



FY 2022-23

APRIL BUDGET UPDATE



FY 2022-23 APRIL BUDGET UPDATE

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EXECUTIVE SUMMARY

The April Budget Update provides information at a summary level as requested by the Board of Supervisors during the March 28, 2023 meeting.

Revenue

The forecast below provides the most recent status on the County’s General Purpose Revenue, Public Safety Sales Tax (Proposition 172) and 1991 and 2011 Realignment revenues.

Revenue Description	FY 2022-23 Budget	FY 2022-23 Projection	FY 2023-24 Preliminary Proposed Budget (4)
General Purpose Revenue (1)	\$997.8 million	\$1,024.6 million	\$1,036.2 million
Proposition 172 (2)	\$417.4 million	\$422.1 million	\$432.7 million
1991 Realignment (3)	\$207.4 million	\$223.8 million	\$236.8 million
2011 Realignment (3)	\$565.0 million	\$542.1 million	\$599.0 million

Notes:

- (1) Excludes one-time Teeter revenue.
- (2) Proposition 172 funds are restricted to OC Sheriff’s Department (80%) and OC District Attorney (20%).
- (3) Realignment funds are restricted to realigned programs from the State.
- (4) FY 2023-24 Preliminary Proposed Budget is subject to change prior to May 24, 2023 release.

Reserves

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

In implementing the Government Finance Officers Association’s (GFOA) best practice, the County elected to establish a funding target based upon two months of General Fund operating revenues. The County’s goal is to ensure regular maintenance and replenishment of a prudent reserve balance to provide financial resiliency and long-term sustainability. The County plans to increase the Budget Stabilization and Contingencies Reserves each year, if needed, to maintain the GFOA recommended target amounts.

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	Balance at 6/30/2022	Changes		Projected Balance at 6/30/2023	Projected Balance at 6/30/2024 (1)
		Actual 3/31/2023	Projected		
Budget Stabilization Reserve					
Reserve for Budget Stabilization	\$ 581,822,679	\$ 40,249,751	\$ -	\$ 622,072,430	\$ 659,911,329
Budget Stabilization Reserve Target	\$ 574,287,074			\$ 622,072,430	\$ 659,911,329
Stabilization Reserve Over/(Under) Target	\$ 7,535,605			\$ (0)	\$ (0)
Specific-Use Reserve Classification					
Assigned (9740)	\$ 40,249,751	\$ (40,249,751)	\$ -	\$ -	\$ -
Catastrophic Event Contingencies [Goal = 15% of GPR = \$145M for FY 2022-23 & \$159M for FY 2023-24]	65,000,000	30,000,000	50,020,041	145,020,041	159,108,000
Reserve for Capital and IT Projects [Goal = \$50M]	47,643,909		10,031,810	57,675,719	0
Reserve for Maintenance & Construction	6,696,539		(6,696,539)	0	0
Teeter Loss Reserve	30,000,000	(30,000,000)	-	0	0
Subtotal - General Fund Specific-Use Reserves	\$ 189,590,199	\$ (40,249,751)	\$ 53,355,312	\$ 202,695,760	\$ 159,108,000
Grand Total - General Fund Total Reserves	\$ 771,412,878	\$ -	\$ 53,355,312	\$ 824,768,190	\$ 819,019,329

Note: (1) Projected balances at 6/30/2024 are the estimated targets needed to maintain the GFOA recommendations based on the FY 2023-24 Preliminary Proposed Budget, which is subject to change prior to May 24, 2023 release.

Federal and State Earmarks

The County's Legislative Affairs Office works closely with the County Budget & Finance Office and our state and federal delegations to obtain earmarked funding to move countywide initiatives forward to best benefit the public. Below is a summary of the recent awards received.

Project	2021 Awards	2022 Awards	Total
Be Well Campus Irvine	\$7.0 million	\$10.0 million	\$17.0 million
System of Care Data Integration System	\$2.0 million	--	\$2.0 million
Coordinated Reentry System	\$5.0 million	--	\$5.0 million
Transitional Aged Youth Housing	--	\$5.0 million	\$5.0 million
OC Intelligence Assessment Center	--	\$3.5 million	\$3.5 million
Total	\$14.0 million	\$18.5 million	\$32.5 million

OC CARES

OC CARES, a countywide initiative linking the County's various systems of care, was first identified as a priority in the 2016 Strategic Financial Plan. Since then, significant investments have been made in staffing, facilities, and information technology to enhance the systems of care. There are future projects related to but outside of OC CARES that are in the planning phase and beyond the 5-Year estimated costs shown below, such as an additional Be Well site and more permanent supportive housing units. The table below identifies the remaining projects and funding needs from the County, which may include Net County Cost or other funding sources still to be determined.

Project	5-Year Est. Costs	Anticipated Revenue	Anticipated NCC/Other
Juvenile Correction Campus & Transitional Aged Youth Housing	\$119.1 million	\$106.3 million	\$12.8 million
Be Well Campus Irvine	\$171.6 million	\$146 million	\$25.6 million
Coordinated Reentry System & Enhanced Inmate Programming	\$95.8 million	\$56.6 million	\$41.9 million
Expansion of Collaborative Courts	\$29.9 million	\$24.7 million	\$5.2 million
Behavioral Health Law Enforcement Response Team	\$15.2 million	\$5.5 million	\$9.7 million
Pre-Trial Intervention Program	\$22.2 million	\$17.1 million	\$5.1 million
Permanent Supportive Housing (estimated)	\$394.5 million	\$355.0 million	\$39.5 million
Total	\$851.0 million	\$711.2 million	\$139.8 million

Federal Emergency Management Agency (FEMA)

The table below provides a summary of the County’s FEMA reimbursements for COVID-19 pandemic-related costs as of March 31, 2023:

Total FEMA Claimed	Received To-Date	FEMA Ineligible (1)	FEMA Disputed	Remaining to be Received (2)
\$194.8 million	\$90.9 million	\$4.5 million	\$26.6 million	\$72.8 million

Notes:

- (1) FEMA ineligible amount is primarily due to unused medical equipment and advanced payments to providers.
- (2) The amount remaining to be received includes the FEMA portion for cities and OC Fire Authority.

Positions

The total authorized position count as of March 2023 is 18,576 with 2,446 positions vacant. Per the County’s budget policy, the FY 2022-23 Budget includes a vacancy factor (VF) that adjusted the Salary and Employee Benefits (S&EB) appropriations based on the prior year’s average vacancy rate to account for unfilled positions that departments will experience over the fiscal year as a result of turnover (i.e., the County does not budget 100% of its position costs). This is a budgeting tool and departments are not required to maintain vacancies to meet the VF. The FY 2022-23 S&EB budgeted appropriations were discounted by \$168.2 million to account for vacant positions throughout the fiscal year. Departments may use extra help, overtime or temporary help to meet current operational needs. In addition, the majority of County position costs are revenue offset through various federal and state funding sources.

Contracts

Contracts and agreements provide the authority to procure goods or services and set specific terms, conditions, and pricing, but do not commit the County to make a purchase. A contract can extend over multiple years impacting several budget years. The County's Accounts Payable system requires an encumbrance to be established to reserve the necessary appropriations to ensure the contracted vender can be paid for procured goods and/or services. Typically, encumbrances are established for a 12-month period, often aligned with the fiscal year, or over multiple fiscal years depending on the type of contract. For example, encumbrances for construction services can run over multiple fiscal years as projects take longer to complete, while encumbrances for the purchase of goods or services typically are established for shorter periods of time, such as over one fiscal year.

Twice a year, the Auditor-Controller Department and County Procurement Office work closely with departments to review and close multiple encumbrance documents through an automated process, inclusive of prior year encumbrances. In addition and separate from this process, departments review their encumbrances on a regular basis and close-out as needed throughout the fiscal year. Through these multiple review processes, the County ensures that it does not overcommit or unnecessarily tie up its limited funding sources.

BUDGET ISSUES

The County Executive Office (CEO) evaluated Departments' Second Available Financing and the most recent Expense, Revenue and Net County Cost (NCC) projections in order to address current year projected appropriations overruns and various other departmental issues. As a result, the CEO recommends the following actions to modify the County's budget.

Projected Appropriations Shortfalls

The following departments anticipate appropriations and/or NCC overruns:

Budget Control	Appropriations	Net County Cost
Property Tax System Centralized O&M Support (015)	\$ 477,058	\$ 0
Prepaid Pension Obligation (022)	70,000	0
County Counsel (025)	600,000	0
Registrar of Voters (031)	3,483,239	2,358,876
Utilities (040)	3,587,149	3,587,149
Human Resource Services (054)	300,000	0
Grand Total	\$ 8,517,446	\$ 5,946,025

In order to address the current year appropriations overrun of \$8,517,446 and the NCC overrun of \$5,946,025, CEO recommends the following:

Property Tax System Centralized O&M Support (Fund 100, Department 003, Budget Control 015)

- In Property Tax System Centralized O&M Support, Budget Control 015, increase services and supplies by \$477,058 offset by a corresponding increase to other charges for services for unanticipated OCIT costs related to the new property tax system.

Prepaid Pension Obligation (Fund 100, Department 017, Budget Control 022)

- In Prepaid Pension Obligation, Budget Control 022, increase other charges by \$70,000 offset by a corresponding increase to interest revenue for higher than anticipated interest on bonds expenditures.

County Counsel (Fund 100, Department 025, Budget Control 025)

- In County Counsel, Budget Control 025, increase services and supplies by \$600,000 offset by a corresponding increase in other charges for services for unbudgeted outside counsel legal expenses.

Registrar of Voters (Fund 100, Department 031, Budget Control 031)

- In Registrar of Voters, Budget Control 031, increase salaries and employee benefits by \$3,483,239 offset by an increase in election services revenue of \$1,124,363 and an increase in NCC of \$2,358,876 for increased election costs.

Utilities (Fund 100, Department 080, Budget Control 040)

- In Utilities, Budget Control 040, increase services and supplies by \$6,472,248, offset by an increase to intrafund transfers of \$2,885,099 and an increase in NCC of \$3,587,149 for increased utilities costs.

Human Resource Services (Fund 100, Department 017, Budget Control 054)

- In Human Resource Services, Budget Control 054, increase salaries and employee benefits by \$1,750,000 offset by an increase to intrafund transfers of \$1,450,000 and a \$300,000 increase to charges for services revenue to meet current year operational needs.

Miscellaneous (Fund 100, Department 017, Budget Control 004)

- In Miscellaneous, Budget Control 004, decrease appropriations for contingencies by \$5,946,025 offset by a corresponding decrease to NCC to fund Registrar of Voters (\$2,358,876) and Utilities (\$3,587,149) NCC shortfalls.

Other Issues

OC Community Resources (OCCR, Department 012)

OC Housing (Fund 15G, Department 012, Budget Control 15G)

- In OC Housing, Fund 15G, establish transfers out to Care Coordination Fund 12L, of \$2,970,000 offset by an equivalent decrease to building and improvements for Huntington Beach (HB) Oasis interim housing and shelter operations that will provide housing and other services to individuals experiencing homelessness.

In Care Coordination Fund 12L, establish transfer in from OC Housing, Fund 15G, of \$2,970,000 offset by an increase to transfers out to CEO, Budget Control 017, of \$1,000,000 and an increase to special items of \$1,970,000 to allow for the reimbursement of eligible expenses of the HB Oasis interim housing and shelter operations that will provide housing and other services to individuals experiencing homelessness.

In CEO, Budget Control 017, increase transfers in from Care Coordination Fund 12L, by \$1,000,000 offset by a corresponding increase to services and supplies to allow for the reimbursement of eligible expenses of the HB Oasis interim housing and shelter

operations that will provide housing and other services to individuals experiencing homelessness.

County Executive Office (Department 017)

Miscellaneous (Fund 100, Department 017, Budget Control 004)

- In Miscellaneous, Budget Control 004, establish transfers out to OC Public Libraries, Fund 120, of \$500,000 offset by a corresponding decrease to appropriations for contingencies to provide educational books for incarcerated adults.

In OC Public Libraries, Fund 120, establish transfers in from Miscellaneous, Budget Control 004 of \$500,000 offset by a corresponding increase in services and supplies to provide educational books for incarcerated adults.

- In Miscellaneous, Budget Control 004, authorize Auditor-Controller to increase transfers out to Countywide Capital Projects Non-General Fund 15D, by **up to** \$93,000,000 offset by an increase in revenues in excess of budget and current year appropriations savings in Miscellaneous, as identified by the CBFO, for funding of future capital projects/strategic priorities. The use of projected appropriations savings and revenues higher than budget in Miscellaneous will not result in service or program reductions.

In Countywide Capital Projects Non-General Fund 15D, authorize Auditor-Controller to increase transfers in from Miscellaneous, Budget Control 004, by **up to** \$93,000,000 offset by an equivalent increase in special items appropriations, as identified by the CBFO, for funding of future capital projects/strategic priorities.

Proposition 69 – DNA Identification Fund (Fund 12J, Department 017, Budget Control 12J)

On December 13, 2022, the Prop 69 Committee (“Committee”) approved the allocation of 2022 DNA Identification Fund revenues and estimated funding totaling \$850,000. The Committee voted to allocate \$848,343 as one-time funding requests to enhance the DNA programs for local law enforcement entities and County Departments and set aside \$1,657 for future funding requests.

Funds allocated for one-time funding requests will be used to provide crime scene barrier systems, DNA freezer replacements, evidence handling and storage solutions, rapid DNA instruments and continued funding for the Advanced Forensic Testing Program. Allocations by entity are summarized in the following table:

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Agency	Details	2022 Recommended One-Time Allocation
Newport Beach Police Department	UV Decontamination Light Manfrotto Tripod Crime Scene Barrier System	\$ 5,913
Fountain Valley Police Department	Crime-Lite Auto Kit Crime Scene Barrier System	44,889
Anaheim Police Department	Crime-lite Auto w/ Discover Pro and Laboratory Arm	85,091
Laguna Beach Police Department	Drying Cabinet	5,000
Fullerton Police Department	Compartment Evidence Lockers Blood Spatter Kits Blood Spatter Analysis Training	27,700
Buena Park Police Department	External Lighting System Crime Scene Barrier System Contactless Laboratory Fingerprint System UV Box Decontamination Chamber Safe Swab Drying Cabinets	51,555
Santa Ana Police Department	Crime-Lite Auto Kits	103,500
Placentia Police Department	Digital Camera Systems	1,500
Costa Mesa Police Department	Photographic Capture of DNA Evidence System Drying Cabinets	122,606
Huntington Beach Police Department	Walk-In Freezer Replacement	105,000
Tustin Police Department	Walk-In Freezer Repairs and Replacement of Commercial Freezer Units	27,999
District Attorney's Office	Advanced Forensic Testing Program Investigative Genetic Genealogy Program DNA Training, Materials, and Memberships DNA Collection Site Hardware & Software Upgrades, Repairs, & Maintenance	55,000
Orange County Sheriff's Department	Rapid DNA Validation and Evaluation AB Rapid HT Cartridges Rapid DNA Instrument Service Rapid DNA Infrastructure Upgrade Capture BT Fuming Chamber Air Science Filtration System	212,590
Total		\$ 848,343

In order to implement the Committee's recommendations, the following adjustments are requested:

- The Committee recommends a one-time allocation of \$55,000 to the District Attorney to cover costs for: advanced forensics training (\$50,000) and maintenance (\$5,000).

In DNA Identification Fund 12J, increase transfers out by \$55,000 to District Attorney, Budget Control 026, offset by an equivalent decrease to obligated fund balance for one-time funding allocations approved by the Committee.

In District Attorney, Budget Control 026, increase transfers in by \$55,000 from DNA Identification Fund 12J, offset by a corresponding increase in services and supplies.

- The Committee recommends a one-time allocation of \$212,590 to the Orange County Sheriff's Department to cover costs for: Rapid DNA validation, instrument service and infrastructure upgrades (\$46,444), capture BT fuming chamber replacement (\$21,387), a digital capture station (\$119,968), and Air Science filtration system replacement (\$24,791).

In DNA Identification Fund 12J, increase transfers out by \$212,590 to Orange County Sheriff's Department, Budget Control 060, offset by an equivalent decrease to obligated fund balance for one-time funding allocations approved by the Committee.

In Orange County Sheriff's Department, Budget Control 060, increase transfers in by \$212,590 from DNA Identification Fund 12J, offset by an increase to services and supplies of \$46,444 and an increase to equipment of \$166,146. Authorize the purchase of one capture fuming chamber (\$21,387), one digital capture station (\$119,968) and one air filtration system (\$24,791).

- In DNA Identification Fund 12J, increase other charges appropriations by \$580,753 to local non-County agencies, offset by an equivalent decrease in obligated fund balance to support local law enforcement DNA storage and programs.
- Direct the Auditor-Controller to make payment up to the total allocation amount of \$580,753 identified in the table on the prior page, from Fund 12J to the local non-County agencies upon receipt of a Payment Request Form from County Budget and Finance Office. Local agencies will be required to provide supporting documentation to request 2022 reimbursement including proof of purchase and copies of vendor invoices to ensure the monies are spent consistent with Prop 69 guidelines.

Care Coordination Fund (Fund 12L, Department 017, Budget Control 12L)

- In Care Coordination Fund 12L, establish transfers out to Health Care Agency, Budget Control 042, of \$1,000,000 and OC Parks, Fund 405, of \$1,000,000 offset by a decrease in special items of \$2,000,000 to reimburse eligible expenditures related to the Encampment Resolution Funding (ERF) grant.

In Health Care Agency, Budget Control 042, establish transfers in from Care Coordination Fund 12L, of \$1,000,000 offset by a corresponding decrease to intrafund transfers to reimburse eligible ERF grant expenditures to ensure the wellness of the

homeless individuals in encampments, which will result in meaningful paths to safe and stable housing.

In OC Parks, Fund 405, establish transfers in from Care Coordination Fund 12L, of \$1,000,000 offset by a corresponding increase to services and supplies to reimburse eligible ERF grant expenditures to restore Talbert Regional Park.

OCIT Countywide Services (Fund 289, Department 017, Budget Control 289)

- In OCIT Countywide Services, Fund 289, authorize the eDiscovery Tool project, which will provide a centralized eDiscovery case management solution, and approve the appropriations reallocation for the following IT projects:

IT Project	Budget	Increase/ (Decrease)	Revised Total
Identity & Badge Data Integration	\$ 62,500	\$ (62,500)	\$ 0
Cloud Security Controls	125,000	(125,000)	0
Network Segmentation & Access Control	187,500	(187,500)	0
eDiscovery Tool	0	375,000	375,000
Total	\$ 375,000	\$ 0	\$ 375,000

CFD 2017-1 RMV (Village of Esencia) Construction (Fund 561, Department 017, Budget Control 561)

- In CFD 2017-1 RMV (Village of Esencia) Construction, Fund 561, establish transfers out to CFD 2017-1 RMV (Village of Esencia) Debt Service, Fund 562, of \$140,000 and increase other charges by \$427,755 offset by an increase to interest revenue of \$84,250 and a decrease to fund balance restricted for debt service of \$483,505 to process the final payments to the Santa Margarita Water District for allowable water facilities projects within the CFD. Direct Auditor-Controller to close the CFD 2017-1 RMV (Village of Esencia) Construction, Fund 561, and transfer residual balances, to CFD 2017-1 RMV (Village of Esencia) Debt Service, Fund 562, prior to year-end close.

In CFD 2017-1 RMV (Village of Esencia) Debt Service, Fund 562, establish transfers in from CFD 2017-1 RMV (Village of Esencia) Construction, Fund 561, of \$140,000 offset by a corresponding increase in services and supplies to allow for transfer of residual balances resulting from closure of the CFD 2017-1 RMV (Village of Esencia) Construction, Fund 561.

Registrar of Voters (Department 031)

Registrar of Voters (Fund 100, Department 031, Budget Control 031)

- In Registrar of Voters, Budget Control 031, authorize Auditor-Controller to establish transfers out to Countywide Capital Projects Non-General Fund 15D, by **up to**

\$4,000,000 offset by an increase in revenues in excess of budget and current year appropriations savings in ROV, as identified by the County Budget & Finance Office (CBFO), for funding of future capital projects/strategic priorities. The use of projected appropriations savings in ROV will not result in service or program reductions.

In Countywide Capital Projects Non-General Fund 15D, authorize Auditor-Controller to establish transfers in from ROV, Budget Control 031, by **up to** \$4,000,000 offset by an equivalent increase in special items appropriations, as identified by the CBFO, for funding of future capital projects/strategic priorities.

Health Care Agency (Department 042)

Health Care Agency (Fund 100, Department 042, Budget Control 042)

- In Health Care Agency (HCA), Budget Control 042, authorize Auditor-Controller to establish transfers out to Countywide Capital Projects Non-General Fund 15D, by **up to** \$5,400,000 offset by current year appropriations savings in HCA, as identified by the CBFO, for funding of future capital projects/strategic priorities. The use of projected appropriations savings in HCA will not result in service or program reductions.

In Countywide Capital Projects Non-General Fund 15D, authorize Auditor-Controller to establish transfers in from HCA, Budget Control 042, by **up to** \$5,400,000 offset by an equivalent increase in special items appropriations, as identified by the CBFO, for funding of future capital projects/strategic priorities.

Probation (Department 057)

Probation (Fund 100, Department 057, Budget Control 057)

- In Probation, Budget Control 057, authorize Auditor-Controller to establish transfers out to Countywide Capital Projects Non-General Fund 15D, by **up to** \$25,000,000 offset by current year appropriations savings in Probation, as identified by the CBFO, for funding of future capital projects/strategic priorities. The use of projected appropriations savings in Probation will not result in service or program reductions.

In Countywide Capital Projects Non-General Fund 15D, authorize Auditor-Controller to establish transfers in from Probation, Budget Control 057, by **up to** \$25,000,000 offset by an equivalent increase in special items appropriations, as identified by the CBFO, for funding of future capital projects/strategic priorities.

Public Defender (Department 058)

Public Defender (Fund 100, Department 058, Budget Control 058)

- In Public Defender, Budget Control 058, authorize Auditor-Controller to establish transfers out to Countywide Capital Projects Non-General Fund 15D, by **up to**

\$2,000,000 offset by current year appropriations savings in Public Defender, as identified by the CBFO, for funding of future capital projects/strategic priorities. The use of projected appropriations savings in Public Defender will not result in service or program reductions.

In Countywide Capital Projects Non-General Fund 15D, authorize Auditor-Controller to establish transfers in from Public Defender, Budget Control 058, by **up to** \$2,000,000 offset by an equivalent increase in special items appropriations, as identified by the CBFO, for funding of future capital projects/strategic priorities.

Sheriff-Coroner (Department 060)

Sheriff-Coroner (Fund 100, Department 060, Budget Control 060)

- In Sheriff-Coroner, Budget Control 060, authorize Auditor-Controller to establish transfers out to Countywide Capital Projects Non-General Fund 15D, by **up to** \$20,000,000 and Countywide IT Projects Non-General Fund 15I, by **up to** \$15,000,000 offset by an increase in revenues in excess of budget and current year appropriations savings in Sheriff-Coroner, as identified by the CBFO, for funding of future capital & IT projects/strategic priorities. The use of projected appropriations savings and revenues higher than budget in Sheriff-Coroner will not result in service or program reductions.

In Countywide Capital Projects Non-General Fund 15D, authorize Auditor-Controller to establish transfers in from Sheriff-Coroner, Budget Control 060, by **up to** \$20,000,000 offset by an equivalent increase in special items appropriations, as identified by the CBFO, for funding of future capital projects/strategic priorities.

In Countywide IT Projects Non-General Fund 15I, authorize Auditor-Controller to establish transfers in from Sheriff-Coroner, Budget Control 060, by **up to** \$15,000,000 offset by an equivalent increase in special items appropriations, as identified by the CBFO, for funding of future IT projects/strategic priorities.

Treasurer-Tax Collector (Department 074)

Treasurer-Tax Collector (Fund 100, Department 074, Budget Control 074)

- In Treasurer-Tax Collector (TTC), Budget Control 074, authorize Auditor-Controller to establish transfers out to Countywide IT Projects Non-General Fund 15I, by **up to** \$400,000 offset by current year appropriations savings in TTC, as identified by the CBFO, for funding of future TTC IT projects. The use of projected appropriations savings in TTC will not result in service or program reductions.

In Countywide IT Projects Non-General Fund 15I, authorize Auditor-Controller to establish transfers in from TTC, Budget Control 074, by **up to** \$400,000 offset by an

equivalent increase in special items appropriations, as identified by the CBFO, for funding of future TTC IT projects.

Other Fund Balance & Reserve Changes

- In General Fund 100, direct the Auditor-Controller to decrease the General Fund Balance Assigned for Maintenance and Construction (BSA 9743) by \$6,696,539 to establish an equivalent increase to Miscellaneous, Budget Control 004, transfers out to OC CARES, Fund 12M, for the Youth Transitional Center project, prior to FY 2022-23 year-end close.

In OC CARES, Fund 12M, establish transfers in from Miscellaneous, Budget Control 004, by \$6,696,539 offset by a corresponding increase to special items for the Youth Transitional Center project, prior to FY 2022-23 year-end close.

Projected Appropriation and Revenue Adjustments for Board Approved Projects

The following actions reallocate previously approved funding from the revenue replacement category, for the provision of government services, to discretionary funding.

- Authorize Auditor-Controller to perform necessary budget adjustments to revise appropriations, revenues, transfers in/out, reserves and obligated fund balances to reallocate unspent project funds up to the amounts identified in the table below prior to FY 2022-23 year-end close, as identified by the CBFO.
- In General Fund 100, authorize the Auditor-Controller to decrease the General Fund Balance Restricted for Purpose – Restricted Specific (BSA 9722) up to \$196,568,462 offset by an increase to the General Fund Balance Assigned for Contingencies (BSA 9741) up to \$39,108,000, an increase to the General Fund Balance Assigned for Capital Projects (BSA 9744) up to \$10,031,811 and/or an increase to NCC in Miscellaneous, Budget Control 004, up to \$196,568,462, as identified by CBFO prior to FY 2022-23 year-end close.
- In Miscellaneous, Budget Control 004, authorize Auditor-Controller to establish transfers out to OC CARES, Fund 12M, by **up to** \$31,921,706 offset by an increase in revenues in excess of budget and current year appropriations savings in the General Fund, to reallocate unspent project funds prior to FY 2022-23 year-end close, as identified by the CBFO.

In OC CARES, Fund 12M, authorize Auditor-Controller to establish transfers in from Miscellaneous, Budget Control 004, by **up to** \$31,921,706 offset by an equivalent increase in special items appropriations, to reallocate unspent project funds prior to FY 2022-23 year-end close, as identified by the CBFO.

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Projects - Revenue Loss Category Description	Amount "Up To"													
	From Rev. Loss	To Bud.Ctrl. 004	To Fund 12L	To Fund 12M	To Fund 15D	To Fund 15G	To Fund 15I	From PH	To Bud.Ctrl 004	To Fund 12L	To Fund 12M	To Fund 15D	To Fund 15G	To Fund 15I
Departments FY 2022-23 Allocation	(12,701,716)				11,701,716		1,000,000							
Meal Gap Program	(60,000)	60,000												
Veterans Cemetery	(19,084,168)				19,084,168									
Supportive Services/Landlord Incentives- Emergency Housing Vouchers	(6,040,307)		6,040,307											
Bridge Digital Divide-Tech Solutions for Seniors	(447,902)	447,902												
HCA EMS, AOC, Warehouse, Public Health Lab	(78,864,652)				78,864,652									
OCIT Projects	(2,182,554)						2,182,554							
OC Human Relations Council	(680,852)	680,852												
The Illumination Foundation	(332,976)		332,976											
Future COVID-19 Response Contingency	(15,000,000)				15,000,000									
Juvenile Campus	(65,900,000)				65,900,000									
OC CARES/ Housing	(45,000,000)				25,000,000		20,000,000							
OC CARES/ Coordinated Case Management/ Homelessness	(32,325,000)		1,875,000							30,450,000				
District Priorities/Projects	(25,134,172)	25,134,172												
OC CARES /Coordinated Reentry / Pre-Trial Intervention / Programming Services	(69,000,000)									69,000,000				
OC CARES/Capital & Deferred Maintenance Projects/ADA	(22,323,028)				22,323,028									
Projects - Public Health (PH) Category	Amount "Up To"													
Description	From PH	To Bud.Ctrl 004	To Fund 12L	To Fund 12M	To Fund 15D	To Fund 15G	To Fund 15I	From PH	To Bud.Ctrl 004	To Fund 12L	To Fund 12M	To Fund 15D	To Fund 15G	To Fund 15I
Countywide Emergency Paid Sick Leave	(3,548,597)	3,548,597												
Workers' Compensation	(2,050,183)	2,050,183												
Grand Total	(400,676,106)	\$31,921,706	\$8,248,283	\$190,350,000	\$146,973,564	\$20,000,000	\$3,182,554							

RECOMMENDED ACTIONS

A four-fifths vote is required on Recommended Actions One and Two. The requested appropriation, revenue, transfers in/out and reserve changes are summarized in this section of the report in the *Budget Adjustment Summary* document.

1. Direct the Auditor-Controller to revise appropriations, revenues, transfers in/out, reserves and obligated fund balances as detailed in the *Budget Adjustment Summary* in accordance with Government Code Sections 29130, 29125 and 25252. **(Requires four-fifths vote)**
2. Direct the Auditor-Controller to close CFD 2017-1 RMV (Village of Esencia) Construction, Fund 561, and transfer any residual balance to CFD 2017-1 RMV (Village of Esencia) Debt Service, Fund 562. **(Requires four-fifths vote)**
3. Direct the Auditor-Controller to make payment from Fund 12J to the entities and up to amounts as summarized in the table included in the *Budget Issues* section of this report and upon receipt of approved payment request forms from the County Executive Office.
4. Direct the Auditor-Controller to establish Non-General Fund 12M for tracking expenditures and revenues related to the County's OC CARES Initiative, effective upon Board of Supervisors approval.
5. Approve the addition of events to the FY 2022-23 and FY 2023-24 County Event Calendar, as set forth in Attachment C, and per Government Code Section 26227, find that the events therein will serve a public purpose of the County of Orange and will meet the social needs of the population of the County, including but not limited to, the areas of health, law enforcement, public safety, rehabilitation, welfare, education, and legal services, and the needs of physically, mentally and financially handicapped persons and aged persons; that County staff and resources may be used in furtherance of such events; and that County staff may solicit donations of funds and services for such events.
6. Adopt Resolution establishing County Business Travel and Meeting Policy and superseding Resolution 19-092, as detailed in Attachment D, Appendix E.
7. Adopt Resolution establishing County Motor Vehicle Rules and Regulations and superseding Resolutions 15-128 and 89-1302 Section IV, as detailed in Attachment D, Appendix F.

FY 2022-23 April Budget Update - Adjustments Summary

Budget Control Name	Fund	Dept Code	Budget Control	Budget Unit	Rev Source	Object	Balance Sheet Acct	Dept Rev Source	Dept Obj Code	Dept Bal Sheet Code	Appropriations	Revenue	Inc/Dec Reserves	Net County Cost				
Projected Appropriations Shortfalls																		
Increase Appropriations and Revenue for PTS																		
Property Tax System Centralized O&M Support	100	003	015	015-4231		1940			0000		477,058	0	0	0				
Property Tax System Centralized O&M Support	100	003	015	015-4231	7590			0000			0	477,058	0	0				
							Increase Appropriations and Revenue for PTS								477,058	0	0	
Increase Appropriations and Revenue for Prepaid Pension Obligation																		
Prepaid Pension Obligation	100	017	022	022-5300		3300			0000		70,000	0	0	0				
Prepaid Pension Obligation	100	017	022	022-5300	6610			0000			0	70,000	0	0				
							Increase Appropriations and Revenue for Prepaid Pension Obligation								70,000	0	0	
Increase Appropriations and Revenue for County Counsel																		
County Counsel	100	025	025	025-5000		1900			0000		600,000	0	0	0				
County Counsel	100	025	025	025-5000	7590			0000			0	600,000	0	0				
							Increase Appropriations and Revenue for County Counsel								600,000	0	0	
Increase Appropriations, Revenue and NCC for ROV																		
Registrar of Voters	100	031	031	031-4300		0101			0000		3,483,239	0	0	3,483,239				
Registrar of Voters	100	031	031	031-4300	7340			0000			0	1,124,363	0	(1,124,363)				
							Increase Appropriations, Revenue and NCC for ROV								3,483,239	1,124,363	0	2,358,876
Increase Appropriations and NCC for Utilities																		
Utilities	100	080	040	040-3520		2801			0000		2,794,811	0	0	2,794,811				
Utilities	100	080	040	040-3520		2802			0000		534,331	0	0	534,331				
Utilities	100	080	040	040-3520		2802			0000		3,519,810	0	0	3,519,810				
Utilities	100	080	040	040-3520		2803			0000		725,770	0	0	725,770				
Utilities	100	080	040	040-3520		2803			0000		111,576	0	0	111,576				
Utilities	100	080	040	040-3520		2900			0000		(1,461,478)	0	0	(1,461,478)				
Utilities	100	080	040	040-3525		2801			0000		247,428	0	0	247,428				
Utilities	100	080	040	040-3520		5100			0000		(1,569,532)	0	0	(1,569,532)				
Utilities	100	080	040	040-3525		5100			0000		(1,315,567)	0	0	(1,315,567)				
							Increase Appropriations and NCC for Utilities								3,587,149	0	0	3,587,149
Increase Appropriations and Revenues for HRS																		
Human Resource Services	100	017	054	054-2101		0101			0000		1,750,000	0	0	0				
Human Resource Services	100	017	054	054-2101	7590			0000			(1,450,000)	0	0	0				
Human Resource Services	100	017	054	054-2101				0000			0	300,000	0	0				
							Increase Appropriations and Revenues for HRS								300,000	300,000	0	0

FY 2022-23 April Budget Update - Adjustments Summary

Budget Control Name	Fund	Dept Code	Budget Control	Budget Unit	Rev Source	Object	Balance Sheet Acct	Dept Rev Source	Dept Obj Code	Dept Bal Sheet Code	Appropriations	Revenue	Inc/Dec Reserves	Net County Cost
General Fund Balancing														
Miscellaneous	100	017	004	004-5500		5200			0000		(2,358,876)	0	0	(2,358,876)
Miscellaneous	100	017	004	004-5500		5200			0000		(3,587,149)	0	0	(3,587,149)
General Fund Balancing											0	0	(5,946,025)	
Other Issues														
Increase Appropriations and Transfers for the HB Oasis Project														
OC Housing	15G	012	15G	15G-2300		4200			0000		(2,970,000)	0	0	0
OC Housing	15G	012	15G	15G-2300		4801			T12L		2,970,000	0	0	0
Care Coordination Fund	12L	017	12L	12L-7500		4800			T017		1,000,000	0	0	0
Care Coordination Fund	12L	017	12L	12L-7500		5000			0000		1,970,000	0	0	0
Care Coordination Fund	12L	017	12L	12L-7500	7811			T15G			0	2,970,000	0	0
County Executive Office	100	017	017	017-7500		1900			0000		1,000,000	0	0	0
County Executive Office	100	017	017	017-7500	7811			T12L			0	1,000,000	0	0
Increase Appropriations and Transfers for the HB Oasis Project											3,970,000	3,970,000	0	0
Establish transfers in/out for OC Libraries Books Purchase														
Miscellaneous	100	017	004	004-5500		4801			T120		500,000	0	0	0
Miscellaneous	100	017	004	004-5500		5200			0000		(500,000)	0	0	0
OC Public Libraries	120	012	120	120-4101		2400			0000		250,000	0	0	0
OC Public Libraries	120	012	120	120-4301		2400			L037		250,000	0	0	0
OC Public Libraries	120	012	120	120-4101	7810			T004			0	500,000	0	0
Establish transfers in/out for OC Libraries Books Purchase											500,000	500,000	0	0
Proposition 69 - DNA Identification Fund Revenues Allocation														
District Attorney - Public Administrator	100	026	026	026-2000		1900			0000		55,000	0	0	0
District Attorney - Public Administrator	100	026	026	026-2000	7811			T12J			0	55,000	0	0
Sheriff-Coroner	100	060	060	060-5451		1900			0000		46,444	0	0	0
Sheriff-Coroner	100	060	060	060-5451		4000			0000		166,146	0	0	0
Sheriff-Coroner	100	060	060	060-5451	7811			T12J			0	212,590	0	0
Proposition 69 - DNA Identification Fund	12J	017	12J	12J-5500			9720				0	0	(848,343)	0
Proposition 69 - DNA Identification Fund	12J	017	12J	12J-5500		3100			0000		580,753	0	0	0
Proposition 69 - DNA Identification Fund	12J	017	12J	12J-5500		4800			T026		55,000	0	0	0
Proposition 69 - DNA Identification Fund	12J	017	12J	12J-5500		4800			T060		212,590	0	0	0
Proposition 69 - DNA Identification Fund Revenues Allocation											1,115,933	267,590	(848,343)	0

FY 2022-23 April Budget Update - Adjustments Summary

Budget Control Name	Fund	Dept Code	Budget Control	Budget Unit	Rev Source	Object	Balance Sheet Acct	Dept Rev Source	Dept Obj Code	Dept Bal Sheet Code	Appropriations	Revenue	Inc/Dec Reserves	Net County Cost
Establish transfers in/out Encampment Resolution Funding														
Care Coordination Fund	12L	017	12L	12L-7500		4800			T042		1,000,000	0	0	0
Care Coordination Fund	12L	017	12L	12L-7500		4804			T405		1,000,000	0	0	0
Care Coordination Fund	12L	017	12L	12L-7500		5000			0000		(2,000,000)	0	0	0
Health Care Agency	100	042	042	042-2500		5100			0000		1,000,000	0	0	0
Health Care Agency	100	042	042	042-2500	7811			T12L	0000		0	1,000,000	0	0
OC Parks CSA26	405	012	405	405-9022		1404			0000		1,000,000	0	0	0
OC Parks CSA26	405	012	405	405-9001	7811			T12L	0000		0	1,000,000	0	0
Establish transfers in/out Encampment Resolution Funding											2,000,000	2,000,000	0	0
Appropriations Reallocation for Various OCIT Projects														
OC:IT Countywide Services	289	017	289	289-3351		1900			0000		25,000	0	0	0
OC:IT Countywide Services	289	017	289	289-3351		1941			0000		50,000	0	0	0
OC:IT Countywide Services	289	017	289	289-3351		2143			0000		300,000	0	0	0
OC:IT Countywide Services	289	017	289	289-3360		1941			0000		(62,500)	0	0	0
OC:IT Countywide Services	289	017	289	289-3363		1941			0000		(125,000)	0	0	0
OC:IT Countywide Services	289	017	289	289-3364		1941			0000		(187,500)	0	0	0
Appropriations Reallocation for Various OCIT Projects											0	0	0	0
Increase Appropriations to Make Final CFD Payments														
2017-1 RMV (Village of Esencia) Construction	561	017	561	561-5300		3100			0000		427,755	0	0	0
2017-1 RMV (Village of Esencia) Construction	561	017	561	561-5300		4805			T562		140,000	0	0	0
2017-1 RMV (Village of Esencia) Construction	561	017	561	561-5300	6610			0000			0	84,250	0	0
2017-1 RMV (Village of Esencia) Construction	561	017	561	561-5300			9721				0	0	(483,505)	0
CFD 2017-1 RMV (Village of Esencia) Debt Service	562	017	562	562-5300		1900			0000		140,000	0	0	0
CFD 2017-1 RMV (Village of Esencia) Debt Service	562	017	562	562-5300	7815			T561			0	140,000	0	0
Increase Appropriations to Make Final CFD Payments											707,755	224,250	(483,505)	0
GRAND TOTALS											10,865,109	9,533,261	(1,331,848)	0





COUNTY OF ORANGE

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