.3%)	27.0%	(39.1%)	(38.0%)
Existing Homes Price Index, Single-Family (Base Year = 2009)	6.2%	4.8%	0.9%	7.8%	4.4%

Source: Chapman University Economic & Business Review, December 2020

Employment – According to the California Employment Development Department, Orange County payroll employment decreased by 8.4% from October 2019 to October 2020 in nearly all industries except for construction. The following table provides payroll employment changes.

Industry	Percent Change From October 2019 to October 2020
Construction	1.8%
Educational & Health Services	(5.7%)
Financial Activities	(3.8%)
Government	(5.9%)
Information	(15.1%)
Leisure & Hospitality	(24.6%)
Manufacturing	(9.6%)
Other Services	(20.5%)
Professional & Business Services	(4.5%)
Trade, Transportation & Utilities	(5.7%)

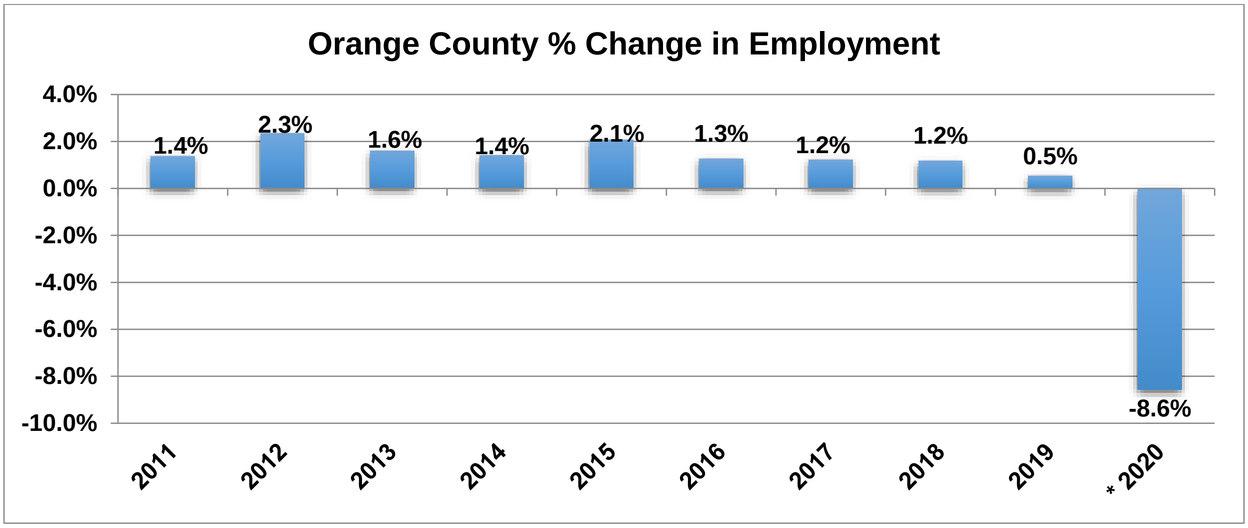
As of October 2020, Orange County's unemployment rate was 7.5%, which is above that of the nation at 6.9%, but below the State's 9.3%. Except for Ventura County, Orange County's unemployment rate is below surrounding Southern California counties.

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	5,089,800	4,476,400	12.1%
Orange	**1,625,500**	**1,502,800**	**7.5%**
Riverside	1,122,100	1,021,000	9.0%
San Bernardino	988,200	898,700	9.1%
San Diego	1,610,900	1,486,400	7.7%
Ventura	420,000	390,100	7.1%

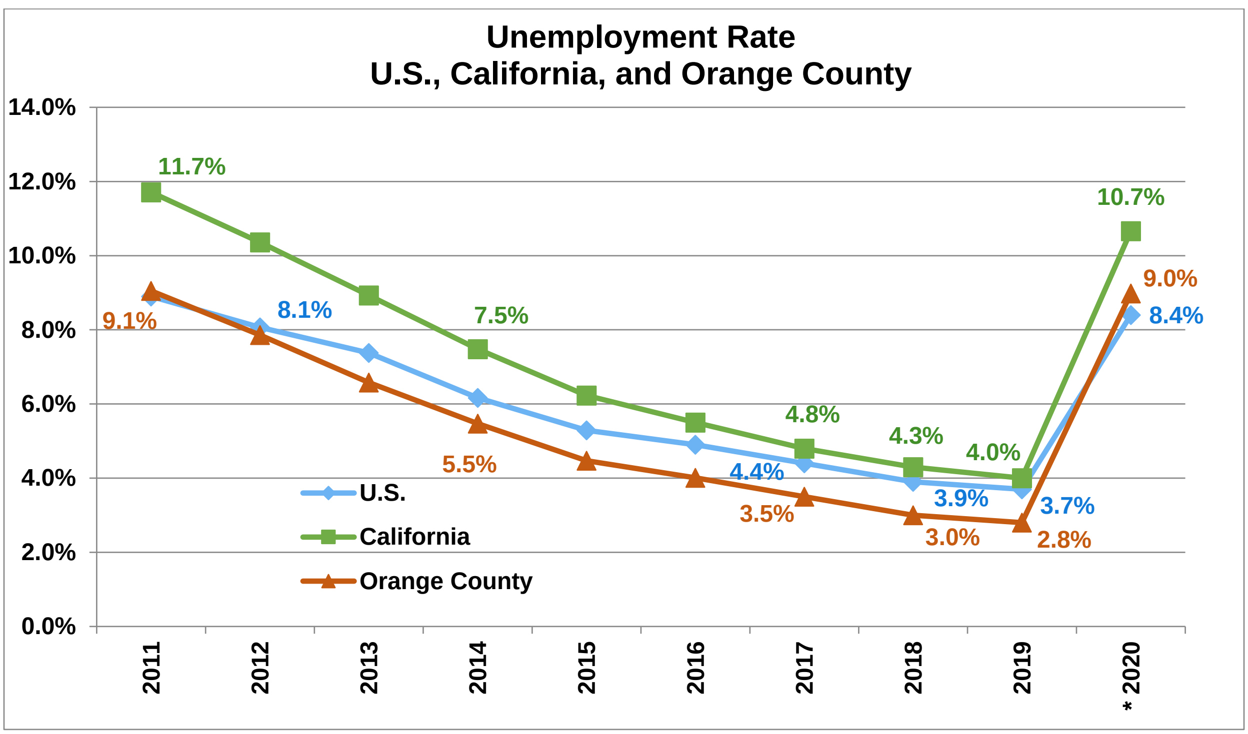
Source: State of California Employment Development Department, October 2020 preliminary

Chapman University projects weaker job growth in Orange County than in the State, due to the County's dependency on tourism and related impacts on the leisure and hospitality jobs industry. Payroll employment is projected to decrease by 8.6% in 2020 and increase by 2.6% in 2021 for Orange County, in comparison to 7.1% and 2.5%, respectively, for the State. While tourism will rebound post-pandemic, job growth will be hampered by higher value-added jobs requiring higher compensation.



*Reflects change between 2019 annual employment and 10-months average ending October 30, 2020.

Source: State of California Employment Development Department



*Reflects 10-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 – Due to low mortgage rates and their associated betterment on housing affordability, Chapman University indicates that the housing affordability index is projected to increase from 77.7 in 2020 to 78.7 in 2021.

The California Association of Realtors October Home Sales and Price Report indicates that Southern California home sales increased by 17.5% from October 2019 to October 2020, which includes gains in all counties in the Southern California regions. Southern California's median home sales price in October 2020 increased 15.4% year-over-year to $657,750. For Orange County, the median home sales price increased by 13.4% while unit sales increased by 29.3% 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 25.4% in 2020 and increase by 29.4% in 2021 (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 October)			**Unit Sales** (single family homes, as of October)	**Median Household Income**
	2019	**2020**	**% Change**	**% Change (from prior year)**	**Last 12 Months**
Los Angeles County	$647,900	$728,160	12.4%	13.1%	$72,797
Orange County	**$820,000**	**$930,000**	**13.4%**	**29.3%**	**$95,934**
Riverside County	$420,000	$485,000	15.5%	18.5%	$73,260
San Bernardino County	$319,000	$365,000	14.4%	16.0%	$67,903
San Diego County	$652,000	$749,000	14.9%	21.2%	$83,985
Ventura County	$660,000	$750,000	13.6%	1.9%	$92,236
Southern California	$569,900	$657,750	15.4%	17.5%	N/A

Sources: California Association of Realtors October Home Sales and Price Report; U.S. Census Bureau, 2019 American Community Survey 1-Year Estimates of Median Household Income in past 12 months

Foreclosure rates are calculated by dividing the total County housing units per the U.S. Census Bureau by the total number of properties that received notices of default (new filings, foreclosure in process, not yet recorded) within the month. The lower the second number is in the ratio, the higher the foreclosure rate (e.g. 1 in 100 is higher than 1 in 1,000). RealtyTrac, Inc. reports that 1 in 9,740 Orange County homes received a foreclosure filing in November 2020. Based on County of Orange Clerk-Recorder's Office data, 1,240 notices of default were issued and 172 trustee deeds were filed (completed and recorded) for the first eleven months of 2020, which decreased by 47.6% and 53.5%, respectively, from the same period in 2019.

Foreclosures	
Los Angeles County	1 in 8,929
Orange County	**1 in 9,740**
Riverside County	1 in 6,373
San Bernardino County	1 in 6,670
San Diego County	1 in 10,284
Ventura County	1 in 9,405

Source: RealtyTrac, Inc., November 2020

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 increases from 2012 through 2019 with growth projected at a decrease of 13.5% in 2020 and an increase of 12.5% in 2021.

Orange County Annual Taxable Sales		
Year	**Taxable Sales (Billions)**	**% Change**
2021 Forecast	$67.9	12.5%
2020 Estimate	$60.3	(13.5%)
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%
2012	$55.2	6.8%

Sources: Board of Equalization for 2012-2014; California Department of Tax and Fee Administration for 2015-2019; Chapman University Economic & Business Review, December 2020, for 2020 forecast

Taxable sales tend to increase when personal income increases. Chapman University forecasts a 5.8% increase in total personal income for Orange County in both 2020 and 2021.

Summary

The national, state, and local economies are expected to experience slow growth through spring or summer 2021. Contingent on fiscal relief and the prevalence of COVID-19 infections, some economists predict a risk of recession. As the County navigates through these uncertainties, the County remains committed to public health and safety. The combined efforts of the Board of Supervisors and departments toward proactively addressing the pandemic's impacts coupled with responsible fiscal management will position the County to anticipate and address challenges as they arise.

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.

COUNTY OF ORANGE

CALIFORNIA

General Purpose Revenue Forecast

Introduction

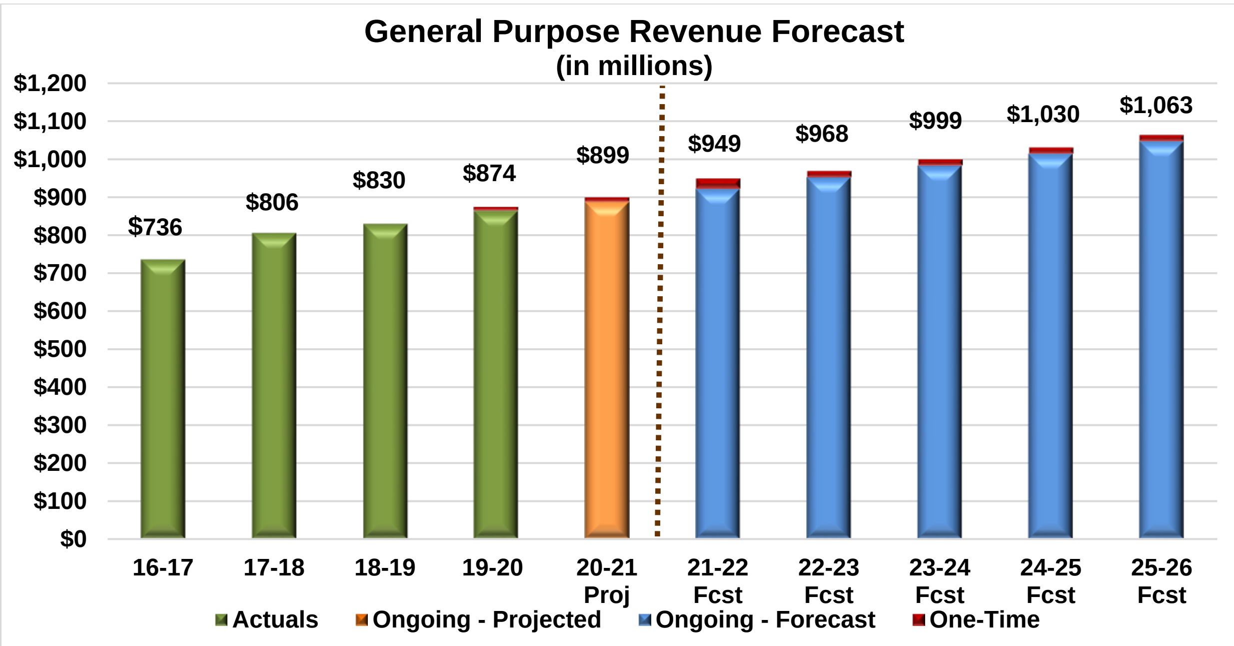
The General Purpose Revenue forecast is a critical component of the Strategic Financial Plan (SFP). The forecast provides projections for the portion of the budget over which the County has discretion. The General Purpose Revenue forecast includes projections for the following sources, which comprise approximately 98% of total ongoing General Purpose Revenues (listed from greatest to least):

1. Property Taxes
2. Property Tax Administration Fees
3. Interest Earnings
4. Sales and Other Taxes
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 will be modified, if needed, during the FY 2021-22 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 $899 million for FY 2020-21. Over the next five years, the ongoing revenue growth forecast, on average, is about 3% annually, and reaches over $1 billion in FY 2025-26.

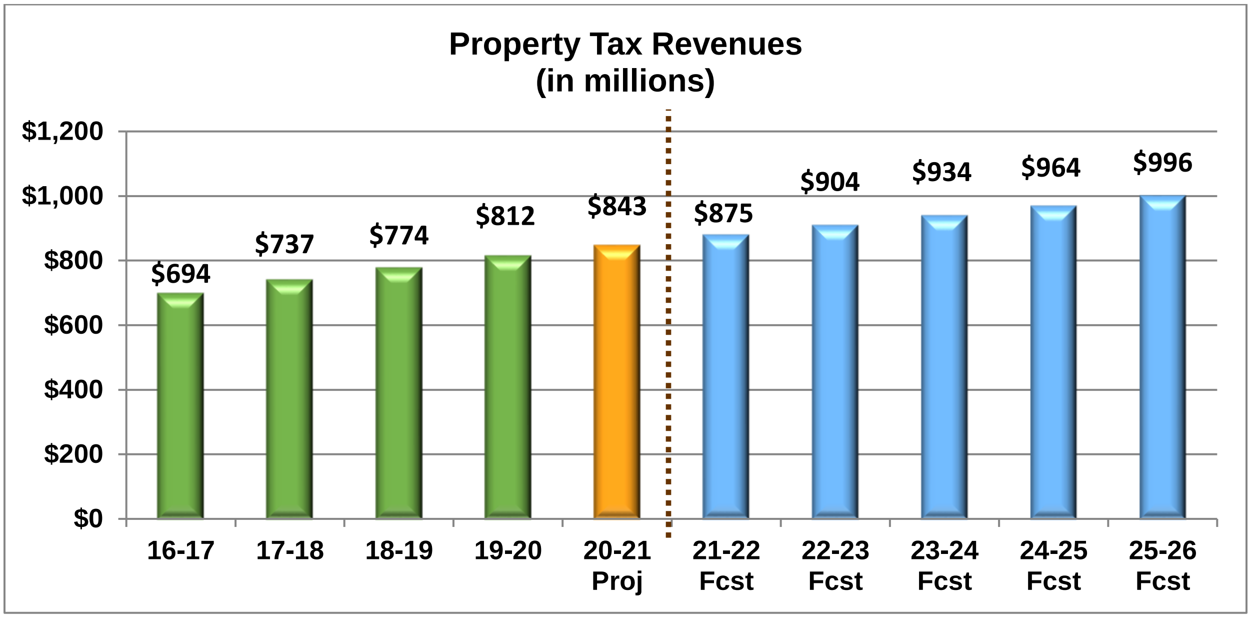


The following table provides detail of the ongoing and one-time revenue sources assumptions (in millions):

		One-Time Sources & Transfers In		
Fiscal Year	Ongoing	Teeter	OCERS	Total
2019-20	$ 864.6	$ 9.3	$ 0.0	$ 873.9
2020-21*	887.6	11.4	0.0	899.0
2021-22	922.1	6.0	21.1	949.2
2022-23	952.1	6.0	10.0	968.2
2023-24	982.9	6.0	10.0	998.9
2024-25	1,014.4	6.0	10.0	1,030.4
2025-26	1,046.9	6.0	10.0	1,062.9

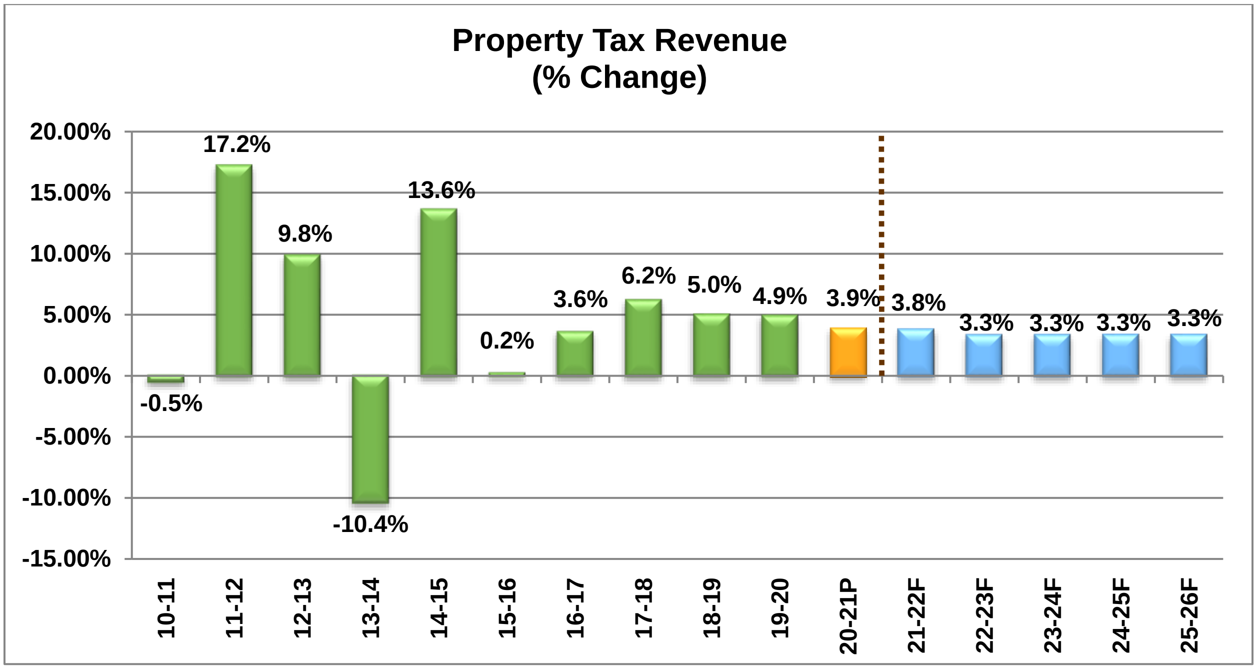
*FY 2020-21, includes use of $10 million in OCERS reserves, budgeted in Miscellaneous Fund, Budget Control 004 rather than with the General Purpose Revenue.

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 2019, property taxes were forecasted to account for almost 93% 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 are still on the rise, with a year-over-year 13.4% increase in the median sales price for newly built and existing homes in October 2020, as reported in the California Association of Realtors October Home Sales and Price Report on November 17, 2020. As a whole, Orange County sales volume increased by 29.3% from the prior year. The Orange County Assessor's Secured Roll of Values for FY 2020-21 includes an increase of 4.7%.

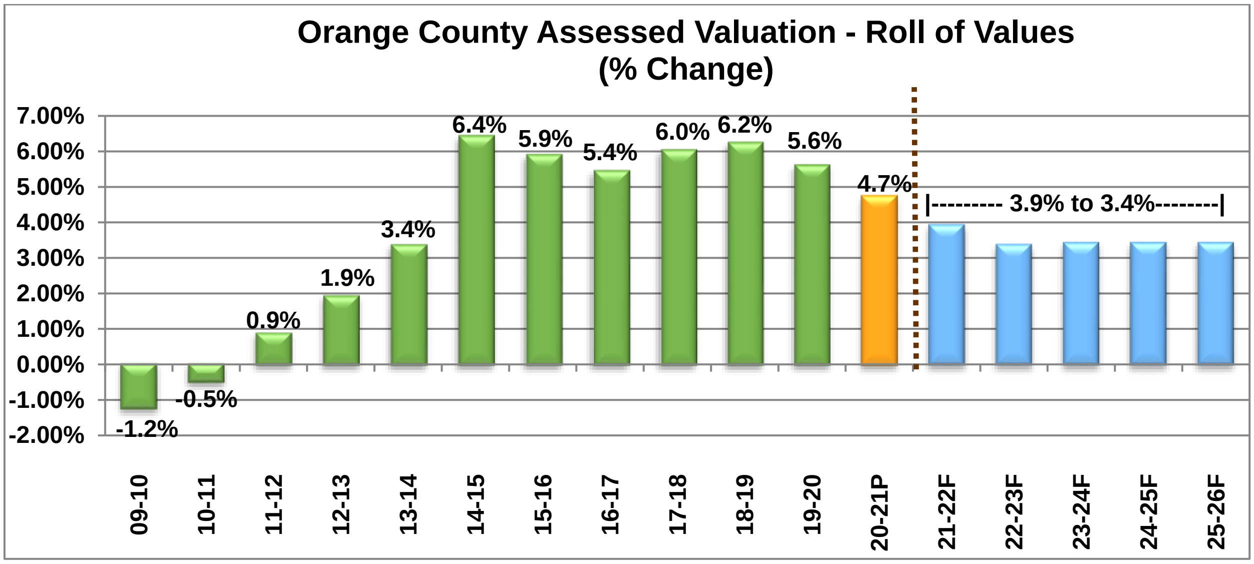
The following chart illustrates the history of property tax revenue growth rates as well as forecasts for the five years of the Plan.



The percentage changes shown in the chart above demonstrate wide property tax variances from FY 2010-11 through FY 2016-17, and the following table provides explanations:

Fiscal Year	Gross % Change	Adjusted % Change	Variance Explanation
2010-11	- 0.5%	- 0.5%	Gross % includes SB8 funds of $35 million
2011-12	+ 17.2%	- 0.2%	Gross % includes SB8 funds of $50 million and VLFAA retention of $73.5 million
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.



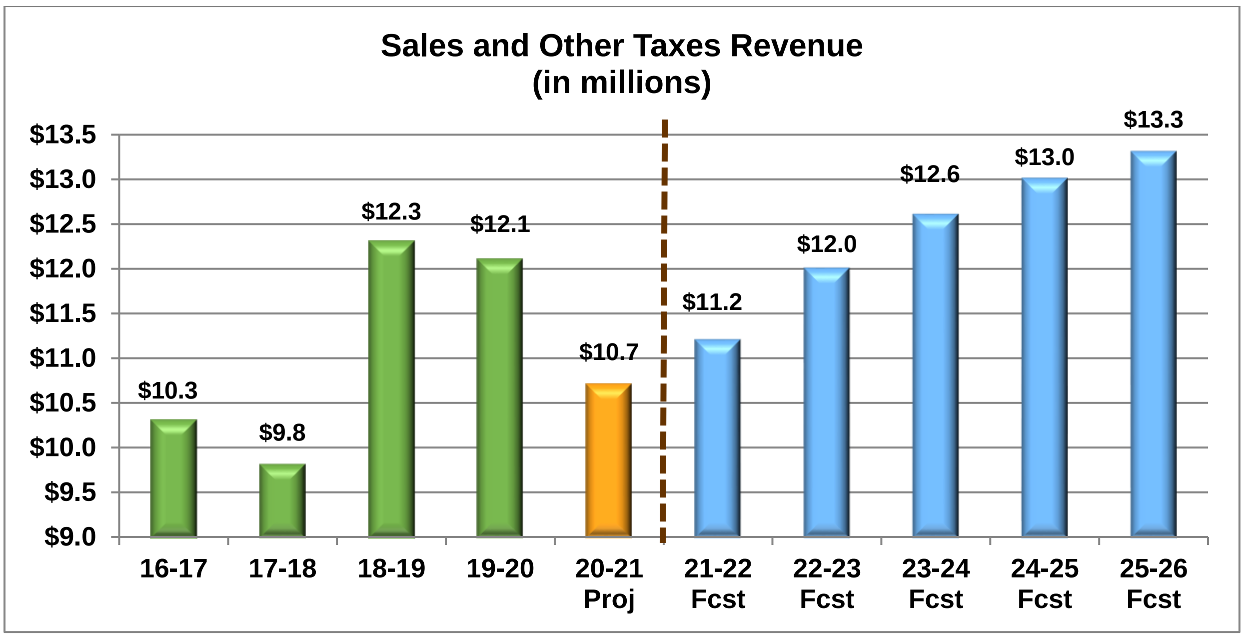
Projections for FY 2021-22 through FY 2025-26 were developed early in the SFP process and incorporated review of economic trends and data. The current SFP projects growth in secured revenue of 4.8% and unsecured revenue of 2.3% in FY 2020-21. The Assessed Roll of Values is potentially affected by new construction, the current commercial market climate, and economic impacts from unemployment, financing, and foreclosures.

Property Tax Administration Fees revenue ranges from $23.2 million to $24.2 million annually in the forecast period, averaging 2.5% of total Property Tax Revenue.

Interest income is earned on certain 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 weighted average maturity of the County's investments as of September 30, 2020 was 257 days. Interest income yields for FY 2020-21 are estimated to be lower than FY 2019-20 due to continued low short-term interest rates. Thereafter, if short-term rates continue to stay at the most recent Federal Open Market Committee (FOMC) – rate range of 0.00% to 0.25%, the yield is expected to continue to decrease in the next fiscal year.

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.

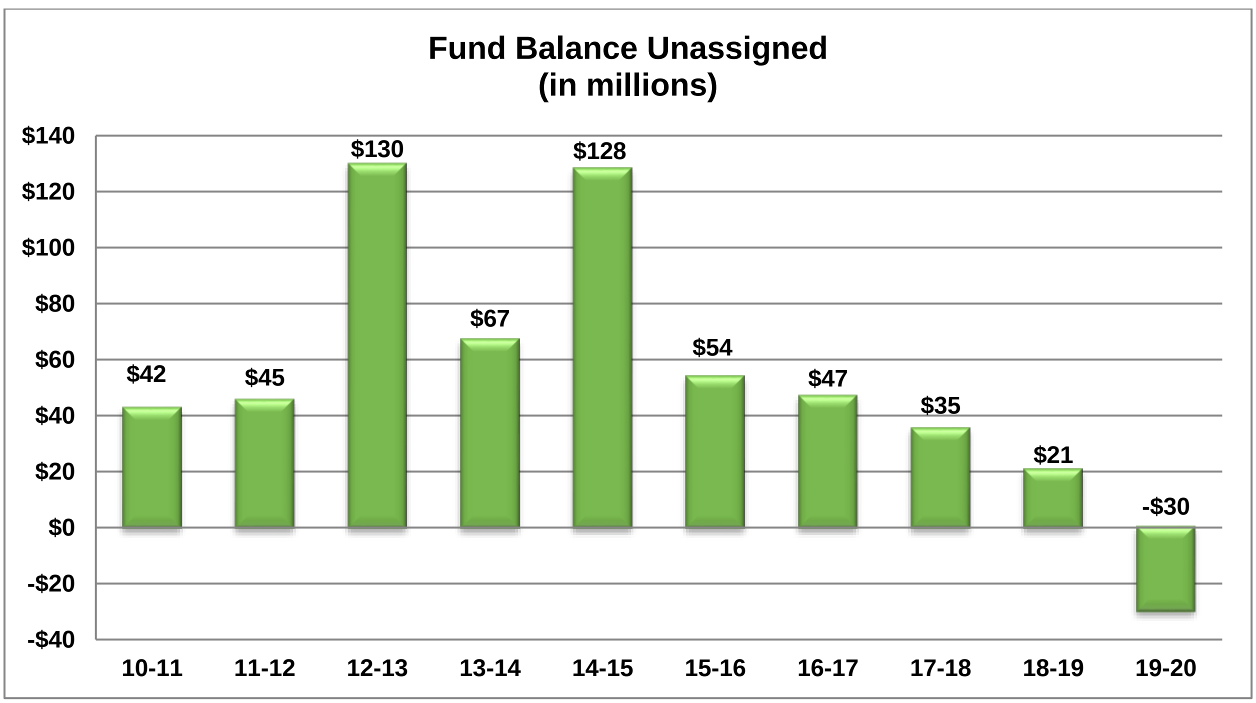
The County's sales tax revenue does not incorporate the half-cent tax levied for Public Safety. The Public Safety Sales Tax is distributed separately and is restricted for public safety uses. Sales and Other Taxes revenue on average comprise less than 2% of total General Purpose budgeted revenues. Forecasted sales tax revenues take into consideration the continued slow, moderate growth in the economy.



Other General Fund Sources include transfers in from the Teeter debt service fund (Teeter) and use of OCERS Investment Account reserves. In FY 2020-21, the County budgeted transfers in from the Teeter fund of $11.4 million including $6.5 million for the Sheriff-Coroner Intake Release Center modifications. Over the five years of the Plan, projections of annual transfers in from the Teeter fund are $6 million per year. In addition, the County General Fund can draw from the OCERS Investment Account reserves toward the cost of retirement and the projected draws are $21.1 million in FY 2021-22 and $10 million per year for all remaining years of the Plan beginning with FY 2022-23.

Fund Balance Unassigned (FBU) is the final component accounted for in the revenue projection for FY 2020-21. 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. FBU balances for FYs 2010-11 through 2011-12 were relatively stable and consistent. 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, due to the Novel Coronavirus (COVID-19) pandemic FBU was a negative $30 million, necessitating a draw from contingency reserves to balance the General Fund.

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

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.

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 Plan.

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 2021-22 through FY 2025-26) 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 Plan. 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 Plan. The Strategic Priorities section of this Plan includes further discussion and detail.

2020 STRATEGIC FINANCIAL PLAN SUMMARY
Forecasted Sources and Uses

	Final FY 2019-20	Adopted FY 2020-21	Projected FY 2020-21	FY 2021-22
SOURCES ($ Millions)				
Fund Balance Unassigned (FBU)	0.0	0.0	0.0	0.0
General Purpose Revenues (GPR) (1)				
Property Taxes (+4.0%, +3.5%, +3.5%, +3.5%, +3.5%)	811.6	825.4	843.2	874.9
Sales & Other Taxes (4.10%, 7.20%, 6.40%, 4.00%, 3.50%)	12.1	10.9	10.7	11.2
Motor Vehicle License Fees	2.1	1.2	1.4	1.4
Property Tax Administration	20.2	20.8	20.8	23.2
Franchises and Rents	2.7	2.7	2.7	2.7
Interest (0.82%, 0.82%, 0.82%, 0.82%, 0.82%)	13.4	9.3	6.8	6.8
Miscellaneous	2.5	1.9	2.0	1.9
Subtotal - GPR before Transfers In	***864.6***	***872.2***	***887.6***	***922.1***
Transfers In	9.3	11.4	11.4	6.0
Use of OCERS (2)	0.0	0.0	0.0	21.1
Total GPR (excluding FBU/Use of Reserves)	**873.9**	**883.6**	**899.0**	**949.2**
Planned Use of Reserves				
Catastrophic Event Contingencies (9741)	29.8	0.0	0.0	0.0
Reserve for Maintenance & Construction (9743)	2.2	0.7	0.7	0.0
Reserve for Capital Projects (9744)	34.0	5.8	5.8	0.0
Reserve for Budget Stabilization (9745)	0.0	0.0	0.0	0.0
Total Planned Use of Reserves (3)	**66.0**	**6.5**	**6.5**	**0.0**
GRAND TOTAL - SOURCES	**939.9**	**890.1**	**905.5**	**949.2**
Planned Increases to Reserves				
Assigned Reserve (9740)	6.0	0.0	0.0	0.0
Reserve for Capital Projects (9744) (4)	0.0	0.0	0.0	0.0
Reserve for Budget Stabilization (9745) (5)	22.8	0.0	2.8	18.3
Total Planned Increases to Reserves	**28.8**	**0.0**	**2.8**	**18.3**
USES ($ Millions)				
NCC Limits [0%, 0%, 0%, 0%, 0%]	**951.5**	**890.1**	**890.1**	**879.3**
Restore Level of Service Requests				189.6
NCC Limits Plus Reserve Increases and Restore Level of Service				**1,087.2**
Variance Including Restore Requests				(137.9)
Cumulative Variance				(137.9)
Expand Level of Service Requests				33.4
Strategic Priority Requests				28.4
Total Restore, Expand & Strategic Priority Requests				**251.4**

Notes:

(1) Beginning in FY 2022-23, up to $3 million in additional revenue may be available due to various real estate initiatives.

(2) FY 2020-21 includes use of $10 million in OCERS reserves, budgeted in Miscellaneous Fund, Budget Control 004 rather than with the General Purpose Revenue.

(3) Due to the uncertainty related to the Novel Coronavirus, any anticipated FY 2021-22 draws from reserves are currently unknown and will be determined through the budget development process.

(4) Annual repayment from participating cities for the 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.

(5) The ability to make increases to the Budget Stabilization reserves is currently unknown due to the uncertainty related to the Novel Coronavirus, but if circumstances allow it, the County will continue to strategically increase the Budget Stabilization reserves to maintain the GFOA recommeded target.

2020 STRATEGIC FINANCIAL PLAN SUMMARY
Forecasted Sources and Uses

FIVE-YEAR FORECAST				
FY 2022-23	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	
				SOURCES ($ Millions)
0.0	0.0	0.0	0.0	**Fund Balance Unassigned (FBU)**
				General Purpose Revenues (GPR) (1)
903.7	933.5	964.3	996.3	Property Taxes (+4.0%, +3.5%, +3.5%, +3.5%, +3.5)
12.0	12.6	13.0	13.3	Sales & Other Taxes (4.10%, 7.20%, 6.40%, 4.00%, 3.50%)
1.4	1.4	1.4	1.4	Motor Vehicle License Fees
23.6	23.8	24.1	24.2	Property Tax Administration
2.7	2.7	2.7	2.7	Franchises and Rents
6.9	7.0	7.0	7.1	Interest (0.82%, 0.82%, 0.82%, 0.82%, 0.82%)
1.9	1.9	1.9	1.9	Miscellaneous
952.1	***982.9***	***1,014.4***	***1,046.9***	***Subtotal - GPR before Transfers In***
6.0	6.0	6.0	6.0	Transfers In
10.0	10.0	10.0	10.0	Use of OCERS (2)
968.2	**998.9**	**1,030.4**	**1,062.9**	**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** (3)
968.2	**998.9**	**1,030.4**	**1,062.9**	**GRAND TOTAL - SOURCES**
				Planned Increases to Reserves
0.0	0.0	0.0	0.0	Assigned Reserve (9740)
0.0	0.0	0.0	0.0	Reserve for Capital Projects (9744) (4)
13.9	10.8	12.9	11.1	Reserve for Budget Stabilization (9745) (5)
13.9	**10.8**	**12.9**	**11.1**	**Total Planned Increases to Reserves**
				USES ($ Millions)
873.6	**877.1**	**873.6**	**877.1**	**NCC Limits [0%, 0%, 0%, 0%, 0%]**
236.6	241.7	248.8	231.2	Restore Level of Service Requests
1,124.0	**1,129.6**	**1,135.3**	**1,119.3**	**NCC Limits Plus Reserve Increases and Restore Level of Service**
(155.9)	(130.7)	(104.9)	(56.5)	Variance Including Restore Requests
(293.8)	(424.5)	(529.4)	(585.9)	Cumulative Variance
39.4	45.7	5.9	5.8	Expand Level of Service Requests
84.5	116.3	99.7	106.1	Strategic Priority Requests
360.5	**403.7**	**354.4**	**343.1**	**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 in the wake of the bankruptcy filing in 1994. 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. These provide a framework and serve as the basis for budget recommendations. The three long-term 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 plan.

Capital Improvement Plan

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

- Strategic Financial Plan – 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 of Supervisors for approval.

- OC Parks submitted the first Strategic Plan (Plan) to the Board of Supervisors 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 of Supervisors 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 of Supervisors 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 of Supervisors 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 of Supervisors 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, 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 of Supervisors 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 of Supervisors in the Strategic Financial Plan.

Oversight

Audit Oversight Committee
In 1995, the Board of Supervisors established the Audit Oversight Committee (AOC) as an advisory committee to the Board of Supervisors 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 of Supervisors established the Public Financing Advisory Committee (PFAC) in 1996. The purview of PFAC includes review and approval or denial of all proposed public financings, and selection of financing professionals engaged in public financings. No proposed public financing or financing professional is considered by the Board of Supervisors without the express written recommendation by PFAC.

Treasury Oversight Committee
The Board of Supervisors 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 Novel Coronavirus (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 GFOA's best practice, is set at two months (approximately 17%) of General Fund operating revenues as budgeted in FY 2020-21.

- 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 of the aforementioned are reserves customarily 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 the Government Finance Officers Association (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 2020-21 as follows:

General Fund Budgeted Revenues FY 2020-21	$4,085,080,400
Less: Non-Operating Items	(432,696,357)
Less: One-Time Items – CARES Act	(473,266,267)
Net FY 2020-21 Operating Revenues	3,179,117,776
Target - 2 Months General Fund Operating Revenues	$ 529,852,963

The following table summarizes the current reserves by classification. When compared to the overall target, total General Fund reserves are $158,194,754 above target, but projected to fall to $109,087,748 by the end of the current fiscal year due to planned use of reserves for capital projects and unplanned use of reserves in response to the COVID-19 pandemic. Moreover, due to strategic and prudent allocation of one-time funding and sources, the Budget Stabilization Reserve for FY 2020-21 is anticipated to meet the GFOA recommended target of $529,852,963. Going forward, as General Fund budgeted revenues are expected to increase over the five years of the Plan, the goal is to increase the Budget Stabilization Reserve in each year to maintain the GFOA recommended target. Increases to maintain the target 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 2020 SFP assumes use of General Purpose Revenue growth each year to meet the target amount; however, the ability to achieve this will be determined during the FY 2021-22 Budget development process.

	Balance at 6/30/2020	Projected Change	Projected Balance at 6/30/2021
Budget Stabilization Reserve			
Reserve for Budget Stabilization [Goal = $529.9M]	531,309,425	2,849,669	534,159,094
Budget Stabilization Reserve Target	**$ 531,309,425**		**$ 529,852,963**
Stabilization Reserve Over/(Under) Target	$ -		$ 4,306,131
Specific-Use Reserve Classification			
Assigned (9740)	$ 2,849,669	$ (2,849,669)	$ -
Catastrophic Event Contingencies [Goal = 15% of GPR = $131M]	65,000,000	(39,781,120)	25,218,880
Reserve for Capital and IT Projects	50,906,319	(5,817,830)	45,088,489
Reserve for Maintenance & Construction	9,438,766	(658,387)	8,780,379
Teeter Loss Reserve	30,000,000	-	30,000,000
Subtotal - General Fund (GF) Specific-Use Reserves	***$ 158,194,754***	***$ (49,107,006)***	***$ 109,087,748***
Grand Total - General Fund (GF) Total Reserves	**$ 689,504,179**	**$ (46,257,337)**	**$ 643,246,842**

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 Comprehensive Annual Financial Report [CAFR]) 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 2018-19 was 12% of expenditures and the preliminary percentage for FY 2019-20 is 11%. The County prepays its pension contribution and reports the prepaid amount as Non-Spendable Fund Balance rather than Unassigned Fund Balance in the CAFR 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 24% and 25% for fiscal years 2018-19 and 2019-20 (preliminary), respectively. The following table demonstrates the available fund balance for FYs 2018-19 and 2019-20 (preliminary):

Amounts in thousands

	2018-19 CAFR [1]	2018-19 CAFR [2]	2019-20 Prelim CAFR [1]	2019-20 Prelim CAFR [2]
Fund Balance				
Non-Spendable	396,541	1,995	460,074	1,488
Non-Spendable-POB		394,546		458,586
Restricted	49,989	49,989	78,982	78,982
Assigned	147,686	147,686	106,929	106,929
Unassigned	196,517	196,517	217,317	217,317
Total Fund Balances	790,733	790,733	863,302	863,302
General Fund Expenditures	3,297,168	3,297,168	3,517,729	3,517,729
Calculated %	12%	24%	11%	25%

[1] Fund balance amounts in CAFR 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 to the General Fund.

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 Governmental Accounting Standards Board (GASB) Fund Balance Reporting policy.

Contingencies

Target	15% of ongoing annual General Purpose Revenues (excluding FBA, transfers & other one-time revenue) or, currently, $130,830,143
Projected Balance @ June 30, 2021	$25,218,880 (2.9% of ongoing General Purpose Revenues)
Variance from target	$105,611,263 below target

This compares to Government Finance Officers Association (GFOA) guidelines for funding contingencies at 15% or higher. A review of surrounding counties found contingency targets were set from 5% to 15%. The COVID-19 pandemic had a financial impact, which resulted in the County Fund Balance Unassigned (FBU) ending the year with a deficit of $29,781,120 and necessitating a draw from contingency reserves to balance the General Fund for FY 2019-20. In addition, on December 15, 2020, the Board allocated $10 million to small business economic support in response to the COVID-19 pandemic. As the economy recovers, replenishment of this reserve will be a priority to prepare for future catastrophic events.

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

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 recommends no change to this reserve.

Assigned for Capital Projects

Target	$50,000,000
Projected Balance @ June 30, 2021	$45,088,489
Variance from target	$4,911,511 below target

Draws from the Capital Project reserve are anticipated in FY 2021-22; however, due to COVID-19 financial impacts, during the 2020 SFP development process the specific draws were unknown and will be determined through the budget development process.

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, 2021	$8,780,379

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	This Strategic Financial Plan recommends no change to this reserve.

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, 2021	$30,000,000

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

Assigned for Teeter Loss Reserve	
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	$529,852,963
Projected Balance @ June 30, 2021	$534,159,094
Variance from target	$4,306,131 above 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 Budget Control 004 Miscellaneous Fund budget 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 2020-21 beginning balance is $10,031,522 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. 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, 2020 was $135,341,559. 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.

Projected Balance @ June 30, 2021	$124,815,468 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 Finance Office/Public Finance, 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 right 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

  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 Certificates of Participation 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 has 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 Public Finance Director 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 Public Finance Director and/or staff shall ensure the calculation and payment are made in a timely manner.

2. Administration of Bond Proceeds

   Bond proceeds are administered in the CEO/Public Finance division 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 CEO/Public Finance division.

   Public Finance Accounting, an Auditor-Controller department satellite unit located within the CEO/Public Finance division, 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. Public 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 Public Finance Accounting staff and management and a Public Finance program analyst before final approval and authority to disburse from the Public Finance Director, 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, all future 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 in Public Finance 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 Public Finance Director 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 Public Finance Director 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 Public Finance Director 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, Public Finance 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 Third Amended and Restated County of Orange Board of Supervisors Policies and Procedures approved by the BOS on May 19, 2009 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 Public Finance Director 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 approved by PFAC and then ratified by the BOS.

If a sole source selection of a financial professional or consultant is recommended, Public Finance 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 Public Finance Director 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 Public Finance Director, 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.

Five-Year Capital Improvement Plan

Introduction

The proposed five-year Capital Improvement Plan (CIP) for Fiscal Years 2021-22 through 2025-26 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 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 2021-22 through FY 2025-26 and the County Facilities Master Plan.

As this plan is further developed, information regarding the background, stage of development, budget status, implementation status, additional funding sources, anticipated costs and impacts on each General Fund capital project will be included. 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, 2020, appropriations in Capital Projects, Budget Control 036 total $30.0 million for FY 2020-21 projects. Of this total, funding of $3.0 million is transferred to Fund 104 for Probation and OC Sheriff Department capital projects, $2.2 million to Fund 16D for Animal Shelter loan repayment, and $24.8 million to Fund 15D for countywide capital projects. The five-year capital project net county cost includes $93.9 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, 2020, appropriations in the Countywide Capital Projects Non-General Fund 15D total $84.0 million for FY 2020-21 projects.

The five-year capital project costs summarized in Fund 15D include $195.3 million in appropriations for capital projects funded by $93.9 million in transfers from General Fund Capital Projects Budget Control 036, $40.6 million from Waste & Recycling Net Importation revenue, $10.6 million transfer in from Utilities, Budget Control 040 for future Cogen/CUF project reserves, $23.3 million revenue from County Administration North occupants for debt service payments, $7.5 million draw from Probation General Fund Reserves for the Youth Guidance Center project, $5.0 million borrowing from OC Waste Recycling, and $14.5 million pass-through for capital projects, offset by $100 thousand increase in the carryover 15D fund balance at the end of FY 2025-26.

These projects (and any subsequently identified) will be evaluated for funding during the FY 2021-22 annual budget process. Project needs and related costs will be reviewed again during the next Strategic Financial Planning cycle which will begin in August 2021.

Countywide Capital Projects - Fund 15D

Description	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast	SFP Total Forecast
Capital Projects - Appropriations						
Countywide Capital Projects - OC Public Works						
County Operations Center	1,335,000	2,414,000	2,500,000	0	0	6,249,000
Fruit Street Complex	110,000	0	0	205,000	0	315,000
Hutton Towers (Gates & Osborne Buildings)	3,764,000	1,400,000	905,000	0	3,474,000	9,543,000
1770 Broadway	367,000	3,283,000	0	0	0	3,650,000
Manchester Office Building	1,359,000	1,650,000	1,585,000	1,942,000	0	6,536,000
909 N. Main	550,000	0	0	1,405,000	2,335,000	4,290,000
Other OCPW Projects for various facilities	3,590,000	2,324,000	800,000	750,000	750,000	8,214,000
Countywide Capital Projects Subtotal	**11,075,000**	**11,071,000**	**5,790,000**	**4,302,000**	**6,559,000**	**38,797,000**
Health Care Agency (HCA) Capital Projects						
HCA General	2,006,000	0	200,000	614,000	602,000	3,422,000
HCA 401 Tustin	300,000	0	250,000	0	0	550,000
HCA Clinic	12,322,047	0	0	0	0	12,322,047
HCA Lab	530,000	0	0	68,400	314,000	912,400
Health Care Agency Capital Projects Subtotal	**15,158,047**	**0**	**450,000**	**682,400**	**916,000**	**17,206,447**
Transfers to:						
Sheriff Deferred Maintenance (Fund 14Q)	3,406,637	3,234,200	2,092,400	2,362,386	2,409,281	13,504,904
Probation Capital Projects (Fund 104)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
Transfer to Fund 279 - OCWR (Loan Repayment)	0	0	0	5,000,000	0	5,000,000
Transfers Subtotal	**6,406,637**	**6,234,200**	**5,092,400**	**10,362,386**	**5,409,281**	**33,504,904**
Capital Projects:						
Youth Guidance Center	6,876,344	591,390	0	0	0	7,467,734
Other Deferred Maintenance Projects &						0
Contingencies	925,000	929,000	6,210,000	7,698,000	5,441,000	21,203,000
Civic Center Master Plan (CCMP) - Phase II (CAN)	3,226,953	13,170,250	12,920,250	12,920,250	12,920,250	55,157,953
Civic Center Master Plan (CCMP) - Phase III	0	13,000,000	0	0	0	13,000,000
800 MHz Capital Projects	0	0	0	0	980,000	980,000
Central Utility Facility (CUF) Projects (BC 040)	3,452,391	1,523,888	766,053	486,813	1,791,437	8,020,582
Capital Projects Subtotal	**14,480,688**	**29,214,528**	**19,896,303**	**21,105,063**	**21,132,687**	**105,829,269**
Total Appropriations	**47,120,372**	**46,519,728**	**31,228,703**	**36,451,849**	**34,016,968**	**195,337,620**
Revenue Sources						
Civic Center Master Plan (CCMP) - CAS Savings	1,820,070	0	0	0	0	1,820,070
Civic Center Master Plan (CCMP) - CAN	0	5,829,099	5,829,099	5,829,099	5,829,099	23,316,396
Transfer in from HCA 042 - HCA Projects	0	0	0	0	484,380	484,380
Transfer in from Utilities 040 - CUF Projects	3,452,391	1,523,888	766,053	486,813	1,791,437	8,020,582
Transfer in from Utilities 040 - CUF Reserves	2,121,367	2,121,367	2,121,367	2,121,367	2,121,367	10,606,835
Transfer in from Fund 15L - 800 MHz Projects	0	0	0	0	980,000	980,000
Transfer in from Fund 279 - Borrowing from OCWR	0	5,000,000	0	0	0	5,000,000
Transfer in from Fund 289 - OCDC Loan Repayment	3,200,000	0	0	0	0	3,200,000
OCWR Importation Revenue (295)	7,808,677	7,911,193	8,097,136	8,328,993	8,472,700	40,618,699
Transfer in from BC 001 - Probation Reserves	6,876,344	591,390	0	0	0	7,467,734
Total Budget Control 036 NCC Funding	17,990,893	18,982,893	18,982,893	18,982,893	18,982,893	93,922,465
Total Revenue	**43,269,742**	**41,959,830**	**35,796,548**	**35,749,165**	**38,661,876**	**195,437,161**

Beginning Fund Balance Reserves - 15D-9744	**23,009,844**	**19,159,214**	**14,599,316**	**19,167,161**	**18,464,477**	**23,009,844**
Closing Fund Balance Reserves - 15D-9744	**19,159,214**	**14,599,316**	**19,167,161**	**18,464,477**	**23,109,385**	**23,109,385**

Capital Projects Department 036 NCC Limits	17,990,893	18,982,893	18,982,893	18,982,893	18,982,893	93,922,465

Note: 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.

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 $1.18 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 receives revenue from General Fund Capital Projects, Budget Control 036, and Court fines, fees, and penalties revenue set-aside for the Probation Department. As of October 31, 2020, appropriations in Criminal Justice Facilities, Fund 104 total $25.8 million for FY 2020-21 projects. The Probation Reserve Balance with County General Fund was $8.8 million and is projected to decrease to approximately $217 thousand by the end of FY 2025-26. The projection assumes a $7.5 million draw between FY 2021-22 and FY 2022-23 for the design and construction of a new building at the Youth Guidance Center, and a $1.1 million draw in FY 2021-22 for a generator upgrade at Juvenile Hall.

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 2021-22 annual budget process.

Public Protection **Fund: 14Q**

14Q - Sheriff-Coroner Construction & Facility Development

Project ID #	Theo Lacy Facility Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ01	F & G Barracks Showers and Restrooms Renovation	680,531	0	0	0	0
PZ03	Realignment E Barracks	1,000,000	0	0	0	0
PZ07	Replace Central Plant Boiler	0	1,086,400	0	0	0
PZ10	Hot Water Storage Tank	0	0	90,100	0	0
PZ08	Theo Lacy Roof Replacement	0	0	1,302,300	0	0
PZ16	Mod I/J Roof	0	0	0	1,362,200	0
PZ18	Inmate Programs Building Roof	0	0	0	0	733,500
PZ19	Building C (K/L) Roof	0	0	0	0	257,346
PZ20	Building A (M, N and O) Roof	0	0	0	0	257,346
PZ22	Central Plant Building A Roof	0	0	0	0	245,590
PZ17	Barracks A-E Walkway	0	0	0	0	546,900
	Total Expense:	**1,680,531**	**1,086,400**	**1,392,400**	**1,362,200**	**2,040,682**
	Total Revenue:	**1,680,531**	**1,086,400**	**1,392,400**	**1,362,200**	**2,040,682**
	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 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ05	Carousel and Stations	0	750,000	0	0	0
PZ21	Reseal Isolation Joints	0	0	0	0	243,308
	Total Expense:	**0**	**750,000**	**0**	**0**	**243,308**
	Total Revenue:	**0**	**750,000**	**0**	**0**	**243,308**
	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 carousel and stations need replacement 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 #	Sheriff Headquarters Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ02	Electrical System Renovation	664,127	0	0	0	0
PZ23	Building Roof Repairs	0	0	0	364,500	0
PZ12	Replace Elevator	0	0	0	0	85,391
	Total Expense:	**664,127**	**0**	**0**	**364,500**	**85,391**
	Total Revenue:	**664,127**	**0**	**0**	**364,500**	**85,391**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	100%	0%	100%

The electrical system and elevator at the Sheriff's Headquarters have exceeded the normal life expectancies and require replacement. The roof needs resealing, reflective coating and repairs to extend its usefulness.

Project ID #	James A. Musick Facility Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ04	Replace Laundry Washer Extractor	1,061,979	0	0	0	0
PZ13	Replace East Compound Overhead Walkways	0	0	0	136,523	0
	Total Expense:	**1,061,979**	**0**	**0**	**136,523**	**0**
	Total Revenue:	**1,061,979**	**0**	**0**	**136,523**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	100%	0%	100%

The laundry washer extractor at the James A. Musick facility has reached the end of its useful life expectancy and needs replacement. To prevent water leaks during rainy seasons, the overhead walkway also needs replacement.

Project ID #	Central Jail Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ06	Central Women's Jail Roof	0	1,397,800	0	0	0
PZ15	Central Men's Jail Replace Exhaust Ducting System	0	0	0	234,063	0
	Total Expense:	**0**	**1,397,800**	**0**	**234,063**	**0**
	Total Revenue:	**0**	**1,397,800**	**0**	**234,063**	**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 Central Jail facilities, replacements of the roof and exhaust ducting system are needed.

Public Protection **Fund: 14Q**

14Q - Sheriff-Coroner Construction & Facility Development

Project ID #	Other Facilities	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ09	Research & Development Office Remodel	0	0	700,000	0	0
PZ14	Loma Ridge Roof Maintenance	0	0	0	229,900	0
PZ11	Repair Training Facility Carport Roof	0	0	0	35,200	0
PZ24	Aliso Viejo Building: Upgrade Security Surveillance System	0	0	0	0	39,900
	Total Expense:	**0**	**0**	**700,000**	**265,100**	**39,900**
	Total Revenue:	**0**	**0**	**700,000**	**265,100**	**39,900**
	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 ensure safety and reduce ongoing maintenance costs. The video surveillance system has reached the end of its useful life and needs to be upgraded.

Total Budget Control: 14Q - Sheriff-Coroner Construction & Facility Development

Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	3,406,637	3,234,200	2,092,400	2,362,386	2,409,281
Funding from Capital Projects (036):	3,406,637	3,234,200	2,092,400	2,362,386	2,409,281
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 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ02	Interior Remodel - Multiple Branches	3,070,000	75,000			
PZ03	Branch Refurbishments - Multiple Branches	2,818,104	4,297,841	1,928,700	983,500	
PZ05	Aliso Viejo Refurbishment / HVAC and Roof Replacement	2,157,800	197,000	1,044,000		
PZ08	OCPL HQ Refurbishment / Roof Replacement	2,125,000	651,000			1,119,500
PZ04	Roof Replacement - Multiple Branches	1,744,950				
PZ06	Irvine Heritage Park HVAC and Roof Replacement	270,000	2,185,000			
PZ07	New Irvine Library		22,880,000	230,000		
PZ01	HVAC Refurbishments/ Replacement - Multiple Branches		53,000	337,500		403,000
	Total Expense:	**12,185,854**	**30,338,841**	**3,540,200**	**983,500**	**1,522,500**
	Total Revenue:	**12,185,854**	**30,338,841**	**3,540,200**	**983,500**	**1,522,500**
	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, fire and alarm system upgrades, 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 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	12,185,854	30,338,841	3,540,200	983,500	1,522,500
Total Funding:	12,185,854	30,338,841	3,540,200	983,500	1,522,500
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 #	Clark Regional Park	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ07	Nature Center Roof & Windows Replacement	700,000	0	0	0	0
PZ08	Restrooms # 1 & 2 - Replacement	0	0	1,376,204	0	0
PZ21	Maintenance Yard Renovation	0	0	0	600,000	0
PZ22	Replace Playgrounds & New Shade Structures	0	0	0	900,000	0
	Total Expense:	**700,000**	**0**	**1,376,204**	**1,500,000**	**0**
	Total Reserves:	**0**	**0**	**904,000**	**1,500,000**	**0**
	Total Revenue:	**700,000**	**0**	**472,204**	**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 Clark Regional Park. These projects include roof and window replacements, restroom and maintenance yard building renovations, and equipment replacement and new shade structures for playgrounds.

Project ID #	Craig Regional Park	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ11	Irrigation Infrastructure Replacement	0	0	2,100,000	0	0
PZ12	Playground Equipment Replacement & New Shade Structures	0	831,767	0	0	0
PZ13	Maintenance Building Remodel	0	600,000	0	0	0
PZ25	North Loftis Creek Arizona Crossing Repairs	0	0	0	350,000	0
	Total Expense:	**0**	**1,431,767**	**2,100,000**	**350,000**	**0**
	Total Reserves:	**0**	**714,000**	**2,100,000**	**350,000**	**0**
	Total Revenue:	**0**	**717,767**	**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, equipment replacement and new shade structures for playgrounds, interior break room, kitchen, restrooms and locker facilities remodels, electrical panel repairs, and Arizona crossing (bridge) repairs.

Community Services | **Fund: 406**

406 - OC Parks Capital

Project ID #	Cooper Center	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P997	Site Improvements	0	0	0	0	1,140,000
PB01	Roof and HVAC Replacement	387,500	0	0	0	0
	Total Expense:	**387,500**	**0**	**0**	**0**	**1,140,000**
	Total Reserves:	**0**	**0**	**0**	**0**	**0**
	Total Revenue:	**387,500**	**0**	**0**	**0**	**1,140,000**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

OC Parks identified drainage and asphalt repairs and roof and HVAC system replacements needed at the Cooper Center.

Project ID #	Irvine Ranch Open Space	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P852	Limestone Canyon - Hangman's Tree Parking Lot	800,000	0	0	0	0
PZ02	Hicks Haul Road Bridge Retrofit	0	382,007	0	0	0
PZ03	Hicks Haul Road Pavement and Pipe Replacement	0	846,000	0	0	0
	Total Expense:	**800,000**	**1,228,007**	**0**	**0**	**0**
	Total Reserves:	**800,000**	**0**	**0**	**0**	**0**
	Total Revenue:	**0**	**1,228,007**	**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 Irvine Ranch Open Space. These projects include a bridge retrofit to meet seismic design requirements, drainage pipe replacements, slope erosion remediation and asphalt replacements and provide a new parking lot and associated amenities within Limestone Canyon.

Community Services **Fund: 406**

406 - OC Parks Capital

Project ID #	Irvine Regional Park	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PB03	Irrigation Pump House Replacement	932,000	0	0	0	0
PZ18	Site Lighting Replacement	0	0	0	995,000	0
	Total Expense:	**932,000**	**0**	**0**	**995,000**	**0**
	Total Reserves:	**0**	**0**	**0**	**995,000**	**0**
	Total Revenue:	**932,000**	**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 Irvine Regional Park. These projects include removal of the old automatic booster pump controls, development and installation of new automatic controls and electrical panels, switchgear, transformer and lighting replacements.

Project ID #	Laguna Niguel Regional Park	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ04	Sewer Lift Station Replacement	760,000	0	0	0	0
PZ05	Site Lighting Retrofit	0	165,000	0	0	0
	Total Expense:	**760,000**	**165,000**	**0**	**0**	**0**
	Total Reserves:	**0**	**0**	**0**	**0**	**0**
	Total Revenue:	**760,000**	**165,000**	**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 Laguna Niguel Regional Park. These projects include installation of a two-pump system with new electronics and an overflow alarm, and street lighting fixtures replacement throughout the park.

Community Services **Fund: 406**

406 - OC Parks Capital

Project ID #	Mason Regional Park	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ14	Front Entry Roadway Redesign and Repair	1,905,000	0	0	0	0
PZ15	Sand Canyon Wash Vegetation and Silt Removal	990,000	0	0	0	0
PZ16	Site Lighting Replacement		260,000	0	0	0
	Total Expense:	**2,895,000**	**260,000**	**0**	**0**	**0**
	Total Reserves:	**52,270**	**260,000**	**0**	**0**	**0**
	Total Revenue:	**2,842,730**	**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 Mason Regional Park. These projects include front entry redesign, new landscape, roadway regrading, slurry seal removal and replacement, sand and silt removal, sidewalk replacement and site lighting replacements with updated LED lights and fixtures.

Project ID #	Mile Square Regional Park	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P867	Park Expansion	3,134,665	0	0	0	0
	Total Expense:	**3,134,665**	**0**	**0**	**0**	**0**
	Total Reserves:	**0**	**0**	**0**	**0**	**0**
	Total Revenue:	**3,134,665**	**0**	**0**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		100%	0%	0%	0%	100%

This is Phase I of a Master Plan to convert 93 acres of a former golf course to park amenities, including a new park entry, enhanced pathways, open lawn, amphitheater, civic plaza, and botanic gardens.

Community Services **Fund: 406**

406 - OC Parks Capital

Project ID #	Peters Canyon	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PA07	Restroom and Rest Area	0	1,600,000	0	0	0
PZ20	Bikeway Extension	0	4,000,000	0	0	0
PZ24	Park - View Staging Area Improvements	0	0	0	0	2,500,000
	Total Expense:	**0**	**5,600,000**	**0**	**0**	**2,500,000**
	Total Reserves:	**0**	**2,700,000**	**0**	**0**	**2,500,000**
	Total Revenue:	**0**	**2,900,000**	**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 in Peters Canyon. These projects include a new restroom and rest area construction at the Lower Peters Canyon Reservoir, a 3.1-mile bikeway in the cities of Tustin and Orange with connections to Peters Canyon and improvements to the Canyon View Staging Area as identified in the Park General Development Plan.

Community Services **Fund: 406**

406 - OC Parks Capital

Project ID #	Various Parks	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ17	Yorba Regional Park - Replace Playgrounds & New Shade Structures	1,400,000	0	0	0	0
PZ10	Saddleback Gateway Park - Building A & B Roof & Window Replacement	700,000	0	0	0	0
PZ01	Aliso & Wood Canyons Park - Exterior Interpretive Exhibits and Trail	376,800	0	0	0	0
PZ09	Salt Creek Beach - Parking Lot Lighting Replacement	0	500,500	0	0	0
PB06	Carbon Canyon Regional Park Storm Drain Rerouting	0	0	3,580,000	0	0
PZ19	Old County Courthouse - Roof & Skylight Replacement	0	0	1,970,000	0	0
P991	Thousands Steps Beach Access Stairs	0	0	0	2,000,000	
PZ23	Casper's Wilderness Park - Maintenance Building Renovation	0	0	0	440,000	0
PZ06	O'Neill Regional Park - Waterline Replacement	0	0	0	0	4,000,000
	Total Expense:	**2,476,800**	**500,500**	**5,550,000**	**2,440,000**	**4,000,000**
	Total Reserves:	**367,000**	**0**	**1,970,000**	**2,129,000**	**2,474,000**
	Total Revenue:	**2,109,800**	**500,500**	**3,580,000**	**311,000**	**1,526,000**
	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 other regional parks, wilderness parks, beaches and historical sites. These projects include roof, skylight and windows replacements, drainage improvements, educational features installations, water line and access stairs replacements, equipment replacement and new shade structures for playgrounds, restroom renovations, electrical and HVAC system replacements, and parking lot expansions.

Total Budget Control: 406 - OC Parks Capital					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	12,085,965	9,185,274	9,026,204	5,285,000	7,640,000
Total Funding:	12,085,965	9,185,274	9,026,204	5,285,000	7,640,000
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 #	Orangewood Children and Family Center (OCFC) Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P448	Replace Cottage Building Roofs	500,000	0	0	0	0
P450	Replace Kitchen Refrigeration System	0	500,000	0	0	0
P443	Replace HVAC Units	800,000	600,000	0	0	0
	Total Expense:	**1,300,000**	**1,100,000**	**0**	**0**	**0**
	Total Revenue:	**1,300,000**	**1,100,000**	**0**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

The cottage building roofs are experiencing age-related issues and are beyond economic repair. The kitchen refrigeration system and HVAC units require replacement.

Project ID #	Children Services Headquarters (Eckhoff) Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ02	ADA Building Improvements	0	0	2,000,000	0	0
	Total Expense:	**0**	**0**	**2,000,000**	**0**	**0**
	Total Revenue:	**0**	**0**	**2,000,000**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

Building improvements for mandated ADA upgrades to doors, restrooms and kitchens.

Project ID #	Santa Ana Regional Center (SARC)	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ01	Replace HVAC Units	0		0	4,000,000	0
	Total Expense:	**0**	**0**	**0**	**4,000,000**	**0**
	Total Revenue:	**0**	**0**	**0**	**4,000,000**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

Replacement of the HVAC units will improve air flow.

Community Services **Fund: 100**

063 - Social Services Agency

Total Budget Control: 063 - Social Services Agency					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	1,300,000	1,100,000	2,000,000	4,000,000	0
Total Funding:	1,300,000	1,100,000	2,000,000	4,000,000	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

Project ID #	Bridge Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PR05	Coast Highway Bikeway and Pedestrian Bridge at Capistrano Beach	2,530,000	0	0	0	0
LZ12 PZ12	Meads Avenue Bridge and Amapola Avenue Bridge Replacements	159,413	152,287	183,762	3,503,687	450,000
PR91	Modjeska Canyon Road Bridge Replacement	1,247,000	40,000	0	0	0
PR96 PR97 PR98	Silverado Canyon Road Bridge Replacements	4,004,800	70,000	0	0	0
P01R	Trabuco Canyon Bridge Replacement	120,000	5,720,000	20,000	0	0
	Total Expense:	**8,061,213**	**5,982,287**	**203,762**	**3,503,687**	**450,000**
	Total Revenue:	**8,061,213**	**5,982,287**	**203,762**	**3,503,687**	**450,000**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		34%	53%	0%	13%	100%

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

Project ID #	Bikeway Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PM06	OC Loop Carbon Creek Channel Bikeway Gap Closure	7,060,000	93,750	0	0	0
PM09	OC Loop Segment O Coyote Creek Bikeway	480,000	460,000	4,810,000	100,000	0
PM10	OC Loop Segment P Coyote Creek Bikeway	35,000	1,150,000	125,000	6,848,611	75,000
PM12	OC Loop Segment Q Coyote Creek Bikeway	0	100,000	1,125,000	5,000	6,781,707
PM07	Peters Canyon Bikeway Extension	185,000	6,315,000	0	0	0
	Total Expense:	**7,760,000**	**8,118,750**	**6,060,000**	**6,953,611**	**6,856,707**
	Total Revenue:	**7,760,000**	**8,118,750**	**6,060,000**	**6,953,611**	**6,856,707**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		45%	13%	0%	42%	100%

The bikeway projects consist of paving approximately 6.5 miles of Class I (off-road) bikeways throughout the County.

Infrastructure & Environmental **Fund: 174**

174 - OC Road - Capital Improvement

Project ID #	Road, Drainage, and Other Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PM01	Antonio Pkwy and Crown Valley Pkwy Intersection Improvements	40,000	1,025,000	0	0	0
PM21	Barrett Lane Drainage and Sidewalk Improvement	91,000	1,410,000	0	0	0
PR79	Brea Boulevard/Brea Canyon Road	11,800,000	0	0	0	0
P04R	Brea Canyon Road at Tonner Canyon Road	105,000	0	0	0	0
PM02	Crawford Canyon Road Sidewalk Extension	1,820,000	2,705,000	0	0	0
P05R	Collins Avenue and Eckhoff Street Cul De Sac Improvements	225,000	0	0	0	0
LZ85 PR85	El Toro Road Reclassification Study and Widening Project	0	905,000	1,525,000	1,055,000	10,775,000
PR48	Gilbert Street Improvements at Railroad Crossing	135,000	1,748,000	0	0	0
PM18	Loma Ridge Road Widening Project	7,310,000	0	0	0	0
PZ33	Los Patrones Parkway Extension	2,000,000	0	0	0	0
PR73	Modjeska Grade Road, Road and Drainage Improvements	463,000	388,000	419,000	8,810,000	0
PZ17	Newport Avenue Roadway Improvements	0	0	0	382,000	851,000
PM23	Santa Clara Avenue, Prospect Avenue and Yorba Street Drainage and Sidewalk Improvements	37,000	2,985,000	0	0	0
P07R	Santiago Canyon Road Passing Lanes	0	655,250	338,350	23,519,250	0
PZ02	Street Drainage Improvements	0	0	0	0	5,740,000
PR02	Trabuco Creek Road Stabilization	55,000	6,020,000	0	0	0
	Total Expense:	**24,081,000**	**17,841,250**	**2,282,350**	**33,766,250**	**17,366,000**
	Total Reserves:					
	Total Revenue:	**24,081,000**	**17,841,250**	**2,282,350**	**33,766,250**	**17,366,000**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		56%	0%	0%	44%	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

Project ID #	Annual Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PR22	ADA (Americans with Disabilities Act) Upgrades	310,000	310,000	310,000	310,000	620,000
PZ08	Sidewalk Gap Closure	1,803,000	419,500	419,500	419,500	839,000
PZ09	Traffic Management Center Fiber Optic Expansion	1,150,000	1,150,000	1,150,000	1,150,000	2,300,000
PR04	Traffic Signal Upgrades - Various Locations	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
	Total Expense:	**4,363,000**	**2,979,500**	**2,979,500**	**2,979,500**	**4,859,000**
	Total Revenue:	**4,363,000**	**2,979,500**	**2,979,500**	**2,979,500**	**4,859,000**
	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 optics network components. The projects are needed to enhance safety and mobility and to comply with ADA standards.

Total Budget Control: 174 - OC Road - Capital Improvement					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	44,265,213	34,921,787	11,525,612	47,203,048	29,531,707
Total Funding:	44,265,213	34,921,787	11,525,612	47,203,048	29,531,707
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 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PF01 PF66	East Garden Grove Wintersburg Channel (EGGWC)	21,268,000	10,000	0	1,085,000	2,551,000
PZ25	EGGWC (C05), 3 Bridges at Warner (u/s), Springdale, and Edward	500,000	9,500,000	0	0	0
PZ26	EGGWC (C05), Warner Avenue Bridge (d/s)	0	3,000,000	30,000,000	4,000,000	0
PZ27	EGGWC (C05), Tide Gates to 1200 ft' d/s of Goldenwest	0	0	0	57,000,000	57,000,000
P02F	Huntington Beach and Talbert Channels Rehabilitation Project	46,229,006	20,645,879	1,801,171	0	0
P05F	Laguna Canyon Channel	5,261,000	0	0	0	0
L394 PF73	Santa Ana Delhi Channel	596,000	5,357,000	23,745,000	8,010,000	10,000
	Total Expense:	**73,854,006**	**38,512,879**	**55,546,171**	**70,095,000**	**59,561,000**
	Total Revenue:	**73,854,006**	**38,512,879**	**55,546,171**	**70,095,000**	**59,561,000**
	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 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PF89	Extension, Gypsum Canyon Rd to County boundary	16,645,000	0	0	0	0
PF76	Santa Ana Gardens Channel (50% Federal Funding)	60,000	2,292,000	0	0	0
	Total Expense:	**16,705,000**	**2,292,000**	**0**	**0**	**0**
	Total Revenue:	**16,705,000**	**2,292,000**	**0**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	34%	0%	66%	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 #	Other Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PF70	Mitigation Bank at Green River Golf Course	0	0	600,000	0	0
	Total Expense:	**0**	**0**	**600,000**	**0**	**0**
	Total Revenue:	**0**	**0**	**600,000**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

An In-Lieu Fee Program is being established at Green River Golf Course to create approximately 33 acres of wetland and riparian habitat and provide compensatory mitigation for unavoidable impacts to wetlands and aquatic resources.

Total Budget Control: 401 - OC Flood					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	90,559,006	40,804,879	56,146,171	70,095,000	59,561,000
Total Funding:	90,559,006	40,804,879	56,146,171	70,095,000	59,561,000
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 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P443	Repair Terminal Roof and Replace Expansion Joints	2,000,000	0	0	0	0
PZ01	Plumbing Infrastructure Replacement	0	0	2,000,000	1,000,000	0
P440	Facility Accessibility Improvements	2,000,000	2,000,000	0	0	0
PZ04	Elevator Replacement	600,000	975,000	3,075,000	3,650,000	3,600,000
PZ05	Escalator Replacement	500,000	550,000	2,450,000	2,450,000	2,450,000
P442	Baggage System Improvements	3,000,000	0	0	0	0
	Total Expense:	**8,100,000**	**3,525,000**	**7,525,000**	**7,100,000**	**6,050,000**
	Total Revenue:	**8,100,000**	**3,525,000**	**7,525,000**	**7,100,000**	**6,050,000**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

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

Project ID #	Airport Facility Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P430	366 Building Roof Rehabilitation	150,000	0	0	0	0
PZ07	GTC Roof Replacement	600,000	3,600,000	0	0	0
P428	Exterior Lighting Improvements	2,500,000	3,000,000	0	0	0
P429	Main Street Parking Lot Restroom Renovation	300,000				
	Total Expense:	**3,550,000**	**6,600,000**	**0**	**0**	**0**
	Total Revenue:	**3,550,000**	**6,600,000**	**0**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

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

Infrastructure & Environmental **Fund: 281**

281 - Airport Construction Fund

Project ID #	Various Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P404	Airport Power Generation and Distribution Upgrades	10,000,000	0	0	0	0
PZ02	Parking Access Revenue Control System (PARCS) Replacement	200,000	5,000,000	0	0	0
PZ03	Common Use Passenger Processing System (CUPPS) Replacement	200,000	5,000,000	0	0	0
PZ06	Central Utility Power (CUP) Generators	0	0	0	800,000	800,000
PZ08	Maintenance Laydown Yard	0	400,000	2,400,000	0	0
P450	Biffy Dump Redesign	500,000	0	0	0	0
P438	General Aviation Infrastructure Improvements	900,000	1,000,000	1,000,000		
	Total Expense:	**11,800,000**	**11,400,000**	**3,400,000**	**800,000**	**800,000**
	Total Revenue:	**11,800,000**	**11,400,000**	**3,400,000**	**800,000**	**800,000**
	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: improve the capability of resuming electric power supply after a power outage; enhance revenue control measures, reduce the opportunity for fraud, and improve customer service and customer experience; improve safety and environmental compliance; and optimize site utilization by reorganizing and reconfiguring Fixed Based Operators facilities layouts.

Infrastructure & Environmental **Fund: 281**

281 - Airport Construction Fund

Project ID #	Federal Funded Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P445	Airport Signage and Wayfinding Update	1,000,000	0	0	0	0
P424	Taxiways A - D - E Reconstruction	2,500,000	15,000,000	15,000,000	0	0
P436	Terminal Apron Improvements	450,000	1,500,000	1,500,000	1,500,000	0
P101	Project Management (PM) / Construction Management (CM)	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
P107	Testing and Inspection	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000
	Total Expense:	**12,960,000**	**25,510,000**	**25,510,000**	**10,510,000**	**9,010,000**
	Total Revenue:	**12,960,000**	**25,510,000**	**25,510,000**	**10,510,000**	**9,010,000**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	13%	0%	87%	100%

The Federal-funded projects include signage and wayfinding in the Airport terminal buildings, walkways, roadways and parking structures; reconstruction of taxiways; improvements to the terminal apron for operational and maintenance cost savings; project/construction management consultant services to support John Wayne Airport's Capital Improvement Plan projects; and geotechnical engineering, materials testing, construction observation and inspection services necessary to ensure quality engineering and construction that complies with plans, specifications, industry codes and standards.

Total Budget Control: 281 - Airport Construction Fund

Sources and Uses	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Total Expense:	36,410,000	47,035,000	36,435,000	18,410,000	15,860,000
Total Funding:	36,410,000	47,035,000	36,435,000	18,410,000	15,860,000
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 #	Olinda Alpha Landfill (OAL) Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P565	Main Access Road Extension	540,000	0	0	0	0
PZ01	Phase II Landfill Gas Header Upgrade	900,000	0	0	0	0
P719	North Perimeter Drainage Channel Extension	0	2,400,000	0	0	0
P768	Administration Building Replacement/Remodel	0	2,400,000	0	0	0
	Total Expense:	**1,440,000**	**4,800,000**	**0**	**0**	**0**
	Total Revenue:	**1,440,000**	**4,800,000**	**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 Olinda Alpha Landfill there is a need to extend and rehabilitate the main access road, upgrade sections of the main landfill gas line with a larger pipe, and extend the existing drainage channel around the north end of the landfill. In addition, the existing Olinda Alpha Landfill Administration building requires remodeling or replacement to realign facility needs with staffing changes.

Infrastructure & Environmental **Fund: 273**

273 - OCWR Capital Project Fund

Project ID #	Frank R. Bowerman (FRB) Landfill Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P738	Phase VIII-A1 Groundwater Protection and Stockpile	25,000,000	15,000,000	0	0	0
PZ04	Phase VIII-A2 Groundwater Protection and Stockpile	0	400,000	16,600,000	5,600,000	0
P755	IGP Storm Water System Installation	635,000	0	0	0	0
P765	Water Pump and Tank System Installation	130,000	2,490,000	0	0	0
PZ02	Infrastructure Relocation	2,000,000	0	0	0	0
PZ03	Sewer Line and Water Treatment System	3,000,000	0	0	0	0
PZ03	Landfill Gas Flare Station Improvement Project	0	0	10,000,000	0	0
	Total Expense:	**30,765,000**	**17,890,000**	**26,600,000**	**5,600,000**	**0**
	Total Revenue:	**30,765,000**	**17,890,000**	**26,600,000**	**5,600,000**	**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 Frank R. Bowerman Landfill, providing approximately 15 million cubic yards of capacity. This expansion requires improvements to the storm water collection system per the Industrial General Permit (IGP) and installing a water pump and tank system will provide moveable water tanks to better service operations at the landfill. Other projects include relocating the current six electrical meter layout to a two-meter system which will increase the electrical capacity to meet current and future needs, installing a water treatment system that will remove potential odors and treat for contaminants, and installing upgrades to the existing flare station in order to meet regulatory compliance.

Infrastructure & Environmental **Fund: 273**

273 - OCWR Capital Project Fund

Project ID #	Prima Deshecha Landfill Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P732	Zone 4 Phase A Mass Excavation and Ground Water Protection	5,000,000	35,000,000	15,000,000	10,650,000	0
P782	Fee Booth Relocation and Entrance Improvements	4,000,000	0	0	0	0
P752	Riparian Installation	1,600,000	0	0	0	0
P731	Zone 4 Phase A Main Gas Line	0	0	0	0	250,000
PZ06	Zone 1 Phase D2 Mass Excavation and Liner	2,400,000	0	0	0	0
P772	Re-Power and Solar System	1,200,000	0	0	0	0
P781	Flare Installation	4,050,000	0	0	0	0
PZ05	Flare Removal and Installation	0	0	4,500,000	0	0
PZ07	Resource Recovery Facility	0	0	0	0	5,000,000
	Total Expense:	**18,250,000**	**35,000,000**	**19,500,000**	**10,650,000**	**5,250,000**
	Total Revenue:	**18,250,000**	**35,000,000**	**19,500,000**	**10,650,000**	**5,250,000**
	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 1, includes installation of a liner system and appurtenances to allow for landfilling in the upper slopes. Other projects include installing new electrical connections and switches, installing additional flares with lower emissions, and constructing a waste-to-energy facility using AB 939 Surcharge program funding.

Infrastructure & Environmental **Fund: 273**

273 - OCWR Capital Project Fund

Project ID #	Organics Management Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ13	Bee Canyon Digester	0	0	0	0	4,000,000
PZ12	Bee Canyon Greenery - Phase II	0	0	0	5,000,000	0
PZ11	CASP System Bee Canyon Greenery	0	2,000,000	0	0	0
PZ01	Source Separated Organics (SSO) Processing Facility	0	0	1,500,000	10,000,000	0
PZ02	Valencia Greenery - Phase I	0	4,834,332	0	0	0
	Total Expense:	**0**	**6,834,332**	**1,500,000**	**15,000,000**	**4,000,000**
	Total Revenue:	**0**	**6,834,332**	**1,500,000**	**15,000,000**	**4,000,000**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

OCWR plans to implement various technologies for processing organic materials such as composting, and organics digester and a source-separated organics facility to ensure the County's compliance with new State legislation and regulations for reducing greenhouse gases.

Total Budget Control: 273 - OCWR Capital Project Fund

Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	50,455,000	64,524,332	47,600,000	31,250,000	9,250,000
Total Funding:	50,455,000	64,524,332	47,600,000	31,250,000	9,250,000
Balance*:	0	0	0	0	0

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

Capital Improvements **Fund: 104**

104 - Criminal Justice Facilities - ACO

Project ID #	Probation Facilities	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P104	Capital Improvement Plan	2,795,000	1,504,100	2,660,000	4,441,000	6,308,200
	Total Expense:	**2,795,000**	**1,504,100**	**2,660,000**	**4,441,000**	**6,308,200**
	Total Reserves:	**1,582,575**	**0**	**0**	**630,700**	**2,497,800**
	Total Revenue:	**1,212,425**	**1,504,100**	**2,660,000**	**3,810,300**	**3,810,400**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

Probation Department funded capital projects for various facilities including Juvenile Hall, Youth Leadership Academy, Joplin Youth Center and Youth Guidance Center. Fund 104 receives an annual contribution from the County General Fund Capital Projects, Budget Control 036.

Total Budget Control: 104 - Criminal Justice Facilities - ACO

Sources and Uses	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Total Expense:	2,795,000	1,504,100	2,660,000	4,441,000	6,308,200
Department Funded:	2,392,575	810,100	810,200	1,441,000	3,308,200
Funding from Capital Projects (036):	402,425	694,000	1,849,800	3,000,000	3,000,000
Total Funding:	2,795,000	1,504,100	2,660,000	4,441,000	6,308,200
Balance*:	0	0	0	0	0

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

Infrastructure & Environmental **Fund: 108**

108 - OC Dana Point Harbor

Project ID #	Dana Point Harbor	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P107	Dry Stack Storage Contribution		12,000,000			
	Total Expense:	**0**	**12,000,000**	**0**	**0**	**0**
	Total Reserves:	**0**	**12,000,000**	**0**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

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 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Total Expense:	0	12,000,000	0	0	0
Total Funding:	0	12,000,000	0	0	0
Balance*:	0	0	0	0	0

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

Infrastructure & Environmental **Fund: 115**

115 - OC Road

Project ID #	Antonio Parkway	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
LZ16	Open space land for 1997 Antonio Parkway Extension Mitigation					
	Total Expense:	**0**	**4,500,000**	**0**	**0**	**0**
	Total Reserves:	**0**	**4,500,000**	**0**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

Purchase open space land in unincorporated Silverado Canyon area for preservation to meet an outstanding compensatory mitigation obligation related to the 1997 Antonio Parkway extension.

Total Budget Control: 115 - OC Road					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	0	4,500,000	0	0	0
Total Funding:	0	4,500,000	0	0	0
Balance*:	0	0	0	0	0

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

Infrastructure & Environmental **Fund: 404**

404 - OC Flood - Capital

Project ID #	Seven Oaks Dam	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
PZ02	Programmable Logic Control (PLC) Installation	2,000,000				
	Total Expense:	**2,000,000**	**0**	**0**	**0**	**0**
	Total Revenue:	**2,000,000**	**0**	**0**	**0**	**0**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

Install PLC at Seven Oaks Dam to operate emergency gates remotely. Orange County Flood Control District (OCFCD) is a local sponsor with US Army Corps of Engineers (USACE) per agreement.

Total Budget Control: 404 - OC Flood - Capital					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	2,000,000	0	0	0	0
Total Funding:	2,000,000	0	0	0	0
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 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast
P651	OCDC Roof Replacement	1,260,000	0	0	0	0
P646	OCDC Water Valve Shut-Off	150,000	0	0	0	0
PZ01	Parking Lot Slurry & Striping	65,000	0	0	0	0
PZ02	Computer Room Air Handler Hoods	64,800	0	0	0	0
P640	KVA Back-Up Generator Project	0	0	0	1,250,000	1,250,000
	Total Expense:	**1,539,800**	**0**	**0**	**1,250,000**	**1,250,000**
	Total Revenue:	**1,539,800**	**0**	**0**	**1,250,000**	**1,250,000**
	Balance:	**0**	**0**	**0**	**0**	**0**
	Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
		0%	0%	0%	100%	100%

The Data Center is an essential facility that hosts 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 replacement of the generator, replacement of the roof lining, relocation of the water mains into the parking lot, repavement and restriping of the parking lot, and replacement of the computer room air handler units that have reached the end of useful life.

Total Budget Control: 289 - OCIT Countywide Services					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	1,539,800	0	0	1,250,000	1,250,000
Total Funding:	1,539,800	0	0	1,250,000	1,250,000
Balance*:	0	0	0	0	0

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

Countywide Summary - Capital Projects	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast	FY 25-26 Forecast	2020 SFP Forecast
Department Funded General Fund Capital Projects						
Department Funded General Fund Expense Total	1,300,000	1,100,000	2,000,000	4,000,000	0	8,400,000
Department Funded General Fund Revenue Total	1,300,000	1,100,000	2,000,000	4,000,000	0	8,400,000
Non-General Fund Capital Projects						
Non-General Fund Expense Total	302,822,847	294,568,141	200,254,290	217,731,783	167,349,656	1,182,726,717
Funding from Capital Projects (036):	17,990,893	18,982,893	18,982,893	18,982,893	18,982,893	93,922,465
Non-General Fund Revenue	284,831,954	275,585,248	181,271,397	198,748,890	148,366,763	1,088,804,252
Non-General Fund Revenue Total	302,822,847	294,568,141	200,254,290	217,731,783	167,349,656	1,182,726,717
County Expense Total	**304,122,847**	**295,668,141**	**202,254,290**	**221,731,783**	**167,349,656**	**1,191,126,717**
County Revenue Total	**304,122,847**	**295,668,141**	**202,254,290**	**221,731,783**	**167,349,656**	**1,191,126,717**
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 2021-22 through 2025-26 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. 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 each request to be reviewed and five-year funding requirements to be assessed. 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 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 2021-22 through FY 2025-26. The reported IT projects (and those subsequently identified) will be evaluated for funding during the FY 2021-22 annual budget development process. Project needs and related costs will be reviewed again during the next SFP cycle which will begin in August 2021.

IT projects will be reviewed by the Information Technology Investment Review Committee (IT IRC) in preparation of the following year's budget requests. Departments will continue to submit detailed IT project requests on an annual basis in order to secure approval and appropriations as part of the budget development process.

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

Effective FY 2020-21 countywide IT projects are budgeted and accounted for in Countywide IT Projects Fund 15I. As of October 31, 2020, appropriations in Fund 15I total $12.2 million, funded by $4 million Net County Cost transferred in from Data Systems Development Projects, Budget Control 038 and $8.2 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 $16.3 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 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Program IV - General Government Services								
054 - Human Resource Services								
C	Cornerstone OnDemand (Eureka) - Engage Module	470,000	0	0	0	0	0	0
	Program IV Subtotal	**470,000**	**0**	**0**	**0**	**0**	**0**	**0**
Program V - Capital Improvements								
15I - Countywide IT Projects Non-General Fund								
C	System of Care Data Integration System	0	13,127,542	2,918,696	2,580,323	2,595,155	2,516,684	2,516,684
N	County Network Lab	0	375,000	0	375,000	0	0	0
N	Badge and MIM	0	150,000	0	150,000	0	0	0
N	Application Code Scanning	0	456,000	0	456,000	0	0	0
N	Automated Patching Tool	0	474,000	0	474,000	0	0	0
N	Centralized Data Loss Prevention	0	426,000	0	426,000	0	0	0
N	Cloud Security Controls	0	387,000	0	387,000	0	0	0
N	Automated E-Discovery Tool	0	474,000	0	474,000	0	0	0
N	Network Segmentation & Network Access Control	0	390,000	0	390,000	0	0	0
	Program V Subtotal	**0**	**16,259,542**	**2,918,696**	**5,712,323**	**2,595,155**	**2,516,684**	**2,516,684**
Program VII - Insurance, Reserves & Miscellaneous								
289 - OCIT Countywide Services								
N	Inventory Management	950,000	0	0	0	0	0	0
	Program VII Subtotal	**950,000**	**0**	**0**	**0**	**0**	**0**	**0**
	Total NCC Request	**0**	**16,259,542**	**2,918,696**	**5,712,323**	**2,595,155**	**2,516,684**	**2,516,684**

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: **General Government Services** Fund: **100**
Budget Control: **054 - Human Resource Services**

IT Project Description: **Unit Number: 054IZ01** **PB Req: 7015**

Cornerstone OnDemand (Eureka) - Engage Module

Sources and Uses	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Expense:	110,000	90,000	90,000	90,000	90,000
Revenue:	110,000	90,000	90,000	90,000	90,000
Balance:	**0**	**0**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	0%	100%	100%

Proposal:
Human Resources (HR) proposes contracting for a third module to the Eureka learning and development resource to measure employee engagement and satisfaction throughout the County. The data provided by this module would enhance data-driven, human capital decisions and could support talent retention and employee performance. Additionally, data provided by the "Engage" module could serve as a critical measure for Recruitment Services to understand the fit and success of new hires. Subsequently, the data may be used to guide decisions related to recruitment and hiring processes. The module could provide access to research-based engagement tools to measure employee engagement, satisfaction, and commitment, which are all key drivers of retention and performance. Additionally, Engage would provide the County with the ability to implement and administer a new hire survey as part of a new onboarding process. Costs for the project would be funded by Charges for Services; HR would charge implementation and annual ongoing costs to users beginning in FY 2021-22.

Total Budget Control: 054 - Human Resource Services

Sources and Uses	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Total Expense:	110,000	90,000	90,000	90,000	90,000
Total Revenue:	110,000	90,000	90,000	90,000	90,000
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: 15III16**		**PB Req: 6582**
System of Care Data Integration System					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	3,648,370	3,225,404	3,243,944	3,145,855	3,145,855
Revenue:	729,674	645,081	648,789	629,171	629,171
Balance:	**2,918,696**	**2,580,323**	**2,595,155**	**2,516,684**	**2,516,684**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	20%	0%	80%	0%	100%

Proposal:
The System of Care Data Integration system was established as a coordinated data-sharing platform to serve both internal and external stakeholders to improve care coordination and delivery of services to the County's most vulnerable residents. The system will benefit multiple departments (Health Care Agency, OC Sheriff's Department, Social Services Agency, OC Community Resources and the Probation Department) by providing access to information, reduced barriers to services, a streamlined referral process and more efficient and effective utilization of resources.

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

IT Project Description:			**Unit Number: 15IIZ06**		**PB Req: 7043**
County Network Lab					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	0	375,000	50,000	50,000	50,000
Revenue:	0	0	50,000	50,000	50,000
Balance:	**0**	**375,000**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	100%	0%	100%

Proposal:
A lab environment is requested by OCIT for testing configurations, patches and upgrades before applying to the production environment. This may assist with keeping network devices updated with current software and patches, improve network reliability, and reduce outages. OCIT would build a network lab with the same model and type of routers, switches and firewalls currently implemented on the County network. Because the patches, upgrades and solutions would be suitably tested before deployment, OCIT may be able to provide even more reliable services to County departments. The project could be completed in FY 2022-23 if funding were available. The implementation cost of $375,000 NCC would be requested in FY 2022-23 and OCIT Countywide Services, Fund 289, would charge $50,000 annual ongoing costs to users beginning in FY 2023-24.

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

IT Project Description:			**Unit Number: 15IIZ09**		**PB Req: 7044**
Badge and MIM					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	0	150,000	4,000	4,000	4,000
Revenue:	0	0	4,000	4,000	4,000
Balance:	**0**	**150,000**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	100%	0%	100%

Proposal:
OCIT requests a proposal to implement an Identify and Badge Data Integration project that would improve the flow between digital identities and the badge access system, enhance security and increase efficiencies while providing physical access to County facilities. The project would provide data integration between digital identity management and physical access management. The project could be completed in FY 2022-23 if funding were available. Implementation cost of $150,000 NCC would be requested in FY 2022-23 and OCIT Countywide Services, Fund 289, would charge $4,000 annual ongoing costs to users beginning in FY 2023-24.

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

IT Project Description:			**Unit Number: 15IIZ01**		**PB Req: 7045**
Application Code Scanning Tool					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	0	456,000	0	0	140,000
Revenue:	0	0	0	0	140,000
Balance:	**0**	**456,000**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	100%	0%	100%

Proposal:
The County website, OCGov.com is a business application used by external entities and the public for various reasons. OCIT requests a proposed application security tool to increase protection against web application exploitation by scanning the code and addressing possible vulnerabilities. OCIT proposes to implement a tool and provide a mechanism to identify potential flaws in the County's applications code design. The project could be completed in FY 2024-25 if funding were available. Implementation cost of $456,000 NCC would be requested in FY 2022-23 and OCIT, Fund 289, would charge $140,000 annual ongoing costs to users beginning in FY 2025-26.

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

IT Project Description:			**Unit Number: 15IIZ02**		**PB Req: 7046**
Automated Patching Tool					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	0	474,000	0	0	90,000
Revenue:	0	0			90,000
Balance:	**0**	**474,000**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	100%	0%	100%

Proposal:
Vulnerability management is a process requiring ongoing remediation of identified risks. OCIT requests 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 2022-23 and OCIT, Fund 289, would charge $90,000 ongoing annual costs to users beginning in FY 2025-26.

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

IT Project Description:			**Unit Number: 15IIZ03**		**PB Req: 7047**
Centralized Data Loss Prevention					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	0	426,000	0	0	134,000
Revenue:	0	0			134,000
Balance:	**0**	**426,000**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	100%	0%	100%

Proposal:
OCIT requests a proposed Centralized Data Loss Prevention project that would protect the County from unintended data disclosure. Data loss can occur is several different areas where data is handled. These include data in motion (internet, email, cloud), data in use (servers, laptops, desktops, mobile devices) and at rest (stored). The project could be completed in FY 2024-25 if funding were available. Implementation cost of $426,000 NCC would be requested in FY 2022-23 and OCIT, Fund 289, would charge $134,000 ongoing annual costs to users beginning in FY 2025-26.

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

IT Project Description:			**Unit Number: 15IIZ04**		**PB Req: 7048**
Cloud Security Controls					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	0	387,000	117,000	117,000	117,000
Revenue:	0	0	117,000	117,000	117,000
Balance:	**0**	**387,000**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	100%	0%	100%

Proposal:
The proposed Cloud Security Controls project, requested by OCIT, would provide necessary measures to protect County applications and data stored in the cloud environment. OCIT's solution would implement effective authentication and authorization processes to safeguard the applications and data. The project could be completed in FY 2022-23 if funding were available. Implementation cost of $387,000 NCC would be requested in FY 2022-23 and OCIT, Fund 289, would charge $117,000 annual ongoing costs to users beginning in FY 2023-24.

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

IT Project Description:			**Unit Number: 15IIZ05**		**PB Req: 7049**
Automated E-Discovery Tool					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	0	474,000	0	0	90,000
Revenue:	0	0			90,000
Balance:	**0**	**474,000**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	100%	0%	100%

Proposal:
County departments, including Human Resource Services and County Counsel, have expressed a need for electronic discovery (e-discovery) information. OCIT's proposed solution would be designed to enhance the accuracy of searches of electronically stored information. The project could be completed in FY 2024-25 if funding were available. Implementation cost of $474,000 NCC would be requested in FY 2022-23 and OCIT, Fund 289, would charge $90,000 annual ongoing costs to users beginning in FY 2025-26.

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

IT Project Description:			**Unit Number: 15IIZ07**		**PB Req: 7050**
Network Segmentation & Network Access Control					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	0	390,000	0	0	0
Revenue:	0	0	0	0	0
Balance:	**0**	**390,000**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	100%	0%	100%

Proposal:
OCIT requests a proposed Network Segmentation and Network Access Control project that would safeguard access to the County network and prevent data exfiltration and unintended data loss. The project would establish network segmentation to prevent unauthorized users from accessing the network and enhance the ability to contain malware. The project could be implemented in FY 2022-23 if funding were available. Implementation costs of $390,000 NCC would be requested in FY 2022-23.

Total Budget Control: 15I - Countywide IT Projects Non-General Fund					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	3,648,370	6,357,404	3,414,944	3,316,855	3,770,855
Total Revenue:	729,674	645,081	819,789	800,171	1,254,171
Balance*:	**2,918,696**	**5,712,323**	**2,595,155**	**2,516,684**	**2,516,684**

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

Program: **Insurance, Reserves & Miscellaneous** Fund: **289**
Budget Control: **289 - OCIT Countywide Services**

IT Project Description: Inventory Management			**Unit Number: 289IZ08**		**PB Req: 6519**
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Expense:	250,000	175,000	175,000	175,000	175,000
Revenue:	250,000	175,000	175,000	175,000	175,000
Balance:	**0**	**0**	**0**	**0**	**0**
Funding Source:	**State**	**Federal**	**General Fund**	**Other**	**Total**
	0%	0%	0%	100%	100%

Proposal:
OCIT is responsible for tracking assets ranging in cost from a few dollars to some in excess of $1 million. The existing system only provides tracking once the asset is installed into the production environment. OCIT seeks to deploy a new system which will track the assets through their complete lifecycle (from delivery to the production environment and through the time the assets are sent to surplus). The proposed solution is to use the Asset/Inventory tracking modules within the ServiceNow (SMS) application hosted by SAIC. Costs for the project would be funded by Fund 289, OCIT Countywide Services.

Total Budget Control: 289 - OCIT Countywide Services					
Sources and Uses	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
Total Expense:	250,000	175,000	175,000	175,000	175,000
Total Funding:	250,000	175,000	175,000	175,000	175,000
Balance*:	**0**	**0**	**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 new 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 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
- **Efficien**t – 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 42 Strategic Priorities (Priorities) and it was determined that 18 more closely fit the definition of Emerging Initiatives. The remaining 24 Strategic Priorities represent a total net cost of $445.0 million over the first five years with a first year net cost of $28.4 million growing to an annual net cost of $106.2 million by the fifth plan year. The aggregate ten-year cost of the Priorities is estimated to be $912.6 million. All 24 priorities are continuing priorities and no new priorities were identified. 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 deferred to the FY 2021-22 budget process due to increasing ongoing operating costs beyond General Purpose Revenue growth, the uncertainty as a result of the COVID-19 pandemic and the need to maintain department current levels of service to the community to the extent possible.

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 Net County Cost (NCC), for potential future inclusion as Strategic Priorities:

Integrated Services

A more complete description of the following emerging initiatives is included in the Integrated Services introduction:

- Mental Health and Substance Use Disorder Support Services for Juveniles
- Establish a Juvenile Corrections Campus
- Housing for Transitional Aged Youth
- Data Sharing for Care Coordination of High Utilizing Juvenile and Transitional Age Youth Offenders

District Attorney

- Digital Records Management Project – Request for additional staffing and contract services to transition to and maintain a paperless environment for archival records storage.

Sheriff-Coroner

- New and Alternate Emergency Operations Center – Request for additional equipment and facility space to establish a new County Emergency Operations Center and to maintain the current facility as an alternate location.
- Emergency Operation Center (EOC) Utility Undergrounding – Request for additional funding to install underground services (e.g. power, telecommunications) from Loma Ridge Road to Santiago Community College.

OC Public Libraries

- 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

- Long Term Care Beds – Request to expand the inpatient psychiatric system inventory and availability of in-county long term care beds for the most vulnerable individuals with serious mental illness in Orange County.
- Agency Operations Center – Request to build out an adequate space to consolidate staff and medical supplies into one warehouse space, to provide an optimal response to future health emergencies which could impact Orange County.

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.
- Fruit Street Relocation – Request for relocation, renovation or rebuilding of the Fruit Street Complex. A feasibility study is in process due to the railroad underpass project on Santa Ana Boulevard and development of the surrounding area by the City of Santa Ana.
- US Army Corps of Engineers Westminster Watershed Study and Implementation – OC Flood Control District will share costs as a local sponsor to reduce flood risk within the largest floodplain in Orange County. The study and implementation is pending Congressional funding approval.
- Santiago Creek Project – Request for improvements to Santiago Creek, which runs through the cities of Orange, Santa Ana and Villa Park that will provide flood protection for citizens living near the creek.

Auditor-Controller/CAPS Program

- CAPS+ Financial/Procurement, Human Resources/Payroll Replacement – Request for needs assessment, third-party analysis, request for proposal development and vendor selection, and Enterprise Resource Planning (ERP) system development and implementation supporting the potential replacement of the current County-wide Accounting and Personnel System (CAPS+). In addition, the SFP includes a continuing Strategic Priority for CAPS+ Financial/Procurement & HR/Payroll software and hardware upgrades.

A summary of the 2020 Strategic Priorities and the NCC request by program and department follows this page.

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2020 STRATEGIC PRIORITIES

C/N	Department	Strategic Priority Title	10-Year NCC Request	5-Year NCC Request	ANNUAL NCC REQUEST FY 21-22	ANNUAL NCC REQUEST FY 22-23
	Integrated Services					
C	County Executive Office (017)	Expand Specialty Courts	6,710,780	3,355,390	671,078	671,078
C	County Executive Office (017)	Enhancing In-Custody Behavioral Health Treatment	62,589,926	28,711,236	2,482,682	5,956,578
C	County Executive Office (017)	Enhance Inmate Programming Services	0	0	0	0
C	County Executive Office (017)	Coordinated Reentry System	33,316,111	22,776,641	0	9,151,476
C	County Executive Office (017)	System of Care Data Integration for Care Coordination	7,389,998	5,647,991	1,898,993	2,717,302
C	County Executive Office (017)	Permanent Supportive/Affordable Housing Access	0	0	0	0
		Integrated Services Subtotal	**110,006,815**	**60,491,258**	**5,052,753**	**18,496,434**
	Program I - Public Protection					
C	District Attorney (026)	Conviction Integrity Unit	19,905,070	9,835,715	1,886,595	1,961,503
C	District Attorney (026)	Post-Conviction Litigation Unit	43,619,014	21,473,114	4,099,608	4,272,202
C	District Attorney (026)	Recidivism Reduction Unit	11,520,732	5,698,592	1,093,982	1,137,398
C	District Attorney (026)	AB 109 Task Force	25,493,072	12,734,742	2,492,816	2,573,136
C	Sheriff-Coroner (060)	James A. Musick Facility Expansion - Phase 1 Staffing	415,788,650	163,436,760	0	17,696,636
C	Sheriff-Coroner (060)	James A. Musick Facility Expansion - Phase 2 Staffing	166,218,555	65,231,764	0	7,053,815
C	Sheriff-Coroner (060)	Jail Security Electronic Control Systems Upgrade/Replacement	10,271,561	10,271,561	3,621,787	3,172,448
C	Sheriff-Coroner (060)	Sheriff-Coroner Jail Hardening	2,143,237	2,143,237	1,071,102	1,072,135
C	Sheriff-Coroner (060)	Katella Range Renovation	3,836,900	3,836,900	3,836,900	0
C	Sheriff-Coroner (060)	Inmate Transportation Buses	2,880,000	2,160,000	720,000	1,440,000
C	Sheriff-Coroner (060)	Sheriff-Coroner Facilities Capital Improvement Plan	37,330,945	37,330,945	2,263,719	6,130,732
C	Sheriff-Coroner (060)	Sheriff-Coroner Facilities Maintenance Repair Plan	39,648,199	24,156,316	792,530	5,706,301
		Program I Subtotal	**778,655,935**	**358,309,646**	**21,879,039**	**52,216,306**
	Program II - Community Services					
C	Social Services Agency (063)	California Statewide Automated Welfare System (CalSAWS) Migration	99,167	99,167	91,349	7,818
C	OC Public Libraries (120)	New Library in the City of Irvine	0	0	0	0
		Program II Subtotal	**99,167**	**99,167**	**91,349**	**7,818**
	Program IV - General Government Services					
C	CAPS Program (014)	CAPS+ Financial/Procurement & HR/Payroll Software and Hardware Upgrade	20,398,875	12,652,500	0	12,652,500
C	CAPS Program (014)	County Employee Expense Reimbursement System	1,315,503	1,315,503	1,315,503	0
C	Real Estate Development Program (135)	County Facilities Master Plan	0	0	0	0
		Program IV Subtotal	**21,714,378**	**13,968,003**	**1,315,503**	**12,652,500**
	Program VII - Insurance, Reserves & Miscellaneous					
C	OCIT Countywide Services (289)	Physical Identity Access Management (PIAM)	2,167,760	2,167,760	50,000	1,154,452
		Program VII Subtotal	**2,167,760**	**2,167,760**	**50,000**	**1,154,452**
		Total NCC Request	**912,644,055**	**435,035,834**	**28,388,644**	**84,527,510**

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

2020 STRATEGIC PRIORITIES

(COST LESS REVENUE OR OTHER SOURCES)						
FY 23-24	**FY 24-25**	**FY 25-26**	**FY 26-27 to FY 30-31**	**Strategic Priority Title**	**Department**	**C/N**
671,078	671,078	671,078	3,355,390	Expand Specialty Courts	County Executive Office (017)	**C**
6,719,454	6,776,784	6,775,738	33,878,690	Enhancing In-Custody Behavioral Health Treatment	County Executive Office (017)	**C**
0	0	0	0	Enhance Inmate Programming Services	County Executive Office (017)	**C**
9,114,020	2,275,441	2,235,704	10,539,470	Coordinated Reentry System	County Executive Office (017)	**C**
334,894	348,401	348,401	1,742,006	System of Care Data Integration for Care Coordination	County Executive Office (017)	**C**
0	0	0	0	Permanent Supportive/Affordable Housing Access	County Executive Office (017)	**C**
16,839,446	**10,071,704**	**10,030,921**	**49,515,556**	**Program I Subtotal**		
				Program I - Public Protection		
1,973,531	2,000,215	2,013,871	10,069,355	Conviction Integrity Unit	District Attorney (026)	**C**
4,279,904	4,392,220	4,429,180	22,145,900	Post-Conviction Litigation Unit	District Attorney (026)	**C**
1,144,336	1,158,448	1,164,428	5,822,140	Recidivism Reduction Unit	District Attorney (026)	**C**
2,552,302	2,564,822	2,551,666	12,758,330	AB 109 Task Force	District Attorney (026)	**C**
46,880,893	48,678,637	50,180,594	252,351,890	James A. Musick Facility Expansion - Phase 1 Staffing	Sheriff-Coroner (060)	**C**
18,785,691	19,410,357	19,981,901	100,986,791	James A. Musick Facility Expansion - Phase 2 Staffing	Sheriff-Coroner (060)	**C**
3,477,326	0	0	0	Jail Security Electronic Control Systems Upgrade/Replacement	Sheriff-Coroner (060)	**C**
0	0	0	0	Sheriff-Coroner Jail Hardening	Sheriff-Coroner (060)	**C**
0	0	0	0	Katella Range Renovation	Sheriff-Coroner (060)	**C**
0	0	0	720,000	Inmate Transportation Buses	Sheriff-Coroner (060)	**C**
6,040,299	8,769,823	14,126,372	0	Sheriff-Coroner Facilities Capital Improvement Plan	Sheriff-Coroner (060)	**C**
13,739,581	2,242,400	1,675,504	15,491,883	Sheriff-Coroner Facilities Maintenance Repair Plan	Sheriff-Coroner (060)	**C**
98,873,863	**89,216,922**	**96,123,516**	**420,346,289**	**Program I Subtotal**		
				Program II - Community Services		
0	0	0	0	California Statewide Automated Welfare System (CalSAWS) Migration	Social Services Agency (063)	**C**
0	0	0	0	New Library in the City of Irvine	OC Public Libraries (120)	**C**
0	**0**	**0**	**0**	**Program II Subtotal**		
				Program IV - General Government Services		
0	0	0	7,746,375	CAPS+ Financial/Procurement & HR/Payroll Software and Hardware Upgrade	CAPS Program (014)	**C**
0	0	0	0	County Employee Expense Reimbursement System	CAPS Program (014)	**C**
0	0	0	0	County Facilities Master Plan	Real Estate Development Program (135)	**C**
0	**0**	**0**	**7,746,375**	**Program IV Subtotal**		
				Program VII - Insurance, Reserves & Miscellaneous		
595,610	367,698	0	0	Physical Identity Access Management (PIAM)	OCIT Countywide Services (289)	**C**
595,610	**367,698**	**0**	**0**	**Program VII Subtotal**		
116,308,919	**99,656,324**	**106,154,437**	**477,608,220**	**Total NCC Request**		

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

Integrated Services

Integrated Services is a concept resulting from the County's involvement with the nationwide Stepping Up Initiative. In May 2015, the Board of Supervisors adopted a Resolution to demonstrate the County's commitment to reducing the number of people with mental illness in County jails. The formation of various committees of stakeholders enabled identification and mapping of resources in accordance with the Substance Abuse and Mental Health Services Administration's (SAMHSA's) Intercept Model for Diversion. In December 2017, the County issued its Stepping Up Report summarizing the committee's findings and recommendations and outlined the Integrated Services Strategy.

The Integrated Services Strategy (Strategy) is a collaborative success strategy focused on implementing enhanced care coordination for high utilizers of the County's Community Corrections System. The Strategy aims to address the underlying issues of an individual that leads them to require services throughout the County's various Systems of Care including health care, behavioral health, community corrections, housing, and/or benefits and support services.

In October 2019, the County issued a comprehensive report that utilized the Integrated Services Strategy and outlined the 2025 Vision for the Community Corrections System. The 2025 Vision included action items and outcome measures identified for full implementation and aligned them with the five pillars of service included in the Community Corrections System: Prevention, Courts, In-Custody, Reentry, and Juvenile/Transitional Age Youth. Progress on the status of the 2025 Vision is reported on a quarterly basis and includes relevant updates to the action items and goals to ensure direction remains pertinent with County goals and objectives.

The 2025 Vision outlined several priorities for each pillar of service. However, not all priorities identified in the Vision are included as Strategic Priorities in the County's Strategic Financial Plan as they do not meet the minimum $1M threshold criteria or are considered Emerging Initiatives that are pending scope, timing or funding requirements. The following provides a brief summary of projects previously identified as Strategic Priorities, which have shown significant progress and no longer meet the Strategic Priority criteria and remaining Emerging Initiatives and Strategic Priorities identified in the 2025 Vision and included in the County's 2020 Strategic Financial Plan.

I. Prevention

Public Awareness of Mental Health and Substance Abuse

In FY 2020-21, the Health Care Agency kicked off a public awareness campaign aligned with the Mental Health Awareness Month that includes Novel Coronavirus (COVID-19) pandemic-related mental health support resources. In addition, a comprehensive survey is being conducted to assess the impacts of COVID-19 on the wellbeing of Orange County residents, the informal support resources used to manage stress and emotions, and if respondents have considered seeking help and encountered barriers when accessing the available resources and services.

Behavioral Health Services Campus

Construction is anticipated to be completed in December 2020 with services fully implemented by June 2021.

II. Courts

Data Tracking Tool for Specialty Court Programs

The Courts identified the necessary data elements to support program success and will utilize their case management systems to track detailed participant information. Additional efforts are still required to identify the data that intersects with the County's Systems of Care and develop the necessary reporting and data sharing process.

Expand Specialty Courts

This initiative seeks to expand the capacity of the Adult and Juvenile 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.

III. In-Custody

Enhancing In-Custody Behavioral Health Treatment

This continuing Strategic Priority involves the Health Care Agency and Sheriff's Department and addresses the remaining staffing needs to support early identification of individuals with mental health needs, to appropriately provide care and treatment to the population in the jails.

Enhance Inmate Programming Services

This continuing Strategic Priority involves the Sheriff's Department in establishing comprehensive programming for inmates that addresses criminogenic and behavioral issues through a network of support services aimed at reducing the risk to recidivate and increasing the chance of post-release employment and ability to secure housing.

IV. Reentry

Coordinated Reentry System

This continuing Strategic Priority involves multiple departments in establishing a comprehensive reentry system accessible by all individuals released from County jails or state prison to include transportation and linkages to support services or programs with "warm hand-offs" at each point in the reintegration process.

V. Juvenile/Transitional Age Youth

Mental Health and Substance Use Disorder Support Services for Juveniles

This is an Emerging Initiative identified by the Probation and Sheriff's Departments for consistent mental health services and substance use treatment to support juveniles and transitional age youth as they move through the community corrections system from the point prior to incarceration to release into the community.

Establish a Juvenile Corrections Campus

This is an Emerging Initiative identified by the County Executive Office and Probation Department to analyze and create a comprehensive juvenile corrections campus that fully utilizes existing space to provide camp programming, education services, health and mental health services, and housing for juvenile offenders and transitional aged youth, including those realigned from the State Correctional System.

Housing for Transitional Aged Youth

This is an Emerging Initiative identified by the Probation and Sheriff's Departments to establish transitional and permanent supportive housing and placement services for youths involved in the community corrections system to ensure adequate treatment for substance abuse, mental health issues. This initiative would also assist youth involved in the Commercial Sexual Exploit of Children population.

Data Sharing for Care Coordination of High Utilizing Juvenile and Transitional Age Youth Offenders

This is an Emerging Initiative identified by the Health Care Agency for a data sharing platform and business process for effective coordination of care for the high utilizers of the County's Juvenile Justice System to target curative resources to minimize harm to the individual or others.

In addition to the priorities included in the 2025 Vision, the County identified the following initiatives that would require collaboration across departments involved in various Systems of Care.

System of Care Data Integration for Care Coordination

This continuing Strategic Priority proposes the creation of a data-sharing platform across multiple departments involved in care coordination for individuals. The platform would provide access to information essential for ensuring that an individual receives the most efficient, effective and suitable care and case management, helping them become self-sufficient to the best of their abilities.

Permanent Supportive/Affordable Housing Access

This continuing Strategic Priority involves multiple departments and proposes creation of subsidized housing, combining affordable housing assistance with voluntary support services to address the needs of chronically homeless individuals. Given that commonality exists across the Systems of Care, an integrated approach to implementation of these programs would provide opportunities to leverage the services, funding and data collection and more effectively and efficiently deliver these services.

Expand Specialty Courts

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

2. **Involved Agencies and Departments**
   Health Care Agency
   District Attorney's Office
   Public Defender's Office
   Probation Department
   Sheriff-Coroner Department

3. **New or Continuing Strategic Priority**
   This is a continuing priority previously identified in the 2016, 2017, and 2018 Strategic Financial Plans within the Strategic Priority titled "*Stepping Up Initiative*" and in the 2019 Strategic Financial Plan under the current title.

   A working group consisting of representatives from key stakeholder departments was established in November 2019 with a current focus on gathering and analyzing data to determine the potential demand for new or expanded courts.

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 lead 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 and Juvenile 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.

   County departments are coordinating efforts with the Court and seek to determine if expanding the use of Specialty Courts for adults and juveniles is needed to meet the current and anticipated demands for program participation. Efforts include further review

Expand Specialty Courts

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 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 and ongoing costs for County staff time or contracted treatment services as follows:

FY 2021-22: $3,000,000 one-time; $3,580,650 ongoing
FY 2022-23: $1,000,000 one-time; $3,580,650 ongoing
FY 2023-24 through FY 2030-31: $3,580,650 ongoing

The estimated one-time costs for facility expansion are 100% the Court/State's responsibility. Only 20% of the ongoing cost would be a County General Fund (NCC) obligation to support the specialty court expansion.

7. Funding Sources

OC Courts
Mental Health Service Act
2011 Public Safety Realignment
Net County Cost – 20% of ongoing costs

Funding Sources			
Federal	**State**	**General Fund**	**Other**
0%	80%	20%	0%

8. Stakeholders

Adult felony offenders with underlying mental illness or substance use issues recommended to the Adult Specialty Court
OC Courts
District Attorney's Office
Public Defender's Office

Expand Specialty Courts

Probation Department
Sheriff-Coroner Department
Health Care Agency

9. Mandated or Discretionary Program/Project?
Discretionary: Although this has been identified as a Countywide Priority, the program itself is discretionary.

10. Implementation Period if Funding Were Available
Full implementation is anticipated by FY 2024-25, dependent on funding availability.

Expand Specialty Courts					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Services & Supplies	3,580,650	3,580,650	3,580,650	3,580,650	3,580,650
Structures & Improvements	3,000,000	1,000,000	0	0	0
Total Cost	**6,580,650**	**4,580,650**	**3,580,650**	**3,580,650**	**3,580,650**
II. Non-General Fund Revenue					
Intergovernmental Revenues	3,773,053	1,773,053	773,053	773,053	773,053
Other Financing Sources	2,136,519	2,136,519	2,136,519	2,136,519	2,136,519
Total Revenue	**5,909,572**	**3,909,572**	**2,909,572**	**2,909,572**	**2,909,572**
III. General Fund Requirement	**671,078**	**671,078**	**671,078**	**671,078**	**671,078**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

Expand Specialty Courts					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
3,580,650	3,580,650	3,580,650	3,580,650	3,580,650	Services & Supplies
0	0	0	0	0	Structures & Improvements
3,580,650	**3,580,650**	**3,580,650**	**3,580,650**	**3,580,650**	**Total Cost**
					II. Non-General Fund Revenue
773,053	773,053	773,053	773,053	773,053	Intergovernmental Revenues
2,136,519	2,136,519	2,136,519	2,136,519	2,136,519	Other Financing Sources
2,909,572	**2,909,572**	**2,909,572**	**2,909,572**	**2,909,572**	**Total Revenue**
671,078	**671,078**	**671,078**	**671,078**	**671,078**	**III. General Fund Requirement**
					IV. Staffing
0	0	0	0	0	No Positions
0	**0**	**0**	**0**	**0**	**Total Positions Funded Per Fiscal Year**

Enhancing In-Custody Behavioral Health Treatment

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

2. **Involved Agencies and Departments**
Sheriff-Coroner Department
Health Care Agency

3. **New or Continuing Strategic Priority**
This is a continuing Strategic Priority previously identified in the 2018 and 2019 Strategic Financial Plans.

In FY 2020-21, the construction phase for facility modifications to the Intake Release Center is scheduled to be completed to expand the capacity for a behavioral health treatment area which has received Lanterman-Petris-Short (LPS) designation. In addition, the following positions and funding were added to Health Care Agency for correctional health services in the jails:
FY 2019-20: 123 positions and $16.9 million
FY 2020-21: 17 positions and $2.6 million

4. **Description of Strategic Priority**
The issue of mental illness in the criminal justice system continues to be a nationwide problem with an estimated 20% of inmates diagnosed with a mental illness. In Orange County, the current estimate is closer to 30% of the average jail population with approximately 1,100 to 1,900 inmates in the County's Jail system with a mental health diagnosis ranging from mild, requiring general mental health services, to severe, which requires inpatient psychiatric care.

The California Code of Regulations (CCR) Titles 9 and 15, requires the Orange County Sheriff's Department (OCSD) and Health Care Agency (HCA) to provide inmates with medical and mental health care services while in custody. More intensive treatment at an inpatient (hospital) level of care in a LPS designated facility is required if the inmate exhibits a danger to self, danger to others, and/or grave disability secondary to a mental illness. This population requires a higher level of mental health services including crisis stabilization, counseling, medication management, discharge planning, acute psychiatric inpatient care (hospitalization), and emergency psychiatric medications.

Enhancing In-Custody Behavioral Health Treatment

This priority establishes a comprehensive in-custody behavioral health program to identify individuals upon intake who require specialized services and assign them to dedicated housing in the jails where they could receive advanced specific programming. An individualized treatment plan would be established to follow through the incarceration period and a personalized discharge plan developed to link to post-custody treatment and services.

The ratio of correctional health care staff to inmates increases with the severity of mental illness. Based on assessments of the jail population prior to the Novel Coronavirus (COVID-19) pandemic, an additional 37 positions are needed beginning in FY 2021-22 and FY 2022-23 to meet the needs of the anticipated population as the jail is structured today. This need is continuously being reevaluated based on the jail population levels which have been temporarily impacted as a result of COVID-19.

5. **Personnel Impacts**

In addition to the 140 HCA positions added in the FY 2019-20 and FY 2020-21 budgets, the following are position classifications and counts to increase the capacity of mental health services in the jails:

HCA Correctional Health Position Classifications	No. of Positions
Behavioral Health Clinician II	4
Clinical Psychologist II	1
Comprehensive Care Nurse II	27
Medical Assistant	2
Mental Health Specialist	1
Psychiatrist	2
Grand Total Positions	**37**

6. **Cost Impact**

Anticipated costs include increased staffing costs beginning in FY 2021-22, which range from $2.5 million to $6.8 million in General Fund (NCC).
FY 2021-22: $2,482,682 ongoing
FY 2022-23: $5,956,578 ongoing
FY 2023-24: $6,719,454 ongoing
FY 2024-25: $6,776,784 ongoing
FY 2025-26: $6,775,738 ongoing

Enhancing In-Custody Behavioral Health Treatment

7. Funding Sources

The majority of the funding is anticipated to be General Fund, however, each area will be analyzed to identify and utilize all available funding sources.

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

8. Stakeholders

Individuals in the County jail facilities identified with a mental illness and meeting the criteria for specialized mental health treatment services
Health Care Agency
Sheriff-Coroner Department
Advocacy Groups

9. Mandated or Discretionary Program/Project?

Discretionary: This project is discretionary; however, providing adequate healthcare for inmates is mandated per California Code of Regulations (Title 15, Division 1, Chapter 1, Subchapter 4, Article 11), Penal Code, Part 3, Section 4015 and California Government Code Section 29602.

10. Implementation Period if Funding Were Available

HCA is continuously recruiting to fill the approved positions. Due to the impacts of COVID-19, full implementation is anticipated in FY 2022-23.

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Enhancing In-Custody Behavioral Health Treatment					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	2,482,682	5,956,578	6,719,454	6,776,784	6,775,738
Structures & Improvements	0	0	0	0	0
Total Cost	**2,482,682**	**5,956,578**	**6,719,454**	**6,776,784**	**6,775,738**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**2,482,682**	**5,956,578**	**6,719,454**	**6,776,784**	**6,775,738**
IV. Staffing					
Behavioral Health Clinician II	2	4	4	4	4
Clinical Psychologist II	1	1	1	1	1
Comprehensive Care Nurse II	13	27	27	27	27
Medical Assistant	1	2	2	2	2
Mental Health Specialist	1	1	1	1	1
Psychiatrist	1	2	2	2	2
Total Positions Funded Per Fiscal Year	**19**	**37**	**37**	**37**	**37**

Enhancing In-Custody Behavioral Health Treatment					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
6,775,738	6,775,738	6,775,738	6,775,738	6,775,738	Salaries & Benefits
0	0	0	0	0	Structures & Improvements
6,775,738	**6,775,738**	**6,775,738**	**6,775,738**	**6,775,738**	**Total Cost**
					II. Non-General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
6,775,738	**6,775,738**	**6,775,738**	**6,775,738**	**6,775,738**	**III. General Fund Requirement**
					IV. Staffing
4	4	4	4	4	Behavioral Health Clinician II
1	1	1	1	1	Clinical Psychologist II
27	27	27	27	27	Comprehensive Care Nurse II
2	2	2	2	2	Medical Assistant
1	1	1	1	1	Mental Health Specialist
2	2	2	2	2	Psychiatrist
37	**37**	**37**	**37**	**37**	**Total Positions Funded Per Fiscal Year**

Enhance Inmate Programming Services

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   Sheriff-Coroner Department

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

   Proposed enhanced programming curriculum has been identified by the Sheriff's Inmate Services Division and in the FY 2020-21 budget, 14 positions were added to facilitate full development and implementation.

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.

   The priority would begin by analyzing existing programs, available data, and inmate needs to develop a comprehensive platform that addresses criminogenic and behavioral issues through a network of support services aimed at reducing the risk to recidivate and increasing the chance of post-release employment along with the ability to secure housing. This would be implemented through customized incentive-based programs focused on the inmates' need to stabilize and reinforce ideas or concepts learned.

   Other elements of this enhancement could include development 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 of the County's various Systems of Care or other target groups as needed. There would also be a significant effort to develop an educational and vocational program focused on assisting minimum security inmates to achieve certification in vocations that can be linked to jobs post-custody.

Enhance Inmate Programming Services

Priority would be given to programs anticipated to increase participation rates for the in-custody population, achieve sustained success post-custody, and demonstrate a lower rate of return to custody, based on data collection and analysis.

5. **Personnel Impacts**
Enhanced programming has identified the need for up to an additional three case managers estimated at the Social Worker I level. However, it is uncertain if the positions would be needed or the services contracted.

6. **Cost Impact**
Estimated costs include one-time costs of $1.2 million to develop and implement an integrated tracking system and ongoing costs of approximately $600 thousand per year for case management and vocational programs.

7. **Funding Sources**
2011 Public Safety Realignment
Inmate Welfare Fund

Funding Sources			
Federal	**State**	**General Fund**	**Other**
0%	10%	0%	90%

8. **Stakeholders**
Individuals in custody awaiting trial or other court actions
Inmates serving sentences in the County jail system
Sheriff-Coroner Department

9. **Mandated or Discretionary Program/Project?**
Discretionary: Although this has been identified as a Countywide priority, the project itself is discretionary.

10. **Implementation Period if Funding Were Available**
This priority is in the planning and development phase with additional programming anticipated to begin in FY 2020-21 once the new positions are filled. The tracking system and case management component will be implemented when funding becomes available.

Enhance Inmate Programming Services					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	264,278	280,230	296,392	309,136	309,136
Services & Supplies	1,500,000	300,000	300,000	300,000	300,000
Total Cost	**1,764,278**	**580,230**	**596,392**	**609,136**	**609,136**
II. Non-General Fund Revenue					
Revenue from Use of Money & Property	1,707,850	522,207	536,753	548,222	548,222
Intergovernmental Revenues	56,428	58,023	59,639	60,914	60,914
Total Revenue	**1,764,278**	**580,230**	**596,392**	**609,136**	**609,136**
III. General Fund Requirement	**0**	**0**	**0**	**0**	**0**
IV. Staffing					
Social Worker I	3	3	3	3	3
Total Positions Funded Per Fiscal Year	**3**	**3**	**3**	**3**	**3**

Enhance Inmate Programming Services

FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	
					I. Cost
309,136	309,136	309,136	309,136	309,136	Salaries & Benefits
300,000	300,000	300,000	300,000	300,000	Services & Supplies
609,136	**609,136**	**609,136**	**609,136**	**609,136**	**Total Cost**
					II. Non-General Fund Revenue
548,222	548,222	548,222	548,222	548,222	Revenue from Use of Money & Property
60,914	60,914	60,914	60,914	60,914	Intergovernmental Revenues
609,136	**609,136**	**609,136**	**609,136**	**609,136**	**Total Revenue**
0	**0**	**0**	**0**	**0**	**III. General Fund Requirement**
					IV. Staffing
3	3	3	3	3	Social Worker I
3	**3**	**3**	**3**	**3**	**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
Sheriff-Coroner Department
Probation Department

3. **New or Continuing Strategic Priority**
This is a continuing priority previously identified in the 2016, 2017, 2018 and 2019 Strategic Financial Plans under the current and former title, "*Reentry Facility.*"

The FY 2020-21 budget includes $4 million in appropriations and AB 109 funding to begin implementation of a coordinated reentry system for the County. A proposal to repurpose existing County facilities is currently being analyzed for feasibility, sustainability and costs.

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.

This Strategic Priority would provide a coordinated reentry system with a dedicated facility accessible by all individuals released from a County jail or from a State prison on County supervision. The concept is "Re-entry upon Entry" whereby individuals are assessed

Coordinated Reentry System

upon intake to identify their needs, such as health, education, or basic needs and support, and develop an individualized treatment or program to address 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. After release, transportation and linkages would be arranged with a "warm hand-off" at each point in the process to mitigate disruption to the services or programming received while in-custody.

5. Personnel Impacts

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

6. Cost Impact

Estimated costs for contracted services for vocational programs and contracted reentry services are estimated at $7 million annually. Additionally, renovation of existing County property for dedicated facilities and potential job training with retail space is estimated at $17 million over a three-year period.

7. Funding Sources

2011 Public Safety Realignment
Workforce Innovation and Opportunity Act
Various grants or allocations
Net County Cost

Funding Sources			
Federal	**State**	**General Fund**	**Other**
32%	36%	32%	0%

8. Stakeholders

Individuals released from the County jail or state prison requiring County Supervision and needing assistance with reintegrating back into the community
Probation

9. Mandated or Discretionary Program/Project?

Discretionary: Although this has been identified as a countywide priority, the project itself is discretionary.

Coordinated Reentry System

10. Implementation Period if Funding Were Available

Facility modifications may begin in FY 2020-21 and services implemented in FY 2021-22 and incrementally increase based on needs and funding with full implementation anticipated by FY 2024-25.

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Coordinated Reentry System					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Services & Supplies	2,000,000	7,000,000	7,000,000	7,200,000	7,200,000
Structures & Improvements	3,000,000	7,000,000	7,000,000	0	0
Total Cost	**5,000,000**	**14,000,000**	**14,000,000**	**7,200,000**	**7,200,000**
II. Non-General Fund Revenue					
Intergovernmental Revenues	5,000,000	4,848,524	4,885,980	4,924,559	4,964,296
Total Revenue	**5,000,000**	**4,848,524**	**4,885,980**	**4,924,559**	**4,964,296**
III. General Fund Requirement	**0**	**9,151,476**	**9,114,020**	**2,275,441**	**2,235,704**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

Coordinated Reentry System					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
7,200,000	7,200,000	7,200,000	7,200,000	7,200,000	Services & Supplies
0	0	0	0	0	Structures & Improvements
7,200,000	**7,200,000**	**7,200,000**	**7,200,000**	**7,200,000**	**Total Cost**
					II. Non-General Fund Revenue
5,005,225	5,047,382	5,090,803	5,135,527	5,181,593	Intergovernmental Revenues
5,005,225	**5,047,382**	**5,090,803**	**5,135,527**	**5,181,593**	**Total Revenue**
2,194,775	**2,152,618**	**2,109,197**	**2,064,473**	**2,018,407**	**III. General Fund Requirement**
					IV. Staffing
0	0	0	0	0	No Positions
0	**0**	**0**	**0**	**0**	**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
District Attorney's Office
Health Care Agency
OC Community Resources
Probation Department
Public Defender's Office
Sheriff-Coroner Department
Social Services Agency

3. **New or Continuing Strategic Priority**
This continuing priority is an update to the Strategic Priority titled "*Data Collection and Analysis*" and "*Data Sharing Platform for Care Coordination*" previously identified in the 2016, 2017, 2018 and 2019 Strategic Financial Plans.

Mental Health Services Act and Whole Person Care funds were used to map processes across the involved departments and identify potential vendors to develop the system platform in 2019. The County contracted with IBM to develop the system platform in March 2020.

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 apparent that there are certain individuals who often cross the systems of care; these individuals are identified as "high-utilizers" of the System of Care and considered the County's most vulnerable residents.

Each department maintains its own data-gathering and reporting system and is responsible for the maintenance, privacy, security and integrity of the information. To

System of Care Data Integration for Care Coordination

most effectively and efficiently coordinate the care and treatment of the County's most vulnerable individuals in the System of Care, the County is developing a platform to allow

information sharing on those individuals among service providers, county departments and external stakeholders. The software solution is a coordinated data sharing platform.

The solution will receive information from source databases or systems and include an environment allowing queries and reporting, while protecting and restricting access to personal health information, as warranted. This will allow staff across departments to access relevant information for coordination and delivery of services to best meet the needs of the individual.

The current focus of the data sharing platform is coordination of services centered around homelessness pursuant to AB 210 and is already in progress. Once the first phase of the project is completed in December 2020, the next step will continue with coordination of care and services centered around individuals involved in the County's Community Corrections system. Eventually, the platform will allow for the addition of other population cohorts within the systems of care. The approach and model is based on successful systems currently in place in other counties including collaboration on best practices and lessons learned during their development and implementation processes. This has provided a solid vision of functionality requirements of the data sharing platform and anticipated costs as additional systems are added.

The system platform went live December 2020 with full implementation by June 2021 to serve those individuals experiencing homelessness as the first cohort. This includes a multidisciplinary team business process ensuring the care team has necessary representation from each department and service area.

5. Personnel Impacts

The system would be housed with the Health Care Agency and may require three Information Technologist IIs, to maintain the system on a daily basis.

6. Cost Impact

Estimated costs include a one-time system cost of $5.0 million and ongoing staff costs of approximately $435 thousand annually. This excludes the $3.8 million in Whole Person Care monies being used for this first development phase.

System of Care Data Integration for Care Coordination

7. **Funding Sources**
Mental Health Services Act
Net County Cost

Funding Sources			
Federal	**State**	**General Fund**	**Other**
0%	20%	80%	0%

8. **Stakeholders**
Individuals engaged in one or more of the County's Systems of Care
District Attorney's Office
Health Care Agency
OC Community Resources
Probation Department
Public Defender's Office
Sheriff-Coroner Department
Social Services Agency

9. **Mandated or Discretionary Program/Project?**
Discretionary: Although this has been identified as a countywide priority, the project itself is discretionary.

10. **Implementation Period if Funding Were Available**
Implementation of the first phase is anticipated in FY 2020-21 with full implementation by FY 2024-25 should resources and funding be available.

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System of Care Data Integration for Care Coordination					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	373,741	396,628	418,618	435,502	435,502
Services & Supplies	2,000,000	3,000,000	0	0	0
Total Cost	**2,373,741**	**3,396,628**	**418,618**	**435,502**	**435,502**
II. General Fund Revenue					
Other Financing Sources	474,748	679,326	83,724	87,100	87,100
Total Revenue	**474,748**	**679,326**	**83,724**	**87,100**	**87,100**
III. General Fund Requirement	**1,898,993**	**2,717,302**	**334,894**	**348,401**	**348,401**
IV. Staffing					
Information Technologist II	3	3	3	3	3
Total Positions Funded Per Fiscal Year	**3**	**3**	**3**	**3**	**3**

System of Care Data Integration for Care Coordination					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
435,502	435,502	435,502	435,502	435,502	Salaries & Benefits
0	0	0	0	0	Services & Supplies
435,502	**435,502**	**435,502**	**435,502**	**435,502**	**Total Cost**
					II. General Fund Revenue
87,100	87,100	87,100	87,100	87,100	Other Financing Sources
87,100	**87,100**	**87,100**	**87,100**	**87,100**	**Total Revenue**
348,401	**348,401**	**348,401**	**348,401**	**348,401**	**III. General Fund Requirement**
					IV. Staffing
3	3	3	3	3	Information Technologist II
3	**3**	**3**	**3**	**3**	**Total Positions Funded Per Fiscal Year**

Permanent Supportive/Affordable Housing Access

1. **Program Area**
Community Services

2. **Involved Agencies and Departments**
County Executive Office
Health Care Agency
OC Community Resources
OC Public Works
Social Services Agency

3. **New or Continuing Strategic Priority**
This is a continuing priority previously identified in the 2017, 2018 and 2019 Strategic Financial Plans.

In June 2018, the Board received the County's Housing Funding Strategy which identified the plan for producing 2,700 units of supportive housing throughout Orange County. The Board also approved the Mental Health Services Act (MHSA) $70.5 million Permanent Supportive Housing Spending Plan which was in addition to a previously approved $25 million for development of supportive housing.

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 assisting the homeless population and individuals and families of low income within the County of Orange.

In June 2019, the Board directed up to $5 million to be used to fund the OCHFT. Meetings of the OCHFT Board began in July 2019 and are aligning efforts with the County's Housing Funding Strategy.

As of October 2020, of the 2,700 supportive housing units identified, 99 units have been built, 324 units are under construction, and funding is in progress for another 612 units. To achieve development of the remaining units, the County has an ongoing request for projects and is working with cities and developers to identify opportunities for potential projects and partnerships.

Permanent Supportive/Affordable Housing Access

4. Description of Strategic Priority

Housing represents the fundamental solution to 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 programs, the County has created a significant safety net to stabilize those experiencing a housing crisis and allow a path for many to transition to self-sufficiency. However, due to an insufficient supply of permanent supportive housing and affordable housing, the length of stay in emergency and transitional shelters can be prolonged. The overall effectiveness of the emergency 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 programs and ensure high retention rates in permanent housing programs.

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 provided onsite as well as off-site and are tailored to the level, intensity and type of housing interventions to meet individual needs. All services acknowledge the individual’s strengths and the environmental factors that affect a person’s wellbeing and housing stability, including the experience of trauma. Supportive services are designed to ensure housing stabilization, 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 has proven effective for individuals who have experienced prolonged periods of homelessness and barriers to housing and community integrated supportive services.

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 to develop 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

Permanent Supportive/Affordable Housing Access

homelessness within Orange County. In March 2019, the Board approved the Joint Powers Authority Agreement which established the OCHFT. To date, 99 of the targeted 2,700 units have been built, 324 are under construction, and funding is in progress for another 612 units. To achieve development of the remaining units, the County has an ongoing request for projects and is working with cities and developers to identify opportunities for potential projects and partnerships.

The Novel Coronavirus (COVID-19) pandemic has highlighted the need for this Strategic Priority to continue as many individuals and families face 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. The next phase in the State's response to serve people experiencing homelessness or at risk of homelessness and whom are also at risk of serious illness from COVID-19 is the Homekey Program. Homekey is providing the County an opportunity to purchase two motels to increase the community's response to homelessness and the COVID-19 pandemic. These motels will create 132 units of interim housing and will transition into permanent supportive housing in approximately three years.

5. Personnel Impacts

No additional staffing is required.

6. Cost Impact

The Housing Funding Strategy identified a funding gap of $789 million of which an estimated $659 million remains to be addressed, representing $366 million in funding needed for capital expenses to develop the properties, in addition to $293 million in rental and operating subsidies to ensure the supportive housing units are affordable to individuals 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, that hinder calculation of accurate estimated costs. 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

Permanent Supportive/Affordable Housing Access

HOME Investments Partnership Program
Housing Successor Agency
Project-Based Housing Choice Vouchers
Project-Based Veterans Affairs Supportive Housing (VASH) vouchers
HUD Continuum of Care
Orange County Housing Finance Trust
Various State Programs and other potential funding sources, including Homekey, Multi-Family Housing Program, Veterans Housing and Homelessness Prevention Program, No Place Like Home, Whole Person Care, MHSA, and Permanent Local Housing Allocation

Funding Sources			
Federal	**State**	**General Fund**	**Other**
20%	70%	0%	10%

8. **Stakeholders**
Individuals 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.

9. **Mandated or Discretionary Program/Project?**
Discretionary: Although this has been identified as a countywide priority, the project itself is discretionary.

10. **Implementation Period if Funding Were Available**
The Housing Funding Strategy outlines a plan to develop 2,700 units of supportive housing over seven years from FY 2018-19. However, implementation is contingent upon continued 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 ongoing initiative with an identified seven-year target of FY 2025-26.

Permanent Supportive / Affordable Housing Access					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Services & Supplies	210,575,000	140,258,150	134,207,485	137,562,725	141,001,635
Other Charges	57,272,727	54,727,273	49,636,364	49,636,364	49,636,364
Total Cost	**267,847,727**	**194,985,423**	**183,843,849**	**187,199,089**	**190,637,999**
II. Non-General Fund Revenue					
Intergovernmental Revenues	107,175,000	111,075,000	102,175,000	101,075,000	81,925,000
Source(s) To Be Determined	160,672,727	83,910,423	81,668,849	86,124,089	108,712,999
Total Revenue	**267,847,727**	**194,985,423**	**183,843,849**	**187,199,089**	**190,637,999**
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**

Permanent Supportive / Affordable Housing Access					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
113,070,005	0	0	0	0	Services & Supplies
31,818,182	0	0	0	0	Other Charges
144,888,187	**0**	**0**	**0**	**0**	**Total Cost**
					II. Non-General Fund Revenue
6,800,000	0	0	0	0	Intergovernmental Revenues
138,088,187					Source(s) To Be Determined
144,888,187	**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**

Conviction Integrity Unit

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   District Attorney (OCDA)

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

   In FY 2019-20, three positions were added and ongoing funding of $409 thousand was allocated to establish the Conviction Integrity Unit (CIU).

4. **Description of Strategic Priority**
   In 2015, an independent panel, Informant Polices & Practices Evaluation Committee (IPPEC), conducted a thorough review and assessment of the OCDA's existing policies and practices regarding the use of jailhouse informants. Following a six month evaluation, the IPPEC made a number of crucial recommendations to the OCDA regarding the use of jailhouse informants and to ensure that the OCDA's policies, practices and interactions with law enforcement partners are lawful.

   As recommended, a CIU was established in FY 2019-20; however, expanding the unit may improve the OCDA's ability to detect and remedy police and prosecutor mistakes earlier in the judicial process and prevent wrongful convictions. In addition, it could ensure adequate and appropriate staffing to comply with statutory and regulatory requirements, increase efficiency of crime prosecutions, and ensure that those with information regarding improper investigations and prosecutions have a mechanism to lodge claims. Expansion of the CIU is a critical and important step in fulfilling the mission of the office and would signal to the public that the OCDA is open to learning about and remedying mishandled cases. It could also provide a neutral group of prosecutors whose job is not simply to defend convictions, but to critically examine whether they were lawfully obtained.

Conviction Integrity Unit

5. **Personnel Impacts**
For strategic planning purposes, eight additional positions would be needed to expand the program established in FY 2019-20.

Classification	FY 2021-22
Paralegal	3
Senior Deputy Attorney	5
Total Positions	**8**

6. **Cost Impact**
Once fully implemented, estimated ongoing costs range from $1.9 million to $2.0 million 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 citizens and law enforcement agencies

9. **Mandated or Discretionary Program/Project?**
Discretionary: This project is discretionary; however, establishing the CIU was one of the recommendations from the IPPEC.

10. **Implementation Period if Funding Were Available**
Should ongoing funding become available, activities required to expand this program can be initiated immediately.

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Conviction Integrity Unit					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	1,886,595	1,961,503	1,973,531	2,000,215	2,013,871
Total Cost	**1,886,595**	**1,961,503**	**1,973,531**	**2,000,215**	**2,013,871**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**1,886,595**	**1,961,503**	**1,973,531**	**2,000,215**	**2,013,871**
IV. Staffing					
Paralegal	3	3	3	3	3
Senior Deputy Attorney	5	5	5	5	5
Total Positions Funded Per Fiscal Year	**8**	**8**	**8**	**8**	**8**

Conviction Integrity Unit					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
2,013,871	2,013,871	2,013,871	2,013,871	2,013,871	Salaries & Benefits
2,013,871	**2,013,871**	**2,013,871**	**2,013,871**	**2,013,871**	**Total Cost**
					II. Non-General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
2,013,871	**2,013,871**	**2,013,871**	**2,013,871**	**2,013,871**	**III. General Fund Requirement**
					IV. Staffing
3	3	3	3	3	Paralegal
5	5	5	5	5	Senior Deputy Attorney
8	**8**	**8**	**8**	**8**	**Total Positions Funded Per Fiscal Year**

Post-Conviction Litigation Unit

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   District Attorney (OCDA)

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

   In FY 2019-20, four positions were added and ongoing funding of $441 thousand was allocated to establish the Post-Conviction Litigation Unit.

4. **Description of Strategic Priority**
   As a result of a series of legislative enactments, the OCDA has become responsible for a new and broad class of post-conviction litigations that did not exist before. These legislative changes include, but are not limited to, the enactment of Senate Bill (SB) 1437, Penal Code section 1473.7, Assembly Bill (AB) 2867, AB 1987, AB 1812, Proposition (Prop) 66 and a variety of other legislative enactments.

   SB 1437, which was enacted by the Legislature and became effective January 1, 2019, made substantial changes to the law governing homicide liability under the felony murder and natural and probable consequences doctrine. Among other changes, the law established a petition and resentencing procedure for certain defendants convicted of murder at any time in history prior to January 1, 2019. At a hearing, the People are obligated to prove a defendant's ineligibility beyond a reasonable doubt, the highest standard of proof recognized by law. Each petition requires an in-depth analysis of investigatory and adjudicatory records, research and briefing, and, in some instances requiring further investigation and the presentation of evidence and argument at hearing.

   AB 1987, which was enacted by the Legislature and became effective January 1, 2019, significantly expanded the People's responsibility to provide post-conviction discovery to defendants pursuing writs of habeas corpus or motions to vacate a judgment.

   Penal Code section 1170(d)(1) provides the California Department of Corrections and Rehabilitation (CDCR) with the ability to request the court to recall and resentence inmates,

Post-Conviction Litigation Unit

at any time, at the recommendation of the Secretary of CDCR or The Board of Parole Hearings. The Orange County Superior Court is already receiving petitions pursuant to Penal Code section 1170(d)(1) which could burden the OCDA with significant additional responsibilities in the adjudication of those petitions.

Prop 66, the Death Penalty Procedures Initiative, shifts the responsibility of habeas litigation in capital cases from the California Supreme Court to the California Superior Courts. The OCDA will bear a new, significant and continuing responsibility with regard to this habeas litigation. The evidence and records of conviction in capital cases are expanding the scope of investigation, preparation and litigation. Briefing and evidentiary hearings are also complex, time consuming and require highly experienced prosecutors.

In addition to the aforementioned legislative changes, several other mandates such as Penal Code 3051, Prop 47 and Prop 57 create additional, newly created obligations to engage in post-conviction proceeding through research, briefing, and hearings in both the context of hearings to establish mitigating factors of youth and those in opposition to parole. Additional resources are required to meet the demands of new mandates and legislative changes to enhance public safety and welfare.

5. **Personnel Impacts**

For strategic planning purposes, seventeen additional positions would be needed to expand the program established in FY 2019-20.

Classification	FY 2021-22
Attorney III	3
Deputy Attorney IV	9
Paralegal	3
Senior Deputy Attorney	2
Total Positions	**17**

6. **Cost Impact**

Once fully implemented, estimated ongoing costs range from $4.1 million to $4.4 million per year.

Post-Conviction Litigation Unit

7. **Funding Sources**
General Fund support is requested.

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

8. **Stakeholders**
Orange County citizens and law enforcement agencies

9. **Mandated or Discretionary Program/Project?**
Discretionary: The District Attorney represents the People of the State of California in the criminal justice system and prosecutes violations of law occurring in the County as mandated by Section 26500 of the Government Code. Although this is a discretionary project, the Post-Conviction Litigation Unit would provide District Attorney with resources to meet the demands of newly enacted bills.

10. **Implementation Period if Funding Were Available**
Should ongoing funding become available, activities required to expand this program can be initiated immediately.

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Post-Conviction Litigation Unit					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	4,099,608	4,272,202	4,279,904	4,392,220	4,429,180
Total Cost	**4,099,608**	**4,272,202**	**4,279,904**	**4,392,220**	**4,429,180**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**4,099,608**	**4,272,202**	**4,279,904**	**4,392,220**	**4,429,180**
IV. Staffing					
Attorney III	3	3	3	3	3
Deputy Attorney IV	9	9	9	9	9
Paralegal	3	3	3	3	3
Senior Deputy Attorney	2	2	2	2	2
Total Positions Funded Per Fiscal Year	**17**	**17**	**17**	**17**	**17**

Post-Conviction Litigation Unit					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
4,429,180	4,429,180	4,429,180	4,429,180	4,429,180	Salaries & Benefits
4,429,180	**4,429,180**	**4,429,180**	**4,429,180**	**4,429,180**	**Total Cost**
					II. Non-General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
4,429,180	**4,429,180**	**4,429,180**	**4,429,180**	**4,429,180**	**III. General Fund Requirement**
					IV. Staffing
3	3	3	3	3	Attorney III
9	9	9	9	9	Deputy Attorney IV
3	3	3	3	3	Paralegal
2	2	2	2	2	Senior Deputy Attorney
17	**17**	**17**	**17**	**17**	**Total Positions Funded Per Fiscal Year**

Recidivism Reduction Unit

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   District Attorney (OCDA)

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

   In FY 2019-20, two positions were added and ongoing funding of $306 thousand was allocated to establish the Recidivism Reduction Unit.

4. **Description of Strategic Priority**
   Assembly Bill (AB) 1810 was signed by the governor on June 27, 2018 and took effect immediately. AB 1810 made numerous statutory changes, foremost among them was the addition of Penal Code sections 1001.35 and 1001.36. This legislation created a diversion program for defendants who commit crimes because of a mental disorder. The Orange County Superior Court is now empowered to grant pretrial diversion to mental health treatment rather than incarceration for any offense, felony or misdemeanor at any time between the filing of a complaint and adjudication.

   PC 1001.36(b) establishes six criteria that must be met for diversion to be granted. It is the responsibility of individual prosecutors to ensure the court complies with the statutory requirements. Since the enactment of AB 1810, OCDA has a statutorily mandated obligation to evaluate and respond to requests for relief under Penal Code sec.1001.36(b). To coordinate these efforts, OCDA requests an expansion of the Recidivism Reduction Unit which is staffed with existing employees currently dedicated to similar subject matter tasks, and request additional staffing to further the statutorily mandated goal of proper evaluation, classification and handling of cases involving issues of mental illness. The proper treatment of these types of cases requires a more holistic approach and coordination of the criminal justice system with other County resources.

Recidivism Reduction Unit

5. Personnel Impacts

For strategic planning purposes, four additional positions would be needed to expand the program established in FY 2019-20.

Classification	FY 2021-22
Attorney III	1
Deputy Attorney IV	1
Senior Deputy Attorney	2
Total Positions	**4**

6. Cost Impact

Once fully implemented, estimated ongoing costs range from $1.1 million to $1.2 million 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 citizens and law enforcement agencies

9. Mandated or Discretionary Program/Project?

Discretionary: The District Attorney represents the People of the State of California in the criminal justice system and prosecutes violations of law occurring in the County as mandated by Government Code Section 26500. Although this is a discretionary project, a Recidivism Reduction Unit would provide the District Attorney with resources to ensure adequate and appropriate staffing to comply with statutory and regulatory requirements.

10. Implementation Period if Funding Were Available

Should ongoing funding become available, activities required to expand this program can be initiated immediately.

Recidivism Reduction Unit					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	1,093,982	1,137,398	1,144,336	1,158,448	1,164,428
Total Cost	**1,093,982**	**1,137,398**	**1,144,336**	**1,158,448**	**1,164,428**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**1,093,982**	**1,137,398**	**1,144,336**	**1,158,448**	**1,164,428**
IV. Staffing					
Attorney III	1	1	1	1	1
Deputy Attorney IV	1	1	1	1	1
Senior Deputy Attorney	2	2	2	2	2
Total Positions Funded Per Fiscal Year	**4**	**4**	**4**	**4**	**4**

Recidivism Reduction Unit

FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	
					I. Cost
1,164,428	1,164,428	1,164,428	1,164,428	1,164,428	Salaries & Benefits
1,164,428	**1,164,428**	**1,164,428**	**1,164,428**	**1,164,428**	**Total Cost**
					II. Non-General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
1,164,428	**1,164,428**	**1,164,428**	**1,164,428**	**1,164,428**	**III. General Fund Requirement**
					IV. Staffing
1	1	1	1	1	Attorney III
1	1	1	1	1	Deputy Attorney IV
2	2	2	2	2	Senior Deputy Attorney
4	**4**	**4**	**4**	**4**	**Total Positions Funded Per Fiscal Year**

AB 109 Task Force

1. **Program Area**
   Public Protection

2. **Involved Agencies and Departments**
   District Attorney (OCDA)

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

   In FY 2020-21, three limited-term positions and one-time AB 109 funding of $572 thousand were allocated for the AB 109 Task Force.

4. **Description of Strategic Priority**
   California voters passed Assembly Bill (AB) 109 in 2011, known as the Public Safety Realignment Act (Realignment), which went into effect on October 2, 2011. AB 109 brought significant changes to the criminal justice system resulting in an increased workload. OCDA has filed in excess of 4,000 probation violation petitions on approximately 2,000 defendants on Post Release Community Supervision and Mandatory Supervision. This same population generated in excess of 2,000 new criminal law violations committed by 1,200 defendants. In an effort to reduce criminal activity by individuals released in Orange County through Realignment, the OCDA formed an AB 109 Task Force in July 2019 to work with other county law enforcement agencies. The primary mission of the Task Force is to reduce the number of arrest warrants and the potential ongoing criminal activity by individuals released under AB 109. This Strategic Priority requests additional resources for the Task Force.

   Mandatory Supervision (MS)

   - Since 2012, 5,992 defendants have been sentenced to MS in Orange County and 3,919 have had subsequent violations;
   - Between 2012 and 2019, MS violators were responsible for 22,900 new cases;
   - Between 2012 and 2019, MS probationers were responsible for three homicides and 12 attempted homicides;
   - Based on convictions, rates of recidivism are 79% at both one year (2019 convictions) and three year (2016 convictions) post-release.

AB 109 Task Force

Post Release Community Supervision (PRCS)

- Since 2012, 4,801 defendants have had PRCS violations in Orange County;
- Between 2012 and 2019, PRCS violators were responsible for 21,000 new cases;
- Between 2012 and 2019, PRCS violators were responsible for 13 homicides and 41 attempted homicides;
- PRCS violators' recidivism rates are 51% at one year (2019 convictions) and 67% at three years (2016 convictions) post-release.

5. **Personnel Impacts**
For strategic planning purposes, nine additional positions would be needed to expand the AB 109 Task Force.

Classification	FY 2021-22
District Attorney Investigator	8
Investigative Assistant	1
Total Positions	**9**

6. **Cost Impact**
Once fully implemented, estimated ongoing costs range from $2.5 million to $2.6 million 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 citizens and law enforcement agencies

9. **Mandated or Discretionary Program/Project?**
Discretionary: The District Attorney represents the People of the State of California as part of the criminal justice system and prosecutes violations of law occurring in the County as mandated by Section 26500 of the Government Code. Although this is a discretionary project, an AB 109 Task Force would provide the OCDA with resources to reduce violent and non-violent crimes committed by those released to MS or PRCS.

AB 109 Task Force

10. Implementation Period if Funding Were Available

Should ongoing funding become available, activities required to expand this program can be initiated immediately.

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AB 109 Task Force					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	2,492,816	2,573,136	2,552,302	2,564,822	2,551,666
Total Cost	**2,492,816**	**2,573,136**	**2,552,302**	**2,564,822**	**2,551,666**
II. General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**2,492,816**	**2,573,136**	**2,552,302**	**2,564,822**	**2,551,666**
IV. Staffing					
District Attorney Investigator	8	8	8	8	8
Investigative Assistant	1	1	1	1	1
Total Positions Funded Per Fiscal Year	**9**	**9**	**9**	**9**	**9**

AB 109 Task Force					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
2,551,666	2,551,666	2,551,666	2,551,666	2,551,666	Salaries & Benefits
2,551,666	**2,551,666**	**2,551,666**	**2,551,666**	**2,551,666**	**Total Cost**
					II. General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
2,551,666	**2,551,666**	**2,551,666**	**2,551,666**	**2,551,666**	**III. General Fund Requirement**
					IV. Staffing
8	8	8	8	8	District Attorney Investigator
1	1	1	1	1	Investigative Assistant
9	**9**	**9**	**9**	**9**	**Total Positions Funded Per Fiscal Year**

James A. Musick Facility Expansion - Phase 1 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 Strategic Priority was previously identified in the 2013 to 2019 Strategic Financial Plans. Positions and funding are requested beginning FY 2022-23.

4. **Description of Strategic Priority**
   Anticipating a future need for additional jail beds, the Sheriff's Department 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 updated the previously certified EIR 564, was 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 that Phase 1 of 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. The housing units are designed for direct supervision of minimum and medium security inmates. Construction is not expected to impact the existing facilities.

   B. Administrative and Support Space: This includes office space, locker rooms, storage, health care services, video visitation, inmate reception, etc.

   C. Infrastructure and Site Improvements: This includes utilities, access roads, security fencing, parking lots, grading, storm drain system, etc.

   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. The

James A. Musick Facility Expansion - Phase 1 Staffing

County of Orange subsequently received project establishment through the State Public Works Board in March 2013 and the design of the first phase of the Musick expansion was approved by the Board and started shortly thereafter. In addition, on May 5, 2020, the Board approved the Musick Facility jail construction project. Existing staffing are available once the construction is completed; however, additional staffing may be needed as well.

5. Personnel Impacts

For strategic planning purposes, an additional 319 positions would be needed (230 Sheriff-Coroner positions and 89 Health Care Agency positions). The position needs are estimates and may change depending on the jail population at the time of occupancy.

Classification	FY 2022-23
Sheriff-Coroner Positions:	
Accounting Technician	1
Air Conditioning Mechanic	2
Commander	1
Chief Cook	1
Communications Technician II	1
Correctional Programs Technician	4
Correctional Services Technician	31
Deputy Sheriff I	90
Electrician	1
Facilities Contract Services Inspector	1
Facilities Mechanic	2
Lieutenant	1
Metalsmith	1
Office Specialist	2
Plumber	2
Secretary II	1
Senior Correctional Services Technician	1
Senior Head Cook	4
Senior Institutional Cook	9
Senior Office Supervisor C/D	1
Senior Sheriff’s Records Technician	9
Sergeant	9
Sheriff’s Correctional Service Assistant	24
Sheriff’s Facility Maintenance Specialist II	2
Sheriff’s Records Supervisor	7
Sheriff’s Records Technician	13
Sheriff’s Special Officer II	6

James A. Musick Facility Expansion - Phase 1 Staffing

Warehouse Worker II	2
Warehouse Worker III	1
Subtotal Sheriff-Coroner Positions	**230**

Classification	**FY 2022-23**
Health Care Agency Positions:	
Administrative Manager I	1
Behavioral Health Clinician II	6
Comprehensive Care Licensed Vocational Nurse	13
Comprehensive Care Nurse II	15
Comprehensive Care Nurse Practitioner II	4
Dental Assistant II	2
Dentist	2
HCA Service Chief II	2
Medical Assistant	8
Mental Health Specialist	6
Office Specialist	4
Office Supervisor C	2
Pharmacist	2
Pharmacy Technician	2
Physician II - Correctional	4
Psychiatrist	2
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	**89**
Grand Total Positions	**319**

6. **Cost Impact**

The following are cost estimates for Strategic Financial Plan purposes only.

One-time Costs: $1.1 million (Start-up costs)

Ongoing Costs/Musick Jail Operational Costs: Once fully operational, estimated ongoing costs range from $17.7 million in FY 2022-23 to $50.6 million in FY 2030-31 for staffing.

James A. Musick Facility Expansion - Phase 1 Staffing

7. Funding Sources

Costs related to Phase 1 design and construction of the James A. Musick Expansion are partially funded through Assembly Bill (AB) 900 and will be reimbursed by the State of California within the limits of the approved award. The Musick Expansion costs are estimated to be $304.7 million with $180.0 million being reimbursed by the State of California (AB 900 $100 million and SB 1022 $80 million) and $124.7 million General Fund (NCC) contribution.

General fund support is requested for one-time start-up 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

Design of Phase 1 began in April 2013 and construction of Phase 1 could be completed by early 2023. Full occupancy is anticipated within 90 days of construction completion.

James A. Musick Facility Expansion - Phase 1 Staffing					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	0	16,565,866	46,880,893	48,678,637	50,180,594
Services & Supplies	0	1,130,770	0	0	0
Total Cost	**0**	**17,696,636**	**46,880,893**	**48,678,637**	**50,180,594**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**0**	**17,696,636**	**46,880,893**	**48,678,637**	**50,180,594**
IV. Staffing					
Accounting Technician	0	1	1	1	1
Administrative Manager I	0	1	1	1	1
Air Conditioning Mechanic	0	2	2	2	2
Behavioral Health Clinician II	0	6	6	6	6
Commander	0	1	1	1	1
Chief Cook	0	1	1	1	1
Communications Technician II	0	1	1	1	1
Comprehensive Care LVN	0	13	13	13	13
Comprehensive Care Nurse II	0	15	15	15	15
Comprehensive Care Nurse Practitioner II	0	4	4	4	4
Correctional Programs Technician	0	4	4	4	4
Correctional Services Technician	0	31	31	31	31
Dental Assistant II	0	2	2	2	2
Dentist	0	2	2	2	2
Deputy Sheriff I	0	90	90	90	90
Electrician	0	1	1	1	1
Facilities Contract Services Inspector	0	1	1	1	1
Facilities Mechanic	0	2	2	2	2
HCA Service Chief II	0	2	2	2	2
Lieutenant	0	1	1	1	1
Medical Assistant	0	8	8	8	8
Mental Health Specialist	0	6	6	6	6
Metalsmith	0	1	1	1	1
Office Specialist	0	6	6	6	6
Office Supervisor C	0	2	2	2	2
Pharmacist	0	2	2	2	2
Pharmacy Technician	0	2	2	2	2
Physician II - Correctional	0	4	4	4	4
Plumber	0	2	2	2	2
Psychiatrist	0	2	2	2	2
Secretary II	0	1	1	1	1
Senior Comprehensive Care Nurse	0	5	5	5	5
Senior Correctional Services Technician	0	1	1	1	1
Senior Head Cook	0	4	4	4	4
Senior Institutional Cook	0	9	9	9	9

James A. Musick Facility Expansion - Phase 1 Staffing

FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	
					I. Cost
50,277,099	50,381,765	50,489,884	50,601,571	50,601,571	Salaries & Benefits
0	0	0	0	0	Services & Supplies
50,277,099	**50,381,765**	**50,489,884**	**50,601,571**	**50,601,571**	**Total Cost**
					II. Non-General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
50,277,099	**50,381,765**	**50,489,884**	**50,601,571**	**50,601,571**	**III. General Fund Requirement**
					IV. Staffing
1	1	1	1	1	Accounting Technician
1	1	1	1	1	Administrative Manager I
2	2	2	2	2	Air Conditioning Mechanic
6	6	6	6	6	Behavioral Health Clinician II
1	1	1	1	1	Commander
1	1	1	1	1	Chief Cook
1	1	1	1	1	Communications Technician II
13	13	13	13	13	Comprehensive Care LVN
15	15	15	15	15	Comprehensive Care Nurse II
4	4	4	4	4	Comprehensive Care Nurse Practitioner II
4	4	4	4	4	Correctional Programs Technician
31	31	31	31	31	Correctional Services Technician
2	2	2	2	2	Dental Assistant II
2	2	2	2	2	Dentist
90	90	90	90	90	Deputy Sheriff I
1	1	1	1	1	Electrician
1	1	1	1	1	Facilities Contract Services Inspector
2	2	2	2	2	Facilities Mechanic
2	2	2	2	2	HCA Service Chief II
1	1	1	1	1	Lieutenant
8	8	8	8	8	Medical Assistant
6	6	6	6	6	Mental Health Specialist
1	1	1	1	1	Metalsmith
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
2	2	2	2	2	Plumber
2	2	2	2	2	Psychiatrist
1	1	1	1	1	Secretary II
5	5	5	5	5	Senior Comp Care Nurse
1	1	1	1	1	Senior Correctional Services Technician
4	4	4	4	4	Senior Head Cook
9	9	9	9	9	Senior Institutional Cook

James A. Musick Facility Expansion - Phase 1 Staffing					
	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
IV. Staffing (continued)					
Senior Office Supervisor C/D	0	1	1	1	1
Senior Sheriff's Records Technician	0	9	9	9	9
Sergeant	0	9	9	9	9
Sheriff's Correctional Services Assistant	0	24	24	24	24
Sheriff's Facility Maintenance Specialist II	0	2	2	2	2
Sheriff's Records Supervisor	0	7	7	7	7
Sheriff's Records Technician	0	13	13	13	13
Sheriff's Special Officer II	0	6	6	6	6
Staff Development Specialist	0	2	2	2	2
Staff Specialist	0	2	2	2	2
Store Clerk	0	2	2	2	2
Supervising Comprehensive Care Nurse	0	3	3	3	3
Warehouse Worker II	0	2	2	2	2
Warehouse Worker III	0	1	1	1	1
Total Positions Funded Per Fiscal Year	**0**	**319**	**319**	**319**	**319**

Note: The position needs are estimates and may change depending on the jail population at the time of occupancy.

James A. Musick Facility Expansion - Phase 1 Staffing

FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	
					IV. Staffing (continued)
1	1	1	1	1	Senior Office Supervisor C/D
9	9	9	9	9	Senior Sheriff's Records Technician
9	9	9	9	9	Sergeant
24	24	24	24	24	Sheriff's Correctional Services Assistant
2	2	2	2	2	Sheriff's Facility Maintenance Specialist II
7	7	7	7	7	Sheriff's Records Supervisor
13	13	13	13	13	Sheriff's Records Technician
6	6	6	6	6	Sheriff's Special Officer II
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
2	2	2	2	2	Warehouse Worker II
1	1	1	1	1	Warehouse Worker III
319	**319**	**319**	**319**	**319**	**Total Positions Funded Per Fiscal Year**

James A. Musick Facility Expansion - Phase 2 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 Strategic Priority was previously identified in the 2014 to 2019 Strategic Financial Plans. Positions and funding are requested beginning FY 2022-23.

4. **Description of Strategic Priority**
Anticipating a future need for additional jail beds; OCSD completed Environmental Impact Report (EIR) 564 in 1998, which allowed the existing Musick Facility to expand from its existing 1,256 beds to 7,584 beds. A Supplement to EIR 564 (SEIR#564), which updated the previously certified EIR 564, was completed and certified by the Board of Supervisors (Board). The Master Plan for the Musick expansion 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 that Phase 2 of the design and construction includes the following:

A. Inmate Housing: 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.

B. Warehouse/Maintenance Building: This includes office space, warehouse storage, maintenance shops, etc.

C. Infrastructure and Site Improvements: This includes utilities, access roads, security fencing, parking lots, grading, storm drain system, etc.

Senate Bill 1022 (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

James A. Musick Facility Expansion - Phase 2 Staffing

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 2014 and the design of the second phase of the Musick expansion was approved by the Board and began shortly thereafter. In addition, on May 5, 2020, the Board approved the Musick Facility jail construction project. Existing staffing are available once the construction is completed; however, additional staffing may be needed as well.

5. **Personnel Impacts**

For strategic planning purposes, an additional 121 positions would be needed (84 Sheriff-Coroner positions and 37 Health Care Agency positions). The position needs are estimates and may change depending on the jail population at the time of occupancy

Classification	FY 2022-23
Sheriff-Coroner Positions:	
Administrative Manager I	1
Air Conditioning Mechanic	1
Communications Technician II	1
Correctional Programs Technician	5
Correctional Services Technician	14
Deputy Sheriff I	32
Facilities Mechanic	1
Plumber	1
Senior Head Cook	1
Senior Institutional Cook	2
Senior Sheriff's Records Technician	1
Sheriff Correctional Services Assistant	16
Sheriff's Records Supervisor	2
Sheriff's Records Technician	4
Warehouse Worker II	2
Subtotal Sheriff-Coroner Positions	**84**
Health Care Agency Positions:	
Behavioral Health Clinician II	5
Comprehensive Care Licensed Vocational Nurse	5
Comprehensive Care Nurse II	10
HCA Service Chief II	2
Medical Assistant	3
Mental Health Specialist	4
Nurse Practitioner II	2

James A. Musick Facility Expansion - Phase 2 Staffing

Health Care Agency Positions (continued):	
Office Specialist	2
Psychiatrist	4
Subtotal Health Care Agency Positions	**37**
Grand Total Positions	**121**

6. **Cost Impact**
The following are cost estimates for Strategic Financial Plan purposes only.

One-time Costs: $121 thousand (Start-up costs)

Ongoing Costs/Musick Jail Operational Costs: Once fully operational, estimated ongoing costs range from $6.9 million in FY 2022-23 to $20.3 million in FY 2030-31 for staffing and services and supplies.

7. **Funding Sources**
Costs related to Phase 2 design and construction of the James A. Musick expansion are partially funded through Senate Bill 1022 and will be reimbused by the State of California within the limits of the approved award. The Musick Expansion costs are estimated to be $304.7 million with $180.0 million being reimbursed by the State of California (AB 900 $100 million and SB 1022 $80 million) and $124.7 million General Fund (NCC) contribution.

General Funds are requested for one-time start-up 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.

James A. Musick Facility Expansion - Phase 2 Staffing

10. Implementation Period if Funding Were Available

Phase 2 design began in January 2015 and Phase 2 construction could be completed by early 2023. Full occupancy is anticipated within 90 days of construction completion.

James A. Musick Facility Expansion - Phase 2 Staffing					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Salaries & Benefits	0	6,932,710	18,785,691	19,410,357	19,981,901
Services & Supplies	0	121,105			
Total Cost	**0**	**7,053,815**	**18,785,691**	**19,410,357**	**19,981,901**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**0**	**7,053,815**	**18,785,691**	**19,410,357**	**19,981,901**
IV. Staffing					
Administrative Manager I	0	1	1	1	1
Air Conditioning Mechanic	0	1	1	1	1
Behavioral Health Clinician II	0	5	5	5	5
Communications Technician II	0	1	1	1	1
Comprehensive Care LVN	0	5	5	5	5
Comprehensive Care Nurse II	0	10	10	10	10
Correctional Programs Technician	0	5	5	5	5
Correctional Services Technician	0	14	14	14	14
Deputy Sheriff I	0	32	32	32	32
Facilities Mechanic	0	1	1	1	1
HCA Service Chief II	0	2	2	2	2
Medical Assistant	0	3	3	3	3
Mental Health Specialist	0	4	4	4	4
Nurse Practitioner II	0	2	2	2	2
Office Specialist	0	2	2	2	2
Plumber	0	1	1	1	1
Psychiatrist	0	4	4	4	4
Senior Head Cook	0	1	1	1	1
Senior Institutional Cook	0	2	2	2	2
Senior Sheriff's Records Technician	0	1	1	1	1
Sheriff's Correctional Services Assistant	0	16	16	16	16
Sheriff's Records Supervisor	0	2	2	2	2
Sheriff's Records Technician	0	4	4	4	4
Warehouse Worker II	0	2	2	2	2
Total Positions Funded Per Fiscal Year	**0**	**121**	**121**	**121**	**121**

Note: The position needs are estimates and may change depending on the jail population at the time of occupancy.

James A. Musick Facility Expansion - Phase 2 Staffing					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
20,052,455	20,130,924	20,211,982	20,295,715	20,295,715	Salaries & Benefits
20,052,455	**20,130,924**	**20,211,982**	**20,295,715**	**20,295,715**	**Total Cost**
					II. Non-General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
20,052,455	**20,130,924**	**20,211,982**	**20,295,715**	**20,295,715**	**III. General Fund Requirement**
					IV. Staffing
1	1	1	1	1	Administrative Manager I
1	1	1	1	1	Air Conditioning Mechanic
5	5	5	5	5	Behavioral Health Clinician II
1	1	1	1	1	Communications Technician II
5	5	5	5	5	Comprehensive Care LVN
10	10	10	10	10	Comprehensive Care Nurse II
5	5	5	5	5	Correctional Programs Technician
14	14	14	14	14	Correctional Services Technician
32	32	32	32	32	Deputy Sheriff I
1	1	1	1	1	Facilities Mechanic
2	2	2	2	2	HCA Service Chief II
3	3	3	3	3	Medical Assistant
4	4	4	4	4	Mental Health Specialist
2	2	2	2	2	Nurse Practitioner II
2	2	2	2	2	Office Specialist
1	1	1	1	1	Plumber
4	4	4	4	4	Psychiatrist
1	1	1	1	1	Senior Head Cook
2	2	2	2	2	Senior Institutional Cook
1	1	1	1	1	Senior Sheriff's Records Technician
16	16	16	16	16	Sheriff's Correctional Services Assistant
2	2	2	2	2	Sheriff's Records Supervisor
4	4	4	4	4	Sheriff's Records Technician
2	2	2	2	2	Warehouse Worker II
121	**121**	**121**	**121**	**121**	**Total Positions Funded Per Fiscal Year**

Jail Security Electronic Control Systems 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 2019 Strategic Financial Plans. This previously submitted Strategic Priority idenfitied a total cost of $15 million to complete the jail security electronic control system upgrade project.

   This Strategic Priority is for a total revised project cost of $15.4 million. The FY 2020-21 budget includes carryover funding totaling $3.2 million and the project has a remaining estimated cost of $10.3 million over three fiscal years.

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 Intake Release Center (IRC) with 32 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.

   This Strategic Priority provides for the replacement of the following systems within the facilities, listed in order of highest priority:

   - IRC: All areas (nine Guard Stations total)

Jail Security Electronic Control Systems Upgrade/Replacement

- Theo Lacy Facility (TLF): Modules I, J, Barracks F, G, & H, (five Guard Stations total)
- Central Men's Jail (CMJ): Main Control
- Central Women's Jail (CWJ): Main Control

5. Personnel Impacts

No additional staffing is required.

6. Cost Impact

One-time remaining costs for the jail security electronic control system upgrade project are $10,271,561:

FY 2021-22 $3,621,787
FY 2022-23 $3,172,448
FY 2023-24 $3,477,326

7. Funding Sources

General Fund support is requested.

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

8. Stakeholders

Orange County citizens, federal and state governments, inmates, as well as County employees working within the jails may be impacted.

9. Mandated or Discretionary Program/Project?

Discretionary project.

10. Implementation Period if Funding Were Available

FY 2021-22 through FY 2023-24

Jail Security Electronic Control Systems Upgrade/Replacement					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Structures & Improvements	3,621,787	3,172,448	3,477,326	0	0
Total Cost	**3,621,787**	**3,172,448**	**3,477,326**	**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	**3,621,787**	**3,172,448**	**3,477,326**	**0**	**0**
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 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					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**

Sheriff-Coroner Jail Hardening

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 2017, 2018 and 2019 Strategic Financial Plans. This previously submitted Strategic Priority identified a total cost of $2.3 million to complete the jail hardening project.

This Strategic Priority is for a total revised project cost of $2.4 million. The project has a remaining estimated cost of $2.1 million over two fiscal years.

4. **Description of Strategic Priority**
The Sheriff's Department 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. A committee was established and tasked with assessing the jail facilities. The committee identified the following areas for improvement:

- Installation of 216 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 241 window and ventilation areas of the jails, new razor wire installations, fencing and secure door improvements; and
- Replacement of 468 windows using polycarbonate safety materials.

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

6. **Cost Impact**
One-time remaining costs for the Jail Hardening project are estimated at $2,143,237:

FY 2021-22 $1,071,102
FY 2022-23 $1,072,135

Sheriff-Coroner Jail Hardening

7. Funding Sources
General Fund support is requested.

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

8. Stakeholders
This is a public safety project benefitting the residents of Orange County.

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

10. Implementation Period if Funding Were Available
FY 2021-22 through FY 2022-23

Sheriff-Coroner Jail Hardening

	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
I. Cost					
Structures & Improvements	1,071,102	1,072,135	0	0	0
Total Cost	**1,071,102**	**1,072,135**	**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	**1,071,102**	**1,072,135**	**0**	**0**	**0**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

Sheriff-Coroner Jail Hardening					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					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**

Katella Range Renovation

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 2017, 2018 and 2019 Strategic Financial Plans. This previously submitted Strategic Priority identified a total cost of $8.4 million to complete the Katella Range renovation project.

This Strategic Priority is for a total revised project cost of $8.8 million. The FY 2020-21 budget includes carryover funding totaling $4.1 million and the project has a remaining estimated cost of $3.8 million over one fiscal year.

4. **Description of Strategic Priority**
The existing Katella Range Facility, located at 1900 West Katella Avenue in the City of Orange, is approximately 23 years old. The construction of this 30-lane range and its surrounding structure which includes a range store lobby, an armory and additional classrooms, was completed in 1997. The facility was developed and built as a replacement for a previous outdoor range. At the time of construction, the current range was designed to satisfy the needs of a then much smaller Orange County Sheriff's Department.

Today, the Katella Range is used on an almost daily basis and serves as a Regional Firearms Training Center for up to 60 law enforcement agencies throughout Southern California. Every month, the range is utilized by approximately 2,400 County and outside agency personnel. Annually, this facility provides training and qualifications for an estimated 28,800 law enforcement personnel as well as over 360 recruits from the Sheriff’s Basic Academy.

Having been built over 23 years ago, the range and its original equipment have exceeded their useful life spans. Maintenance personnel find it difficult to aquire replacement parts to keep the range functioning on a full-time basis as the configuration is obsolete.

Katella Range Renovation

Maintenance on the targeting system is requested on an almost daily basis and the system works between 50 to 75 percent capacity due to frequent electrical and mechanical issues. Delays from the frequent need for maintenance and repairs can cause a loss of training and qualification time for visiting deputies and officers.

In May of 2016, a request for a new targeting system was submitted. Soon after the request was made, approximately $560 thousand was allocated for the purchase of a new targeting system. In early 2017, at the beginning stages of the project, due to Sheriff's Department budget constraints, the purchase of a new system was halted. The portions of the new targeting system project, which were completed in 2017 will be removed and reinstalled in the remodeled facility.

The Katella Range facility remains operational in its current state; however, the Sheriff's Department completed design work and is moving forward with a bid to remodel the existing building. Given the current state of the range's targeting system, the age of the building housing the range, and to avoid unplanned closure, both the range and building, would be remodeled. The remodeled building would include live fire ranges, office space, space for a range store, locker rooms and restrooms, equipment and ammunition storage areas, classrooms and an armory. The remodel would also provide for the conversion of the current outdoor range into a complete indoor range. Converting to an indoor range would allow for the installation of a targeting system upgrade and a new ventilation system which meets the need of providing a safe, functional training range for the use of the Sheriff's Department and regional law enforcement personnel.

5. Personnel Impacts

No additional staffing is required.

6. Cost Impact

Estimated one-time remaining costs for the Katella Range renovation project are $3.8 million.

Ongoing costs for building maintenance, HVAC system maintenance and repairs, bullet trap cleaning, target system maintenance and repairs, and the biannual cleaning of the range are not included in this estimate as these costs are unknown at this time. However, ongoing costs would be offset by the fees charged to various entities utilizing the facility.

Katella Range Renovation

7. Funding Sources

General Fund support is requested.

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

8. Stakeholders

This Strategic Priority would impact the County's Law Enforcement Community.

9. Mandated or Discretionary Program/Project?

Discretionary project.

10. Implementation Period if Funding Were Available

The implementation period spans over four fiscal years with design completed in FY 2018-19 and construction planned for FY 2020-21 and FY 2021-22.

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Katella Range Renovation					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Structures & Improvements	3,836,900	0	0	0	0
Total Cost	**3,836,900**	**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	**3,836,900**	**0**	**0**	**0**	**0**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

Katella Range Renovation					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					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**

Inmate Transportation Buses

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 2015 to 2019 Strategic Financial Plans, to replace its fleet of seven Class M3 Inmate Transportation Buses.

Two buses were purchased in FY 2019-20 and will be placed into service in calendar year 2021. One bus is scheduled to be replaced in FY 2020-21 with $700 thousand in funding provided. The remaining four buses are scheduled to be replaced by FY 2026-27.

4. **Description of Strategic Priority**
The Sheriff-Coroner, on behalf of the Sheriff's Transportation Bureau for the Intake Release Center, requests replacement of four Class M3 Inmate Transportation Buses (unit #s 6012, 6054, 6055 and 6069) over the course of the next six fiscal years. The existing inmate transportation buses either have exceeded or are approaching the end of the useful life expectancy. Due to long-term retention of the vehicles, issues are occurring with aging mechanical parts, limited replacement part availability, and general age progression.

The buses requested for replacement range from model years 2000 to 2008, with mileage ranging from 330 thousand to 511 thousand, and would be replaced with newer, less polluting diesel models deemed suitable by the South Coast Air Quality Management District. A reduction of emissions within densely populated Orange County would contribute to state and local efforts of reducing environmental impact. Inmate transportation buses are categorically exempt from California emissions standards, and the California Air Resource Board's Public Fleet and Utility regulations, as defined by California Vehicle Code Sections 27156.2, 165, and 1797.4 in the California Health and Safety Code. The buses are equipped with red lights and sirens and are driven by uniformed deputies in the course of their daily duties. Replacement of the vehicles would ensure reliable and safe transportation of inmates and deputies to the courts, hospitals, state prisons, and inmate work assignments. All new buses purchased will be included in

Inmate Transportation Buses

the County's fleet process with depreciation applied and used for subsequent replacements.

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

6. **Cost Impact**
Estimated one-time costs to replace four Inmate Transportation Buses over six fiscal years total $2,880,000.

7. **Funding Sources**
General Fund support is requested. No additional funding sources have been identified at this time.

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

8. **Stakeholders**
The buses requested for replacement would be replaced with newer, less polluting diesel models deemed suitable by the South Coast Air Quality Management District. This voluntary reduction of emissions would contribute to state and local efforts of reducing environmental impacts in Orange County.

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

10. **Implementation Period if Funding Were Available**
The implementation period for this project would be from FY 2021-22 through FY 2026-27, with one bus being replaced in FY 2021-22, two in FY 2022-23, and one in FY 2026-27.

Inmate Transportation Buses					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Equipment	720,000	1,440,000	0	0	0
Total Cost	**720,000**	**1,440,000**	**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	**720,000**	**1,440,000**	**0**	**0**	**0**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

Inmate Transportation Buses					
FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	
					I. Cost
720,000	0	0	0	0	Equipment
720,000	**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**
720,000	**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**

Sheriff-Coroner 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 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
Projects 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 Department.

1. Intake Release Center (IRC) Air Handlers – Design and replace 21 air handler units at the IRC. The original air handlers have met their life expectancy. Replacement would prevent water and moisture leaks into and throughout the units' housing during rain and wind shear, and also prevent further and gradual deterioration and corrosion, as well as additional damage and pooled water in personnel workspace. Total project cost is estimated at $5,943,225.

2. Theo Lacy Replace Air Handlers – The air handlers in the I and J mods (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. Total project cost is estimated at $2,695,076.

3. Increased Security Measures for Sheriff's Headquarters – In May 2017, the Orange County Intelligence Assessment Center (OCIAC) - Critical Infrastructure Protection (CIP) Team completed its Vulnerability Assessment and Mitigation Report on the Sheriff's Headquarters building. According to the report, OCIAC strongly encouraged Sheriff's Headquarters to improve several areas of the

Sheriff-Coroner Facilities Capital Improvement Plan

building. This project would address the top two areas identified in the OCIAC-CIP report: vehicle and pedestrian access control points at the below ground parking area and stand-off space with easily accessible large open areas surrounding the headquarters building. Total project cost is estimated at $2,211,673.

4. Renovate and Reconfigure the Forensic Areas (OC Crime Lab) – The OC Crime Lab is currently housed on the sixth, seventh, and eighth floors of the Brad Gates Building. While the total Crime Lab floor space is adequate, reconfiguration and reorientation of office and laboratory space is necessary to accommodate new priorities and facilitate efficient and functional services. For example, the growth in DNA services requires redesign of the seventh floor areas; 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 need to be redesigned to align staff with their assignments. Additionally, to ensure safe laboratory operations and personnel safety, the mechanical airflow and exhaust system should be examined. Total project cost is estimated at $1,386,375.

5. Hazardous Materials Mitigation – Determine the existence of any hazardous materials at the Central Men's Jail, Central Women's Jail, and Sheriff's Headquarters and mitigate as required. Total project cost is estimated at $1,576,951.

6. Retrofit Central Jail Complex/Sheriff's Headquarters Fire Alarm/Suppression Systems – Central Men's Jail, Central Women's Jail, and Sheriff's Headquarters all share a 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. Total project cost is estimated at $3,088,928.

7. Jail Hardening Long Term (Red Team projects) – The creativity, planning, collaboration, strategy, and methods related to bringing illegal contraband into jail and secured facilities has evolved. Therefore, the Red Team projects consist of building alterations and improvements in jail facilities that better secure them and enhance the Sheriff Department's security measures. The total cost of these projects is estimated at $8,304,000.

8. Sheriff's Headquarters Renovations and Hazardous Material Abatement – The Sheriff's Headquarters is over 41 years old and requires modifications and improvements; the existing building's structural components require reinforcement to meet upgraded seismic standards and a new elevator needs to be constructed to comply with upgraded Federal ADA requirements. Additionally,

Sheriff-Coroner Facilities Capital Improvement Plan

some materials used in the original construction of the building may need to be mitigated or abated. Total project cost is estimated at $9,519,332.

9. Expansion of the Emergency Operations System at Loma Ridge – 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. Total project cost is estimated at $1,391,184.

10. Upgrade and Add a Redundant Uninterrupted Power Supply (UPS) System at Brad Gates Building – The Sheriff's Data Center, located in the Brad Gates Building, houses the equipment and infrastructure necessary to support the Sheriff's computer systems. The systems are utilized by more than fifty local, State, and Federal law enforcement agencies to support public safety. The Data Center is protected by one 225KVA (kiloVoltAmps) UPS system that is 15 years old. This could become a single point of breakdown 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 and additional power to mitigate issues that may be caused by a power outage. Total project cost is estimated at $1,214,201.

5. Personnel Impacts

No additional staffing is required for the projects noted.

6. Cost Impact

Estimated one-time project costs over five years total $37,330,945:

FY 2021-22 $ 2,263,719
FY 2022-23 $ 6,130,732
FY 2023-24 $ 6,040,299
FY 2024-25 $ 8,769,823
FY 2025-26 $14,126,372

7. Funding Sources

General Fund support is requested.

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

Sheriff-Coroner Facilities Capital Improvement Plan

8. Stakeholders

Orange County citizens, federal and state governments, and local officials visiting Sheriff-Coroner facilities, inmates, as well as County employees working within the facilities may be impacted.

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 Capital Improvement Plan program also includes projects necessary to support the Sheriff-Coroner'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 5-Year Capital Improvement Program Plan from FY 2021-22 through FY 2025-26, should funding be available. For some complex projects, design and construction spans over several fiscal years in order to meet this requirement.

Sheriff-Coroner Facilities Capital Improvement Plan					
	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
I. Cost					
Structures & Improvements	2,263,719	6,130,732	6,040,299	8,769,823	14,126,372
Total Cost	**2,263,719**	**6,130,732**	**6,040,299**	**8,769,823**	**14,126,372**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**2,263,719**	**6,130,732**	**6,040,299**	**8,769,823**	**14,126,372**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

Sheriff-Coroner Facilities Capital Improvement Plan					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					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**

Sheriff-Coroner Facilities Maintenance Repair 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 an update to the prior year 2019 Strategic Financial Plan Strategic Priority.

4. **Description of Strategic Priority**
   Many of the Sheriff-Coroner facilities are aging and require repair or replacement of system components that have reached the end of their useful life. For example, the Central Men's Jail, Central Women's Jail, Sheriff's Headquarters Building, jail buildings at the Theo Lacy Facility and the James A. Musick Facility were built in the 1960s. Examples of projects for which funding would be requested include roofs, air conditioning systems, plumbing systems, electrical systems, and operating equipment. Funding for maintenance and repair projects through the annual budget process has not been able to keep pace with the needs of aging facilities.

   The maintenance, repair, or replacement of crucial facility components would enhance compliance with regulatory requirements, ensure safe and secure facilities, avoid the costs and operational impacts of addressing building component breakdown and unplanned shutdowns of facilities, and extend the useful life expectancy of County facilities.

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

6. **Cost Impact**
   One-time project costs are projected over five years at a total of $24,156,316
   FY 2021-22 $ 792,530
   FY 2022-23 $ 5,706,301
   FY 2023-24 $13,739,581
   FY 2024-25 $ 2,242,400
   FY 2025-26 $ 1,675,504

Sheriff-Coroner Facilities Maintenance Repair Plan

7. Funding Sources
General Fund support is requested.

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

8. Stakeholders
Orange County citizens, federal and state governments, local officials visiting Sheriff-Coroner facilities, inmates, as well as County employees working within the facilities may be impacted.

9. Mandated or Discretionary Program/Project?
Discretionary: These projects are discretionary, however, some of the requests include projects to continue meeting the overall mandate of maintaining 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.

10. Implementation Period if Funding Were Available
The implementation period varies according to the complexity of the individual projects. For some complex projects, design and construction could span two fiscal years.

Sheriff-Coroner Facilities Maintenance Repair Plan					
	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
I. Cost					
Structures & Improvements	792,530	5,706,301	13,739,581	2,242,400	1,675,504
Total Cost	**792,530**	**5,706,301**	**13,739,581**	**2,242,400**	**1,675,504**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**792,530**	**5,706,301**	**13,739,581**	**2,242,400**	**1,675,504**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

Sheriff-Coroner Facilities Maintenance Repair Plan					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
1,976,693	2,054,547	1,732,118	854,163	8,874,362	Structures & Improvements
1,976,693	**2,054,547**	**1,732,118**	**854,163**	**8,874,362**	**Total Cost**
					II. Non-General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
1,976,693	**2,054,547**	**1,732,118**	**854,163**	**8,874,362**	**III. General Fund Requirement**
					IV. Staffing
0	0	0	0	0	No Positions
0	**0**	**0**	**0**	**0**	**Total Positions Funded Per Fiscal Year**

California Statewide Automated Welfare System (CalSAWS) Migration

1. **Program Area**
   Community Services

2. **Involved Agencies and Departments**
   Social Services Agency (SSA) - Administrative

3. **New or Continuing Strategic Priority**
   This is a continuing priority previously identified in the 2018 and 2019 Strategic Financial Plans (SFP).

4. **Description of Strategic Priority**
   Over the next several years, SSA will undergo a major transition for its eligibility determination system as a result of a directive from the federal government that all 58 California counties utilize the same eligibility determination system. The transition to CalSAWS is a major overhaul of the most important application within the department. The system maintains records and calculates eligibility for clients across multiple programs and issues benefits for approximately 850,000 individuals within the County. The complexity of this transition is further magnified by the fact that the entire state is transitioning to one system. Counties will not only implement a system transition, but also review and modify long-developed business processes to accommodate the statewide system. The level of risk for this project and the scope of responsibilities is high. Allocation of additional resources could minimize the risk of a poor transition which could impact client eligibility and benefits.

   As a result of the federal directive and Assembly Bill 16 (ABX1 16), the State has been working to consolidate the existing three consortia systems and functionalities into one single system: California Statewide Automated Welfare System (CalSAWS). This consolidation will leverage existing investments in technology rather than building a new system. SSA will continue to utilize the existing CalWIN system until October 2023 when the CalSAWS system is projected to be fully operational. SSA is currently one of an 18-member county consortium currently using CalWIN. The two other eligibility determination systems include Los Angeles County Leader Replacement System (LRS) and Consortium-IV (C-IV) which includes the remaining 39 counties.

   As the CalSAWS project progresses, significant changes are being made to the project assessment, planning, and pre-implementation phase through:

California Statewide Automated Welfare System (CalSAWS) Migration

- Agency participation on various statewide committees;
- Implementation of agency workgroups;
- Agency evaluation of operational and programmatic changes;
- Review of project staffing and resource needs, including:
  - Nine positions, previously requested with the 2018 SFP for data conversion, migration and interface, implementation rollout and post Go-Live support are no longer included in this Strategic Priority, due to anticipated reduction in state allocations.
  - State provided training to assist with the development of CalSAWS platform training materials.
  - County's training materials to be developed by SSA, with no additional funding requested.

The CalSAWS project will also require thorough evaluation, incorporation and transition of various ancillary systems within the CalSAWS core. Some of the systems include: imaging, collections, task management, lobby management and a call center. Currently, these are independent modules and applications outside of CalWIN with different contractors, business processes and system requirements.

Four significant areas of this system migration initiative remain and are as follows:

1. <u>Design, Development, and Implementation</u> includes activities prior to the actual cutover, including workgroups at both the State and regional levels; assisting with the design, build and testing of modules and functionality; determining feasibility of ancillary modules within the core, testing interfaces and mapping data across systems for conversion.

2. <u>Training and Policy Evaluation and Development</u> relates to the development of training modules and materials; coordination and training for approximately 3,000 eligibility professionals, clerical support staff, program integrity staff, accounting staff, and systems support and imaging vendors within a 60-day period; development of resource guides, reference materials; and business process review and modification to fit within the CalSAWS environment.

3. <u>Data System Conversion, Migration and Interface</u> includes data purification for all active cases as well as six years of closed cases per the Department of Health Care Services (DHCS) retention policy; data conversion for ancillary systems such as the collections, imaging and task management applications; conversion development for

California Statewide Automated Welfare System (CalSAWS) Migration

both the core system as well as new ancillary systems incorporated into the core; preservation of legacy data on all systems; user acceptance testing and end user testing; and development and testing of reports, databases, interfaces and Application Programming Interfaces (API).

4. Implementation Rollout and Post Go-Live Support. Go-Live is currently expected to occur in April 2023. During this process, all staff will work in the new environment with substantial technical assistance and support from all members of the proposed CalSAWS team. This will also include the conversion and transfer of data from CalWIN to CalSAWS. Depending on the failure rate (estimated to be up to 20% due to challenges with data mapping between two different systems), CalSAWS resources will be leveraged along with existing staff to manually convert and authorize eligibility for cases in order to minimize client impacts. During Post Go-Live, analysis will determine what level of support is required to wind down the project into regular operations and maintenance mode. This may require some level of support for gaps identified such as training, resource guides and business processes. During this phase, there will also be a transition and development of a new Systems Support Team to provide ongoing programmatic and application support.

Successful transitioning will ensure that SSA is able to deliver services and determine eligibility, ensure program integrity, accurately claim reimbursement and maintain a high level of customer service to the nearly one in four residents of Orange County receiving Medi-Cal, CalFresh (food stamps), California Work Opportunity and Responsibility to Kids (CalWORKs), General Relief, and Foster Care services and benefits. It will also better leverage technology of the new and ancillary systems and data to offer counties a more robust and accessible reporting system with the ability to monitor real time program participation. This, in turn, will assist local county welfare departments with improving efficiencies, enhancing the customer experience and service accountability. CalSAWS will also result in the reduction or elimination of duplicative efforts as well as reduce maintenance and operations costs by moving from three separate state systems into one.

As part of the CalSAWS planning, procurement, transition, and ongoing maintenance activities, SSA will utilize existing staff as well as some limited-term positions to successfully manage the complex process of this system migration.

California Statewide Automated Welfare System (CalSAWS) Migration

5. **Personnel Impacts**

For strategic planning purposes, no additional staffing is required. SSA will leverage existing staffing for data conversion, migration and interface, implementation rollout and post Go-Live support .

6. **Cost Impact**

Total project cost over ten years is $42,682,673 with State funding of $42,583,506 and General Fund (NCC) funding of $99,167.

FY 2021-22 - $1,493,948 one-time; $2,021,777 ongoing
FY 2022-23 - $2,013,268 one-time; $2,116,200 ongoing
FY 2023-24 - $ 109,337 one-time; $3,399,527 ongoing
FY 2024-25 - $4,504,088 ongoing
FY 2025-26 - $4,504,088 ongoing
FY 2026-27 - $4,504,088 ongoing
FY 2027-28 - $4,504,088 ongoing
FY 2028-29 - $4,504,088 ongoing
FY 2029-30 - $4,504,088 ongoing
FY 2030-31 - $4,504,088 ongoing

7. **Funding Sources**

Project funding is 2% Federal, 97% State and 1% NCC.

Funding Sources			
Federal	**State**	**General Fund**	**Other**
2%	97%	1%	0%

8. **Stakeholders**

Orange County residents receiving Medi-Cal, CalFresh, CalWORKs, General Relief, and Foster Care services

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

Mandated: This project is mandated under California Welfare & Institutions Code 10823 (WIC 10823). Additionally, in 2011, Assembly Bill 16 (ABX1 16) set forth the C-IV, CalWIN migration to the CalSAWS as state law, which resulted in a 58-county consortium.

California Statewide Automated Welfare System (CalSAWS) Migration

10. **Implementation Period if Funding Were Available**
FY 2021-22 through FY 2023-24

California Statewide Automated Welfare System (CalSAWS) Migration

	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
I. Cost					
Salaries & Benefits	3,256,717	3,400,444	2,215,169	2,135,579	2,146,993
Services & Supplies	259,008	729,024	1,293,695	2,368,509	2,357,095
Total Cost	**3,515,725**	**4,129,468**	**3,508,864**	**4,504,088**	**4,504,088**
II. Non-General Fund Revenue					
Intergovernmental Revenues	3,424,376	4,121,650	3,508,864	4,504,088	4,504,088
Total Revenue	**3,424,376**	**4,121,650**	**3,508,864**	**4,504,088**	**4,504,088**
III. General Fund Requirement	**91,349**	**7,818**	**0**	**0**	**0**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

California Statewide Automated Welfare System (CalSAWS) Migration					
FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	
					I. Cost
2,146,993	2,146,993	2,146,993	2,146,993	2,146,993	Salaries & Benefits
2,357,095	2,357,095	2,357,095	2,357,095	2,357,095	Services & Supplies
4,504,088	**4,504,088**	**4,504,088**	**4,504,088**	**4,504,088**	**Total Cost**
					II. Non-General Fund Revenue
4,504,088	4,504,088	4,504,088	4,504,088	4,504,088	Intergovernmental Revenues
4,504,088	**4,504,088**	**4,504,088**	**4,504,088**	**4,504,088**	**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**

New Library in the City of Irvine

1. **Program Area**
Community Services

2. **Involved Agencies and Departments**
   - OC Community Resources (OCCR)
     - OC Public Libraries (OCPL)
     - OC Parks
   - OC Information Technology (OCIT)

3. **New or Continuing Strategic Priority**
This is a continuing Strategic Priority that was previously identified in the 2018 and 2019 Strategic Financial Plans.

4. **Description of Strategic Priority**
Irvine library branches in the OCPL system are the busiest in terms of the frequency of patron visits and usage. Despite an extended closure of the libraries due to the Novel Coronavirus (COVID-19) pandemic, more than 1.5 million items were borrowed from the three Irvine libraries in FY 2019-20. During the same period, attendance at Irvine libraries was over 700,000. Library staff presented more than 1,643 programs, classroom visits, and outreach events in FY 2019-20, all of which were attended by more than 70,000 library patrons.

The current facilities require frequent modification to meet information services demands and these needs are projected to further increase with growth in the surrounding area. As such, funds have been set aside for the construction of a new library to meet the demands of this growing community. The City of Irvine plans to use the funds OCPL set aside to build a new library in Irvine which would serve the community by providing resources and programs meeting the educational and entertainment needs of the residents and aligning with the mission and vision of OCCR and OCPL.

5. **Personnel Impacts**
For strategic planning purposes, 21 additional positions would be needed to operate the new library facility, which is based on the current staffing levels at a comparable branch.

New Library in the City of Irvine

Classification	No. of Positions
Librarian I	3
Librarian II	1
Librarian IV	1
Library Assistant I	9
Library Assistant II	6
Senior Library Assistant	1
Total Positions	**21**

6. Cost Impact

Estimated costs include a one-time facility acquisition cost and ongoing costs for County staff time and operating expenses.

FY 2022-23 - $26,280,000 one-time
FY 2023-24 - $ 230,000 one-time; $3,329,695 ongoing
FY 2024-25 - $ 3,446,481 ongoing
FY 2025-26 - $ 3,530,113 ongoing
FY 2026-27 - $ 3,616,401 ongoing
FY 2027-28 - $ 3,705,439 ongoing
FY 2028-29 - $ 3,797,323 ongoing
FY 2029-30 - $ 3,892,154 ongoing
FY 2030-31 - $ 3,990,038 ongoing

7. Funding Sources

OCPL anticipates that the cost of building a new library and one-time start-up costs would be funded by reserves from the Irvine Library set-aside. The source of this revenue is outlined in provisions adopted in the 2012 Memorandum of Understanding (MOU) between the County of Orange, OCPL, and the City of Irvine. The provisions limit the annual general property tax contribution from the City of Irvine to OCPL to a maximum of 2% growth each year with FY 2011-12 as the base year. The MOU mandated the creation of a set-aside account for annual property tax growth beyond the 2% cap to be used exclusively for OCPL services in the City of Irvine. Based on the formula adopted in the MOU in 2012, the amount set aside for the fund in FY 2020-21 is $5,295,212 which brings the total to $22,269,930 to date. By FY 2021-22, the total is projected to be $28,153,601.

All one-time and ongoing operating costs would be funded from City of Irvine property taxes.

New Library in the City of Irvine

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

8. **Stakeholders**
The City of Irvine, City of Irvine Library patrons, and OCPL are the primary stakeholders in this project.

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

10. **Implementation Period if Funding Were Available**
The implementation period for this project is contingent on the Irvine set-aside reserve balance reaching $20,000,000 to fund the initial phase of the new library, which is currently estimated to be FY 2020-21. The County would partner with the City of Irvine to identify the location and construct the new facility.

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New Library in the City of Irvine					
	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
I. Cost					
Equipment	0	50,000	0	0	0
Salaries & Benefits	0	0	1,555,344	1,625,458	1,641,713
Services & Supplies	0	26,230,000	2,004,351	1,821,023	1,888,401
Total Cost	**0**	**26,280,000**	**3,559,695**	**3,446,481**	**3,530,113**
II. Non-General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. Reserves					
Reserves	0	26,280,000	3,559,695	3,446,481	3,530,113
Total Reserves Inc/(Dec)	**0**	**26,280,000**	**3,559,695**	**3,446,481**	**3,530,113**
IV. Balance	**0**	**0**	**0**	**0**	**0**
V. Staffing					
Librarian I	0	0	3	3	3
Librarian II	0	0	1	1	1
Librarian IV	0	0	1	1	1
Library Assistant I	0	0	9	9	9
Library Assistant II	0	0	6	6	6
Senior Library Assistant	0	0	1	1	1
Total Positions Funded Per Fiscal Year	**0**	**0**	**21**	**21**	**21**

New Library in the City of Irvine					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
0	0	0	0	0	Equipment
1,658,130	1,674,711	1,691,458	1,708,373	1,725,456	Salaries & Benefits
1,958,272	2,030,728	2,105,865	2,183,782	2,264,582	Services & Supplies
3,616,401	**3,705,439**	**3,797,323**	**3,892,154**	**3,990,038**	**Total Cost**
					II. Non-General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
					III. Reserves
3,616,401	3,705,439	3,797,323	3,892,154	3,990,038	Reserves
3,616,401	**3,705,439**	**3,797,323**	**3,892,154**	**3,990,038**	**Total Reserves Inc/(Dec)**
0	**0**	**0**	**0**	**0**	**IV. Balance**
					V. Staffing
3	3	3	3	3	Librarian I
1	1	1	1	1	Librarian II
1	1	1	1	1	Librarian IV
9	9	9	9	9	Library Assistant I
6	6	6	6	6	Library Assistant II
1	1	1	1	1	Senior Library Assistant
21	**21**	**21**	**21**	**21**	**Total Positions Funded Per Fiscal Year**

CAPS+ Financial/Procurement & HR/Payroll Software and Hardware Upgrade

1. **Program Area**
   General Government Services

2. **Involved Agencies and Departments**
   Auditor-Controller
   County Executive Office

3. **New or Continuing Strategic Priority**
   This Strategic Priority was previously identified in the 2015, 2016, 2017, 2018 and 2019 Strategic Financial Plans. 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+ Human Resources/Payroll system is used in administering personnel records, tracking all personnel information and managing and paying over 18,000 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 & 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 to the most current version releases in FY 2022-23 and FY 2026-27. Part of this maintenance program focuses on the system's hardware which was upgraded in FY 2014-15, expanded in FY 2015-16 and may require a refresh in FYs 2022-23 and 2028-29.

Currently, the County uses three servers (IBM AIX P9) for CAPS production, user acceptance testing and a disaster recovery platform. The equipment is six years old and, according to the manufacturer, the life cycle of the servers is between five and seven years. As such, the servers may need replacement in FY 2022-23 and again in FY 2028-29 at an estimated cost of $525,000 each time.

5. Personnel Impacts

No additional staffing is required, but County departments would be engaged to perform functional testing and acceptance of the upgraded solution.

6. Cost Impact

Currently, this project is pending a vendor cost proposal, but the one-time costs are estimated at $12.7 million for the FY 2022-23 upgrade to a newer version release and for IT equipment refresh; $7.2 million for the FY 2026-27 upgrade to the next version release; and $525 thousand for an IT equipment upgrade in FY 2028-29. The ongoing cost for license and maintenance support would remain at the current level.

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 Countywide Cost Allocation Plan.

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

CAPS+ Financial/Procurement & HR/Payroll Software and Hardware Upgrade

8. Stakeholders

The primary stakeholders of the CAPS+ processes include County personnel, vendors conducting business with the County, special districts, school districts receiving property tax allocations, and other governmental entities receiving payments from the County.

9. Mandated or Discretionary Program/Project?

Discretionary: This project is discretionary; however, maintenance and 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 16-18 months.

CAPS+ Financial/Procurement & HR/Payroll Software and Hardware Upgrade					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Equipment		525,000	0	0	0
Intangible Assets-Amortizable		12,127,500	0	0	0
Total Cost	**0**	**12,652,500**	**0**	**0**	**0**
II. General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**0**	**12,652,500**	**0**	**0**	**0**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

CAPS+ Financial/Procurement & HR/Payroll Software and Hardware Upgrade					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
0	0	525,000	0	0	Equipment
7,221,375	0	0	0	0	Intangible Assets-Amortizable
7,221,375	**0**	**525,000**	**0**	**0**	**Total Cost**
					II. General Fund Revenue
0	0	0	0	0	No Revenue
0	**0**	**0**	**0**	**0**	**Total Revenue**
7,221,375	**0**	**525,000**	**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**

County Employee Expense Reimbursement System

1. **Program Area**
General Government Services

2. **Involved Agencies and Departments**
Auditor-Controller
Sheriff-Coroner Department
OC Public Works
Child Support Services
OC Community Resources
OC Waste and Recycling
Probation Department
Social Services Agency

3. **New or Continuing Strategic Priority**
This continuing priority is an update to the Strategic Priority titled *“County Employee Reimbursement/Petty Cash System”* and “*County Employee Reimbursement*” previously identified in the 2018 and 2019 Strategic Financial Plans, respectively. Based on additional analysis, the projected one-time implementation cost reflects a 5% increase from the prior years’ estimate.

4. **Description of Strategic Priority**
The County has an immediate and vital need for a long-term solution related to processing County employee reimbursements including mileage and expense claims, travel expenses, lodging, meals, and educational and professional reimbursements in accordance with the guidelines defined in the County of Orange Memorandums of Understanding (MOU).

The current online mileage and expense claim application, which supports mileage and parking reimbursements, was developed in 2007. The application uses obsolete technology that is unsupported and not fully functional with current internet browsers. Currently, only eight County departments (Auditor-Controller, Child Support Services, Health Care Agency, OC Community Resources, OC Public Works, OC Waste and Recycling, Probation and Social Services Agency) use the application, while the remaining County departments submit paper reimbursement requests.

County Employee Expense Reimbursement System

Recent adoption of MOUs with various labor bargaining units is anticipated to substantially increase the volume of educational and professional reimbursement claims. The proposed solution would have the flexibility to incorporate new or modified MOU guidelines without a complete rewrite of business rules. It would utilize current technology to handle workflow, user authentication, and integration with the County's Enterprise Resource Planning (ERP) and Electronic Report Management and Imaging (ERMI) systems. This Countywide solution would replace both paper reimbursement requests and the current obsolete system, eliminate manual processing for claims and petty cash reimbursements, improve customer service and increase efficiency and effectiveness.

5. **Personnel Impacts**

No additional staffing is required, but County departments would be engaged to perform functional testing and acceptance testing of the new solution.

6. **Cost Impact**

The estimated one-time cost would be $1.3 million with no ongoing license or maintenance support costs as the County would own the system at project completion.

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.

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

8. **Stakeholders**

The primary beneficiaries of this solution would be all County Departments and the approximately 18,000 County of Orange employees submitting more than 30,000 reimbursement claims per year.

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

Discretionary: This project is discretionary, however, the current system is vulnerable and may stop functioning at any time. If this were to occur, departments would be required to manually process paper reimbursement claims resulting in longer processing timeframes.

County Employee Expense Reimbursement System

This solution would allow the County to have one standardized reimbursement program that would integrate with the County's ERP system and ensure that all reimbursement guidelines are met. The new online solution would utilize current technology with security and workflow capabilities which would eliminate the need for data entry of paper reimbursement forms.

10. Implementation Period if Funding Were Available

The estimated implementation period is 28 months from start of project.

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County Employee Expense Reimbursement System					
	FY 21-22	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**
I. Cost					
Intangible Assets-Amortizable	1,315,503	0	0	0	0
Total Cost	**1,315,503**	**0**	**0**	**0**	**0**
II. General Fund Revenue					
No Revenue	0	0	0	0	0
Total Revenue	**0**	**0**	**0**	**0**	**0**
III. General Fund Requirement	**1,315,503**	**0**	**0**	**0**	**0**
IV. Staffing					
No Positions	0	0	0	0	0
Total Positions Funded Per Fiscal Year	**0**	**0**	**0**	**0**	**0**

County Employee Expense Reimbursement System					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
0	0	0	0	0	Intangible Assets-Amortizable
0	**0**	**0**	**0**	**0**	**Total Cost**
					II. 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**

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), and OC Flood Control District (OCFCD)

3. **New or Continuing Strategic Priority**
This Strategic Priority is an update to the prior year 2019 Strategic Financial Plan Strategic Priority.

4. **Description of Strategic Priority**

I. In Progress Real Estate Projects:

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 22-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 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 Novel Coronavirus (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

County Facilities Master Plan

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.

This Strategic Priority includes $3.1 million in development-related costs, $3 million 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 2021-22 through FY 2030-31. The $3 million one-time relocation cost of the County Vehicle Maintenance Yard would address ongoing repair and maintenance of the OC Sheriff'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 MCAS El Toro. The $3.5 million revenue from site development beginning in FY 2024-25 is offset by $3.1 million in staffing and moving costs.

b. El Toro Parcels (100 Acres and Alton):
The County owns, or will own, two parcels at the former MCAS El Toro, one of approximately 108 acres along Marine Way (100AP) and one of approximately 32 acres along West Alton (WAP). The 100AP is located between the Orange County Great Park Master Plan 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, engaged a Disposition and Development Agreement with Lowe Enterprises Inc. (Lowe) to act as the master developer, initiated the entitlement process for the properties, and allowed for subsequent phases of horizontal and vertical development and leasing of the subject properties. The Board approved Final Program EIR No. 620 for the 100AP on November 14, 2017, and approved Final EIR No. 621 on June 5, 2018 for the WAP. The City of Irvine, Laguna Greenbelt, Heritage Fields, and City of Laguna Beach subsequently filed complaints against the County related to the 100AP; and the City of Irvine, Heritage Fields, and City of Laguna Beach filed complaints related to the WAP.

As of October 31, 2018, $6.5 million was expensed against the Disposition and Development Agreement with Lowe Enterprises Inc. The 100AP and WAP master

County Facilities Master Plan

planning, development plans, and final program environmental impact reports are complete. The Board approved the development plans, and the mitigation monitoring and reporting plans for 100AP and WAP in November 2017 and June 2018, respectively. The County is currently responding to legal challenges from the City of Irvine, Heritage Fields El Toro, City of Laguna Beach, etc.

On February 19, 2020, the judge presiding over these legal challenges issued an order on the County's Motion for Summary Judgment finding that the 100AP and WAP projects are not exempt from the City of Irvine's general plan and zoning ordinances. This order provides that implementation of these projects, as approved by the Board, would require City of Irvine approval. As a result, on June 9, 2020, the Board vacated EIR Nos. 620 and 621 and the prior project approvals for the 100AP and WAP. This allows the County time and flexibility to consider other uses for these properties consistent with the ruling. The Disposition and Development Agreement with Lowe was also terminated. Subsequently, the parties dismissed their CEQA claims against the County.

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. It is anticipated the lease revenue will begin in January 2021 ranging from $15,833 to $158,333 per month. The City of Irvine cited the County for construction without City grading and building permits for the site. The County contends as unnecessary, as the County is permitted to process its construction drawings and plan for a larger maintenance yard facility at this location. License revenue is anticipated to be reduced by approximately 50% offset in part by the ground lease to OC Storage LLC.

This Strategic Priority includes $35.2 million in revenue, inclusive of $22.9 million of El Toro Improvement Fund (15T) implementation revenue and $9.6 million of Ground Lease revenue. The total revenue is offset by $9.7 million in expenses, resulting in an anticipated net $25.5 million revenue available to the County General Fund during FY 2021-22 through FY 2030-31.

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 those components are included in the Capital Projects (036) and Countywide Capital Projects Non-General Fund

County Facilities Master Plan

(15D) budgets. The following information provides costs and funding related to the new County Administration South (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 OC Public Works, OC Waste & Recycling, Treasurer-Tax Collector, Clerk-Recorder, CEO Real Estate, CEO Risk Management, and OC Community Resources Administration. The Capital Projects (036) Strategic Financial Plan base request includes $10 million annually for CAS debt service payments beginning in FY 2020-21. Non-General Fund departments occupying CAS will fund approximately 76% of the debt service cost in the form of lease payments. The new CAS building will initially receive no Net County Cost allocation due to the availability of revenue from the OC Waste & Recycling Waste Disposal Agreement (WDA) approved by the Board on September 22, 2015 (WDA ends 6/30/2025, unless renewed).

- Phase 2 – County Administration North (CAN)
  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 will house the occupants of the Hall of Administration, and a number of Health Care Agency staff. The Countywide Capital Project Non-General Fund (15D) Strategic Financial Plan base request includes $13.8 million for ongoing debt service for CAN beginning in FY 2022-23. Non-General Fund departments occupying CAN will fund approximately 45% of the debt service cost. 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) Osborne Building and other building space reconfiguration costs related to the CCSFP;

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3) CCSFP Phase 2 design costs; and
4) Moving costs, etc.

Demolition of Buildings 11, 12 and 14 has been completed. Construction of the CAN facility began in Spring 2020 and is anticipated to be completed by July 2022.

Phase 3 and 4 projects are discretionary and still in the early planning stages.

d. Fruit Street Assessment, Operations Center Plan:
The City of Santa Ana is completing California Environmental Quality Act (CEQA) and National Environmental Protection Act (NEPA) work for the City's proposed Santa Ana Boulevard underpass of the railroad at the County's Fruit Street property. Funding is not needed in FY 2021-22 for the Fruit Street relocation and County Operations Center studies because funding to construct the Santa Ana Boulevard underpass has not yet been identified. OC Fleet may be significantly impacted by underpass construction and need to move from Fruit Street to an alternate location. If the County is required to relocate from the Fruit Street location, compensation should be offered for the value of the site and relocation costs. Three options are currently being evaluated for the Fruit Street facility:

1. Option A is estimated to cost $54 million and would take approximately four years to complete. This option consists of two new single-story structures (44,000 sqft and 29,000 sqft) to accommodate Facilities Maintenance and Horizontal Construction currently located at the Fruit Street Complex.
2. Option B is estimated to cost $58 million and would take approximately four years to complete. This option consists of one new two-story structure (73,000 sqft) to consolidate the Facilities Maintenance and Horizontal Construction currently located at the Fruit Street Complex.
3. Option C is estimated to cost $32 million and would take approximately three years to complete. This option consists of one new single-story structure (44,000 sqft) to accommodate Facilities Maintenance and assume the relocation of Horizontal Construction to the Glassell Campus.

e. Greenspot - Highland Entitlement Acquisition:
The OC Flood Control District (OCFCD) owns 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 Road; and north of Mill Creek and State Highway 38. The Greenspot Property was

County Facilities Master Plan

originally acquired by the 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 needed for the construction.

On November 9, 2010, the Board approved a contract with Lewis Planned Communities (Lewis) as the developer to assist with the entitlement of the Greenspot Property. Per this agreement, the Greenspot Property was entitled as a master planned community of approximately 3,632 residential units and 51,840 square feet of commercial use. The agreement includes compensation to Lewis to receive approval of the project and the possible direct sale of the property to Lewis. City Council approval of the project occurred in July 2016. California Environmental Quality Act (CEQA) litigation ensued, and was adversely decided against the County, which helped eliminate an existing voter referendum. Following the adverse ruling, the Highland city council rescinded the project approvals in response to a Project entitlements challenge. CEO Real Estate is working with the City of Highland, Lewis Planned Communities and its consultants to address and correct the identified deficiencies in the CEQA documentation for the project. OCFCD/CEO Real Estate, Lewis, the city and the CEQA consultants will meet to develop a scope, budget and schedule, as well as next steps in addressing the court ruling and potentially reapproving the Project. CEO Real Estate is also analyzing outside proposals for property acquisition, pursuing further property evaluation and exploring alternative property disposition options, including sale to a third-party. Once a solution is identified and agreed upon, the matter will be brought before the Board for consideration and direction.

This project includes entitlement-related costs funded by revenues generated by site development and is included in the OC Flood base budget. In anticipation of the property sale, the County plans to begin a process to solicit offers in the coming year. This Strategic Priority includes $10 million in revenue, offset by $1.5 million in staffing costs, $6.2 million in revenue sharing with other municipalities, and $500 thousand in revenue sharing with OC Flood, resulting in an anticipated net $1.8 million available to the County General Fund during FY 2021-22 through FY 2030-31. Revenue generated from this project would be shared between OCFCD and the County at a rate of 35 percent and 65 percent, respectively. OCFCD and CEO Real Estate will enter into a Cooperative Agreement when the project proposal or disposition is determined.

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f. Long-Term Lease of Orange County Flood Control District (OCFCD) Property at 1100 Bristol Street, Costa Mesa:

The OCFCD owns approximately 6 acres of vacant real property in the City of Costa Mesa. A 21-year ground lease between the OCFCD and Ganahl Lumber Company (Ganahl) was entered into on October 24, 2016. Ganahl has constructed a new store on the site. Revenue from the 21-year lease will be over $12 million, which includes the Option prices, the construction period rent, and operational period rent for the primary term. Should Ganahl choose to exercise the option to extend the primary lease term, additional revenue for each extension term would be a minimum of $5 million for each seven-year extension term, for a total of over $30 million for all six extension terms (not including potential rent increases).

Revenue generated from leasing this site would be shared between the OCFCD and the County at a rate of 35 percent and 65 percent, respectively. A Cooperative Agreement between the OCFCD and CEO Real Estate was entered into on June 30, 2014.

This Strategic Priority includes $6.2 million in revenue, offset by $0.2 million in staffing expenses and $2 million in revenue sharing with OC Flood, resulting in an anticipated net $4 million available to the County General Fund during FY 2021-22 through FY 2030-31.

g. 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 the 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 as 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. Majestic is preparing a development application with the City and participating in multiple Design Review Committee (DRC) meetings, the most recent of which was held on April 3, 2019. Draft conditions of approval have been received from the City, and negotiated with City staff; monthly meetings are held with the City Manager and Community Development Director; and County staff are coordinating efforts to help improve Army Corps processing times for the project. A meeting with Army Corps officials was held on

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July 30, 2019 at Congresswoman Torre's office in Ontario with Orange County Chairwoman Bartlett, Congresswoman Grace Napolitano, and San Bernardino County Chairman Curt Hagman also in attendance. A follow-up meeting is being coordinated to discuss issues germane to the County.

This Strategic Priority includes $21.4 million in revenue, offset by $0.7 million in staffing expenses and $7 million in revenue sharing with OC Flood, resulting in an anticipated net $13.7 million available to the County General Fund during FY 2021-22 through FY 2030-31. Revenue generated from this project would be shared between the OCFCD and the County at a rate of 35 percent and 65 percent, respectively. OCFCD and CEO Real Estate will enter into a Cooperative Agreement when the project is closer to completion.

h. Coyote Canyon Development Opportunity in Newport Beach, CA

Orange County owns approximately 361 acres at a former landfill site in Newport Beach. CEO Real Estate launched a competitive RFP process in 2016 to convert the site into a revenue-generating golf-course.

Negotiations with Tait Development, LLC commenced at the beginning of October 2018. Since that time, Tait has engaged in verifying the environmental viability of the site for the proposed project and reviewing the proposed option and lease agreements. Tait submitted a final project proposal and an updated option and lease agreement on April 22, 2019 and subsequent negotiations related to the lease and option agreements concluded on August 23, 2019. The Board approved the option and lease agreement on October 8, 2020 and authorized the Chief Real Estate Officer to sign a four-year option agreement on a 75-year lease. The lease has the potential to bring in over $52 million in revenue to the County over its term.

This Strategic Priority includes $2.4 million in revenue, offset by $343 thousand in staffing expenses, resulting in an anticipated net $2.1 million available to the County General Fund during FY 2021-22 through FY 2030-31.

i. Green River Golf Course

Orange County owns approximately 412 acres of improved land in Chino Hills. CEO Real Estate launched a competitive RFP process in 2018 to solicit proposals from various developers. The existing operator, CourseCo, was selected as the primary respondent and negotiations are currently underway to enter into a long-term ground lease with CourseCo. Negotiations are anticipated to conclude in December 2020.

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This Strategic Priority includes $637 thousand in revenue, offset by $125 thousand in staffing and consultant expenses and $179 thousand in revenue sharing with OC Flood, resulting in an anticipated net $332 thousand available to OC Flood during FY 2021-22 through FY 2030-31.

j. 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. Related will conduct due diligence and obtain entitlements for development of the Crossroads at Washington, an 86-unit affordable housing development in the City of Santa Ana (City), over a 36-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 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. Related is proposing to 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 (HVCs) available to recipients is 100% funded by HUD and is included in OC Housing Authority Fund 15F base budget.

This Strategic Priority includes $491 thousand in revenue, offset by $344 thousand in staffing and consultant expenses and $104 thousand in revenue sharing with OC Flood, resulting in an anticipated net $43 thousand available to the County General Fund during FY 2021-22 through FY 2030-31.

County Facilities Master Plan

k. HCA 17th Street, Santa Ana, CA

CEO Real Estate is soliciting a Request for Interest (RFI) that seeks Statements of Interest (SOI) from development teams interested in entering into a public-private partnership (P3) with the County to entitle, finance, construct, operate, and maintain a mixed-use development, including a new health care facility and any private uses determined by the successful proposer for the HCA facility located at 1725 West 17th Street, Santa Ana, CA (Property). The RFI contemplates a new phased 125,895 sqft HCA facility. The RFI seeks a proposer to provide a new 17th Street Clinic to the County, at little or no cost, and to provide the highest economic benefit through a ground lease of the excess Property. The RFI will identify development teams with demonstrated capability to enter into a P3 master lease; assess the developmental and financial feasibility of the proposed Project as a P3; and acquire additional information to aid in issuing a P3 RFP.

II. Completed Real Estate Projects:

l. Placentia Veteran's Housing:

The OCFCD owns approximately 2.34 acres of property at Orangethorpe and Lakewood by the Atwood Channel in the City of Placentia. CEO Real Estate launched a competitive RFP in November 2015 and the Board approved an Option Agreement with Mercy Housing, along with a long-term ground lease. The lease with Mercy Housing commenced on December 19, 2018 and development of the Placentia Veteran's Affordable Housing was successfully completed, which has opened on the property pursuant to the ground lease.

This Strategic Priority includes $71 thousand in staffing expenses with no offsetting revenue, resulting in an anticipated $71 thousand cost to OC Flood during FY 2021-22 through FY 2030-31.

m. Be Well OC Hub Located at 265 South Anita Drive in the City of Orange:

The Orange County Health Care Agency (HCA) 2016 Strategic Financial Plan identified creation of a campus-like setting for co-location of behavioral health services as a Strategic Priority. In order to meet this need, HCA collaborated with CEO Real Estate to purchase a building for a behavioral campus at 265 Anita Drive in the City of Orange (Anita Building). The 2.1-acre property hosted a wood frame two-story office building circa 1985 which has been removed to facilitate construction of a modern, purpose-built, health care building. This Strategic Priority does not incorporate funding for the Be Well OC Behavioral Health Services campus as the related funding is part of HCA's base budget.

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The HCA program planning process for the Anita Building evolved in parallel with the public-private co-creation of the Be Well OC Blueprint. Within that context, an opportunity emerged for a public-private partnership, between HCA and Mind OC (a not-for-profit organization affiliated with Be Well OC), to design and develop a de novo 60,000 square foot building, for the purpose of providing mental health and substance use disorder (SUD) services for all Orange County residents regardless of ability to pay. In addition to a number of shared services that would benefit all individuals utilizing the campus (e.g., eligibility workers, housing navigators, referral and linkage, etc.), the principle programs at the campus will include SUD Intake and Referral, a Crisis Stabilization Unit, a Crisis Residential Unit, withdrawal management, co-occurring residential treatment, and SUD residential treatment. On June 4, 2019, the Board approved a Master Ground Lease with Mind OC for the construction of the building and operation of the campus. The new Be Well OC campus construction will be completed by the end of 2020.

n. Gothard Landfill Huntington Beach, CA

The County owns approximately 11.5 acres of land located in the City of Huntington Beach which is part of the former 33-acre Gothard Street Landfill that was closed in June 1962. On March 18, 2018, CEO Real Estate released an RFP for an Option and Master Lease for use of the site. In response, the County received two proposals, one from Huntington Beach Jeep Chrysler (HBJC) and another which was nonresponsive. HBJC is a car dealership that has conducted business in the City of Huntington Beach for the past 34 years. A majority of their business is generated through internet sales that focuses on selling a higher volume of cars.

On June 4, 2019 the Board approved an Option and Lease Agreement with HBJC. The Agreement has an option term of nine months with a one-time cost of $35,000. The Ground Lease has a primary term of 10 years and provides that if no default occurs, the Ground Lease will automatically renew for an additional 10 years. Thereafter, HBJC would have the option to extend the Ground Lease for up to two additional, 10-year consecutive terms. HBJC will pay the County $21,000 per month for an annual rent payment of $252,000. Rent revenue will be split between OC Waste & Recycling (OCWR) and the County. The nine-month option term began on June 6, 2019 and HBJC cannot exercise their option to lease until all conditions of the Option Agreement are met. Due to the COVID-19 pandemic, and per Board delegated authority, a Tolling Agreement was executed with HBJC, which extends the option period for the pendency of the State of Emergency due to the pandemic.

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This Strategic Priority includes $645 thousand in revenue, offset by $850 thousand in staffing and sage scrub mitigation expenses resulting in an anticipated $206 thousand net cost to the County General Fund during FY 2021-22 through FY 2030-31.

5. **Personnel Impacts**
These projects will be managed by existing staff and consultants hired for specific projects.

6. **Cost Impact**
The following $17.1 million costs are for staff and consultant time and materials and do not include offsetting revenues.

Fiscal Year	Costs (in millions)
2021-22	$ 8.5
2022-23	3.0
2023-24	1.6
2024-25	0.8
2025-26	0.8
2026-27	0.8
2027-28	0.8
2028-29	0.2
2029-30	0.3
2030-31	0.3
Total	**$ 17.1**

7. **Funding Sources**
The following $80.6 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)
2021-22	$ 16.4

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Fiscal Year	Gross Revenue (in millions)
2022-23	8.3
2023-24	8.4
2024-25	9.2
2025-26	7.6
2026-27	7.8
2027-28	8.6
2028-29	4.6
2029-30	4.8
2030-31	4.9
Total	**$ 80.6**

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 Newport Beach and the Cities of Highland and Chino in San Bernardino County (Greenspot and Prado), citizens served by the Health Care Agency, other County departments and citizens served by OC Public Works and the County Executive Office

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.

This Strategic Priority is projected to provide $63.5 million in revenue, of which $46.1 million will be distributed to the County General Fund to address one-time capital

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investments and other obligations in the ten-year plan and may provide net revenue contributions to the General Fund as follows:

Fiscal Year	Net Source/(Use) (in millions)
2021-22	$ 0.6
2022-23	4.5
2023-24	5.9
2024-25	7.5
2025-26	5.8
2026-27	6.0
2027-28	6.6
2028-29	2.9
2029-30	3.1
2030-31	3.2
Total	**$ 46.1**

These amounts are the net General Fund contributions after considering $17.4 million for FY 2021-22 through FY 2030-31 revenue sharing with: OC Flood - $10.4 million, OCWR - $0.8 million and State and other counties - $6.2 million for the Greenspot project.

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 is currently developing the Computerized Maintenance Management System (CMMS), which will assist in the identification of pending capital and deferred maintenance projects and infrastructure needs for all County facilities.

County Facilities Master Plan

	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
I. Cost					
Services & Supplies	8,521,780	2,959,606	1,593,807	769,241	788,436
Total Cost	**8,521,780**	**2,959,606**	**1,593,807**	**769,241**	**788,436**
II. Non-General Fund Revenue					
Other Financing Sources	16,375,508	8,317,394	8,359,953	9,156,044	7,581,685
Total Revenue	**16,375,508**	**8,317,394**	**8,359,953**	**9,156,044**	**7,581,685**
III. Reserves					
Reserves	7,853,727	5,357,788	6,766,146	8,386,803	6,793,249
Total Reserves Inc/(Dec)	**7,853,727**	**5,357,788**	**6,766,146**	**8,386,803**	**6,793,249**
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 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
808,111	828,277	273,639	280,442	287,414	Services & Supplies
808,111	**828,277**	**273,639**	**280,442**	**287,414**	**Total Cost**
					II. Non-General Fund Revenue
7,813,085	8,649,617	4,608,773	4,793,258	4,968,266	Other Financing Sources
7,813,085	**8,649,617**	**4,608,773**	**4,793,258**	**4,968,266**	**Total Revenue**
					III. Reserves
7,004,973	7,821,340	4,335,133	4,512,816	4,680,852	Reserves
7,004,973	**7,821,340**	**4,335,133**	**4,512,816**	**4,680,852**	**Total Reserves**
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**

COUNTY OF ORANGE

CALIFORNIA

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 Strategic Financial Plan.

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**
OCIT is experiencing a shortage of available resources to support the day-to-day badge operations. The current staff job classifications in the badge office are not at a level to manage a project of this size, therefore the program would require one Administrative

Physical Identity Access Management (PIAM)

Manager I to collaborate on project requirements with departments and oversee operations post-implementation. Funding for the position is requested in the second year (FY 2022-23) when installation of the software and server would be deployed.

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
Ongoing staffing costs range from $156 thousand to $161 thousand per year

7. Funding Sources

OCIT requests $2.2 million in General Fund (NCC) during the first four years of implementation, 49% of the entire project. The remaining $2.2 million, 51% of the project cost, will be included in OCIT Budget and billed back to departments through Badge Access pass-through rates.

Funding Sources			
Federal	**State**	**General Fund**	**Other**
0%	0%	49%	51%

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 (OCCR). All agency Directors or designees (Administration and Building managers) are participant stakeholders. John Wayne Airport is implementing a similar Identity Management System and can offer expertise and guidance.

9. Mandated or Discretionary Program/Project?

Discretionary project.

10. Implementation Period if Funding Were Available

OCIT anticipates issuing a Request for Proposal in FY 2021-22. If funding is identified, the project would then be presented to the Board of Supervisors for approval. If funding is identified in FY 2021-22, information gathering, functional design, workflow policies development, system baseline installation, user access testing and training could occur

Physical Identity Access Management (PIAM)

in FY 2022-23. Under this scenario, PIAM production deployment (Go Live) could take place in FY 2023-24.

Physical Identity Access Management (PIAM)					
	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
I. Cost					
Equipment	0	980,000	420,000	0	0
Salaries & Benefits	0	156,452	157,610	159,698	160,878
Services & Supplies	50,000	18,000	18,000	208,000	208,000
Total Cost	**50,000**	**1,154,452**	**595,610**	**367,698**	**368,878**
II. Non-General Fund Revenue					
Charges For Services	0	0	0	0	368,878
Total Revenue	**0**	**0**	**0**	**0**	**368,878**
III. General Fund Requirement	**50,000**	**1,154,452**	**595,610**	**367,698**	**0**
IV. Staffing					
Administrative Manager I	0	1	1	1	1
Total Positions Funded Per Fiscal Year	**0**	**1**	**1**	**1**	**1**

Physical Identity Access Management (PIAM)					
FY 26-27	**FY 27-28**	**FY 28-29**	**FY 29-30**	**FY 30-31**	
					I. Cost
0	0	0	0	0	Equipment
160,878	160,878	160,878	160,878	160,878	Salaries & Benefits
208,000	208,000	208,000	208,000	208,000	Services & Supplies
368,878	**368,878**	**368,878**	**368,878**	**368,878**	**Total Cost**
					II. Non-General Fund Revenue
368,878	368,878	368,878	368,878	368,878	Charges For Services
368,878	**368,878**	**368,878**	**368,878**	**368,878**	**Total Revenue**
0	**0**	**0**	**0**	**0**	**IV. Balance**
					IV. Staffing
1	1	1	1	1	Administrative Manager I
1	**1**	**1**	**1**	**1**	**Total Positions Funded Per Fiscal Year**

COUNTY OF ORANGE CALIFORNIA

Our Community.
Our Commitment.

COUNTY OF ORANGE

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