

## **BUDGET ISSUES**

For the budget issues discussed below, the County Executive Office (CEO) evaluated the justification provided by departments and based recommended action on the following policy:

- Departments are expected to absorb most changes within existing appropriations.
- CEO may recommend an appropriation transfer to a General Fund agency from elsewhere in the General Fund if necessary and allowable.
- For this quarter, there are no net requested department Net County Cost (referred to hereafter as NCC) impacts.

### **Department Budget Actions**

#### **Program I – Public Protection**

##### **Probation (Department 057)**

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

- In Probation, Budget Control 057, increase capital assets by \$200,000, offset by a corresponding decrease in services and supplies and authorize the purchase of a Training Simulator System. Purchase of this system will enable Probation to increase the effectiveness of firearms training by allowing for real-life scenarios to be presented in a controlled environment, while providing recordings of officer responses for future evaluation.

##### **Public Defender (Department 058)**

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

- In Public Defender, Budget Control 058, add one Staff Specialist to conduct recruitments and provide support to the department's Human Resources team. Public Defender will attempt to absorb the additional salaries and benefits costs within existing budget resources.

##### **Sheriff-Coroner (Department 060)**

###### Sheriff-Coroner Communications (Fund 100, Department 060, Budget Control 055)

- In Sheriff-Coroner Communications, Budget Control 055, increase capital assets by \$78,000 offset by a corresponding decrease to services and supplies for the one-time

purchase, delivery, and installation of radios needed for the implementation, testing, and optimization of the new P25 800 MHz Public Safety radio system.

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

- In Sheriff-Coroner, Budget Control 060, increase capital assets by \$105,000 offset by a corresponding decrease in services and supplies for the one-time purchase, delivery, and installation of police video system equipment and accessories needed to outfit newly added patrol vehicles.

Regional Narcotics Suppression Program – Department of Justice (Fund 118, Department 060, Budget Control 118)

- In Regional Narcotics Suppression Program – Department of Justice, Fund 118, increase federal revenue by \$3,848,667 to align with available revenue offset by increases to services and supplies of \$1,448,667, other charges of \$1,000,000, and transfers out of \$1,400,000 to Sheriff Narcotics Program – Department of Justice, Fund 132.

In Sheriff Narcotics Program – Department of Justice, Fund 132, increase transfers in from Regional Narcotics Suppression Program – Department of Justice, Fund 118, by \$1,400,000 and increase federal revenue by \$212,956 offset by an increase to services and supplies of \$1,612,956 to align with available revenue.

Sheriff Narcotics Program – Other (Fund 133, Department 060, Budget Control 133)

- In Sheriff Narcotics Program – Other, Fund 133, increase State revenue by \$282,706 offset by a corresponding increase to services and supplies to allocate asset forfeiture funds.

Sheriff Narcotics Program – CalMMET – Department of Treasury (Fund 139, Department 060, Budget Control 139)

- In Sheriff Narcotics Program – CalMMET – Department of Treasury, Fund 139, increase federal revenue by \$302,135 offset by a corresponding increase to services and supplies for allocation of asset forfeiture funds.

Sheriff-Coroner Replacement & Maintenance Fund (Fund 13R, Department 060, Budget Control 13R)

- In Sheriff-Coroner Replacement & Maintenance Fund (13R), establish transfers out of \$550,000 to Fund 14Q, Sheriff-Coroner Construction and Facility Development offset by an equivalent decrease to transfers out to Emergency Management Division, Budget Control 032, for the Loma Ridge Tenant Improvements project.

In Sheriff-Coroner Construction and Facility Development, Fund 14Q, establish transfers in of \$550,000 offset by a corresponding increase to capital assets for the Loma Ridge Tenant Improvements project.

In Emergency Management Division, Budget Control 032, decrease transfers in from Sheriff-Coroner Replacement & Maintenance Fund (13R) by \$550,000 offset by an equivalent decrease to capital assets for the Loma Ridge Tenant Improvements project.

- In Sheriff-Coroner Replacement & Maintenance Fund (13R), increase capital assets by \$500,000 offset by an equivalent decrease to special items for the purchase of kitchen equipment for the Inmate Services Division.

Jail Commissary (Fund 143, Department 060, Budget Control 143)

- In Jail Commissary, Fund 143, add one Correctional Services Technician transferred from Inmate Welfare Fund (144) to align staff resources required for operations. Increase salaries and benefits by \$28,995 offset by an equivalent establishment of transfers in from Inmate Welfare Fund (144).

In Inmate Welfare Fund (144) delete one Correctional Services Technician transferred to Jail Commissary, Fund 143. Decrease salaries and benefits by \$28,995 offset by a corresponding establishment of transfers out to Jail Commissary, Fund 143.

Sheriff-Coroner Construction & Facility Development (Fund 14Q, Department 060, Budget Control 14Q)

- In Sheriff-Coroner Construction & Facility Development, Fund 14Q, increase capital assets by \$1,800,000 offset by an equivalent increase of transfers in from Sheriff-Coroner, Budget Control 060, for the James A. Musick Security Fence project.

In Sheriff-Coroner, Budget Control 060, increase transfers out to Sheriff-Coroner Construction & Facility Development, Fund 14Q, by \$1,800,000 offset by a corresponding decrease to services and supplies for the security fence project.

**County Executive Office (Department 017)**

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

On December 29, 2016, the Prop 69 Committee (“Committee”) unanimously approved the allocation of 2016 DNA Identification Fund revenues and available funding totaling \$880,377. The Committee voted to allocate \$811,451 as one-time funding requests to enhance the DNA programs for local law enforcement entities and County Departments and to set aside \$68,926 for future funding requests.

Funds allocated for one-time funding requests will be used to support the cost of processing and storing DNA-related evidence including salaries and benefits, and the purchase of items such as evidence freezers, refrigerators, property cages, Rapid DNA supplies, and a Massive Parallel Sequencing (MPS) DNA Analytical Instrument. Allocations by entity are summarized in the following table:

Agency	2016 Recommended One-Time Allocation
Anaheim Police Department	\$ 37,430
Fountain Valley Police Department	\$ 1,936
Fullerton Police Department	\$ 20,559
Garden Grove Police Department	\$ 43,000
Huntington Beach Police Department	\$ 21,500
Irvine Police Department	\$ 4,370
Los Alamitos Police Department	\$ 650
Orange County District Attorney's Office	\$ 303,600
Orange County Probation Department	\$ 4,537
Orange County Public Defender	\$ 2,500
Orange County Sheriff-Coroner Department	\$ 280,000
Placentia Police Department	\$ 10,985
Tustin Police Department	\$ 78,000
Westminster Police Department	\$ 2,384
<b>Total Reimbursements</b>	<b>\$ 811,451</b>

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

- The Committee recommends a 2016 one-time allocation of \$303,600 to the District Attorney to cover additional costs for: one Senior IT Administrator/Developer for one year dedicated to the DNA database (\$138,600), DNA kits (\$75,000) and maintenance (\$25,000) necessary for the Rapid DNA Program, DNA Training (\$40,000) and professional services for enhanced DNA testing on cold cases (\$25,000).
- In DNA Identification Fund (12J), increase transfers out by \$131,000 to District Attorney, Budget Control 026, offset by an equivalent decrease to obligated fund balance for one-time funding allocations approved in FY 2015-16 by the Committee.

In District Attorney, Budget Control 026, increase transfers in by \$131,000 from DNA Identification Fund (12J), offset by a corresponding increase in salaries and benefits.

- There are sufficient appropriations in the current fiscal year to absorb the allocation of \$4,537 in one-time funds approved for OC Probation to purchase safes for DNA evidence storage and retention. No further budget adjustments are needed.

- In DNA Identification Fund (12J), establish a transfer out of \$2,500 to Public Defender, Budget Control 058, offset by an equivalent decrease in obligated fund balance for a one-time funding allocation.

In Public Defender, Budget Control 058, establish a transfer in of \$2,500 from DNA Identification Fund (12J), offset by a corresponding increase in services and supplies for administrative costs associated with DNA testing case review.

- In DNA Identification Fund (12J), increase transfers out to Sheriff-Coroner, Budget Control 060, by \$280,000 offset by an equivalent decrease in obligated fund balance for one-time funding allocations.

In Sheriff-Coroner, Budget Control 060, increase transfers in by \$280,000 from DNA Identification Fund (12J), offset by a corresponding increase to salaries and benefits. The additional funding and appropriations will help support the cost of two Forensic Scientists for six months (\$130,000), and capital assets (\$150,000). Authorize the purchase of one Massive Parallel Sequencing (MPS) DNA Analytical Instrument (\$150,000) for DNA processing related activities at the Orange County Crime Lab.

- In DNA Identification Fund (12J), increase other charges appropriations by \$170,000 to local non-County agencies, offset by an equivalent decrease in obligated fund balance to support local law enforcement DNA storage.
- Direct the Auditor-Controller to make payment up to the total allocation amount of \$220,814, 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 CEO Budget. Local agencies will be required to provide supporting documentation to request 2016 reimbursement including proof of purchase and copies of vendor invoices to ensure the monies are spent consistent with Prop 69 guidelines.

## **Program II – Community Services**

### **OC Community Resources (OCCR, Department 012)**

#### **OC Community Resources (Fund 100, Department 012, Budget Control 012)**

- In OC Community Resources, Budget Control 012, increase services and supplies by \$771,441 and other charges appropriations by \$28,028 offset by increases of \$591,094 in federal revenue and \$208,375 in State revenue to recognize additional funding from the California Department of Aging for contracted senior services.

**Orange County Housing Authority (OCHA) (Fund 15F, Department 012, Budget Control 15F)**

- In Orange County Housing Authority (OCHA), Fund 15F, increase services and supplies by \$75,600 and other charges appropriations by \$697,032 offset by an increase of \$772,632 in federal revenue to recognize additional funding from the U.S. Department of Housing and Urban Development for the Veteran's Administration Supportive Housing Voucher program.
- In Orange County Housing Authority (OCHA), Fund 15F, convert one Housing Program Specialist II position from Limited Term to Regular for administrative support of the Veterans Administrative Supportive Housing Voucher Program. In addition, delete one Staff Specialist position. No adjustment to appropriations is requested.

**Health Care Agency (HCA) (Department 042)**

**Health Care Agency Public Guardian (Fund 100, Department 042, Budget Control 030)**

- In Health Care Agency Public Guardian, Budget Control 030, increase services and supplies and NCC by \$201,160 for increased costs of County Counsel services offset by an equivalent decrease to NCC transferred from The Office of the Performance Audit Director, Budget Control 050.

In The Office of the Performance Audit Director, Budget Control 050, decrease salaries and benefits by \$201,160 offset by an equivalent decrease to NCC for transfer to Health Care Agency Public Guardian, Budget Control 030. The appropriations and NCC are not anticipated to be needed in the current year.

**Bioterrorism Center for Disease Control Fund (Fund 13Z, Department 042, Budget Control 13Z)**

- In Bioterrorism Center for Disease Control Fund (13Z), increase transfers out by \$1,000,000 to Health Care Agency, Budget Control 042, offset by a corresponding increase to federal revenue to recognize additional funding from the Centers for Disease Control.

In Budget Control 042, Health Care Agency, increase transfers in by \$1,000,000 from Bioterrorism Center for Disease Control Fund (13Z), offset by an equivalent increase to services and supplies to offset eligible program costs.

**Social Services Agency (SSA) (Department 063)**

**Social Services Agency (Fund 100, Department 063, Budget Control 063)**

- In Social Services Agency (SSA), Budget Control 063, increase appropriations by \$5,931,674 offset by an increase of \$2,761,746 in federal revenue and an increase of \$3,169,928 in State revenue to reconcile to program funding allocations received after

budget adoption. Program allocations are for: Medi-Cal; CalFresh; CalFresh Employment and Training; In-Home Supportive Services Non-Medical Out of Home Care; Work Incentive Nutrition Supplement (WINS); Promoting Safe and Stable Families (PSSF); PSSF Caseworker Visits Grant (PSSF CVG); Independent Living Program (ILP); Child and Family Teams (CFT); Resource Family Approval (RFA); Foster Parent Recruitment, Retention and Support (FPRRS); Commercially Sexually Exploited Children (CSEC); Kinship Guardianship Assistance Payment; Community Care Licensing; CalWORKs Single Allocation; CalWORKs Mental Health/Substance Abuse; Trafficking and Crime Victims Assistance; Family Stabilization; and Expanded Subsidized Employment programs.

### **Program III – Infrastructure and Environmental Resources**

#### **OC Public Works (Department 080)**

##### OC Flood (Fund 400, Department 080, Budget Control 400)

- In OC Flood, Fund 400, decrease capital assets by \$10,000 offset by an equivalent increase to services and supplies in order to lease a hydrological surveying instrument. Authorize a change to budgeted capital assets as follows: delete the Hydrological Surveying Field Instrument (sequence #353); and add two Survey Total Stations at a cost of \$45,000 each for a total cost of \$90,000.

#### **John Wayne Airport (Department 280)**

##### Airport Debt Service Fund (Fund 283, Department 280, Budget Control 283)

- In Airport Debt Service Fund (283), increase transfers out by \$42,741,800 to Airport Construction Fund (281) offset by a corresponding decrease to Net Position Reserved for a one-time cash transfer for airport improvement projects.

In Airport Construction Fund (281), increase transfers in by \$42,741,800 from Airport Debt Service Fund (283) offset by an equivalent increase in capital assets for airport improvement projects.

#### **OC Waste & Recycling Enterprise (Department 299)**

##### OC Waste & Recycling Enterprise (Fund 299, Department 299, Budget Control 299)

- In OC Waste & Recycling Enterprise, Fund 299, increase services and supplies by \$250,000 offset by a corresponding decrease to obligated fund balance for transitioning to a new landfill grade control system.

## **Program IV – General Government Services**

### **Auditor-Controller (Department 003)**

#### Auditor-Controller (Fund 100, Department 003, Budget Control 003)

- In Auditor-Controller, Budget Control 003, delete Chief Deputy Auditor-Controller position and add one Executive Assistant position effective February 3, 2017. The cost of the Executive Assistant position will be absorbed within the current budget.

### **County Executive Office (Department 017)**

#### Human Resources (Fund 100, Department 017, Budget Control 054)

- In Human Resources (HR), Budget Control 054, add three positions (one Office Technician, one Office Specialist, and one Staff Assistant) transferred from Assessor, Budget Control 002, and add two positions (one Administrative Manager I and one Staff Specialist) transferred from Child Support Services (CSS), Budget Control 027, to support recruitment and employee relations functions. Increase salaries and benefits by \$260,184 offset by increases to cost apply of \$171,104 to Assessor and of \$89,080 to CSS.

In Assessor, Budget Control 002, delete three positions (one Office Technician, one Office Specialist, and one Staff Assistant) for transfer to HR, Budget Control 054. Decrease salaries and benefits by \$171,104 offset by an equivalent increase to services and supplies.

In CSS, Budget Control 027, delete two positions (one Administrative Manager I and one Staff Specialist) for transfer to HR, Budget Control 054. Decrease salaries and benefits by \$89,080 offset by an equivalent increase to services and supplies.

- In Human Resources (HR), Budget Control 054, add one Administrative Manager II position for employee leave and return-to-work support and one Office Specialist to support workload increases in the Classification and Compensation unit. Increase salaries and benefits by \$91,375 offset by an increase in cost apply of \$27,670 and an increase of \$63,705 to charges for services which will be billed to County departments utilizing the services.



**Clerk-Recorder (Department 059)**

**Clerk-Recorder (Fund 100, Department 059, Budget Control 059)**

- In Clerk-Recorder, Budget Control 059, increase capital assets by \$150,000 offset by an equivalent decrease to services and supplies and authorize the purchase of security cameras and recording equipment for the prevention of real estate fraud at the Clerk-Recorder's Branch Offices.

**Program V – Capital Improvements**

**Capital Projects (Department 036)**

**Capital Projects (Fund 100, Department 036, Budget Control 036)**

- In Capital Projects, Budget Control 036, establish transfers out of \$78,000 to Parking Facilities, Fund 137, offset by a corresponding decrease to Capital Project (036PC15) appropriations to provide funding for enhanced safety and security services in the Civic Center area. The \$78,000 is the County's 50% match (the other 50% to be paid by the City of Santa Ana) for budget modifications approved by the Orange County Civic Center Authority on November 16, 2016.

In Parking Facilities, Fund 137, establish transfers in of \$78,000 from Capital Projects, Budget Control 036, offset by a corresponding increase in transfers out to Fund 828, OC Civic Center Parking/Maintenance.

**Sheriff-Coroner (Department 060)**

**800 MHz Countywide Coordinated Communication System (Fund 15L, Department 060, Budget Control 15L)**

- In 800 MHz Countywide Coordinated Communication System, Fund 15L, increase capital assets by \$24,000 offset by an equivalent decrease to services and supplies for the one-time purchase, delivery and installation of a hand-held in-field microwave spectrum analyzer for isolating and tracking harmful radio frequency interference to the Orange County Public Safety Communication System.

**Program VI – Debt Service**

There are no Program VI – Debt Service requests this quarter.

## **Program VII – Insurance, Reserves and Miscellaneous**

### **County Executive Office (CEO) (Department 017)**

#### **Employee Benefits (Fund 100, Department 017, Budget Control 056)**

- In Employee Benefits, Budget Control 056, establish a transfer out of \$750,000 to Self-Insured Benefits ISF, Fund 298, offset by decreases of \$250,000 to services and supplies and \$500,000 to cost apply to County departments for implementation of the County wellness program.

In Self-Insured Benefits ISF, Fund 298, establish a transfer in of \$750,000 from Employee Benefits, Budget Control 056, offset by an equivalent increase in services and supplies for funding the County wellness program.

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

- In OCIT Countywide Services, Fund 289, add one Administrative Manager II position to support OCIT operations. Increase salaries and benefits by \$64,735 offset by a corresponding increase to charges for services revenue.

### **OC Public Works (OCPW) (Department 080)**

#### **OC Fleet Services (Fund 296, Department 080, Budget Control 296)**

- In OC Fleet Services, Fund 296, increase capital assets by \$235,000 offset by an equivalent increase to transfers in from Sheriff-Coroner, Budget Control 060, and authorize the purchase of three new vehicles (one Class A black and white patrol vehicle and two Class J black and white SUVs) and one specialty box.

In Sheriff-Coroner, Budget Control 060, increase transfers out to OC Fleet Services, Fund 296, by \$235,000 for the purchase of three vehicles (one Class A black and white patrol vehicle and two Class J black and white SUVs) and one specialty box offset by an equivalent decrease to services and supplies. The vehicles are new and will be used for patrolling flood control channels and riverbeds. The specialty box is needed to carry equipment for major accident investigations and DUI checkpoint events.

- In OC Fleet Services, Fund 296, increase capital assets by \$55,000 to OC Fleet Services, Fund 296, offset by an equivalent establishment of transfers in from Sheriff's Substations Fee Program, Fund 141, and authorize the purchase of one new Class A black and white patrol vehicle for the Southeast Operations Division.

In Sheriff's Substations Fee Program, Fund 141, establish transfers out of \$55,000 for the purchase of one new Class A black and white patrol vehicle offset by a corresponding decrease to special items. The vehicle will be used to expand patrol to include the new community of Rancho Viejo.

- In OC Fleet Services, Fund 296, increase capital assets by \$136,000 offset by an equivalent establishment of transfers in from Building & Safety General Fund, Budget Control 071, and authorize the purchase of three vehicles (two Class F full size pickups and one Class H SUV).

In Building & Safety General Fund, Budget Control 071, establish transfers out in the amount of \$136,000 to OC Fleet Services, Fund 296, for the purchase of three vehicles (two Class F full size pickups ½ to ¾ ton, and two Class FF full size pickups, 1 ton and under) offset by an equivalent increase in permit revenues. The vehicles are replacements for units that are over ten years old or exceed 100,000 miles.

- In Fund 296, OC Fleet Services, increase capital assets by \$156,000 offset by an equivalent increase to transfers in from OC Public Works, Budget Control 080, for the purchase of four new vehicles (two Class F full size pickups ½ to ¾ ton, and two Class FF full size pickups, 1 ton and under) to be used for field project management by new positions added in the FY 2016-17 First Quarter Budget Report.

In OC Public Works, Budget Control 080, increase transfers out to OC Fleet Services, Fund 296, by \$156,000 offset by an equivalent decrease to services and supplies for the purchase of four new vehicles.

- In Fund 296, OC Fleet Services, increase capital assets by \$15,939 offset by an equivalent increase to transfers in from OC Flood, Fund 400, for cost increases related to the utility service body of the Class FF Pickup with Service Body (Seq. #291) included in the FY 2016-17 budget.

In OC Flood, Fund 400, increase transfers out to OC Fleet Services, Fund 296, by \$15,939 offset by an equivalent decrease to capital assets for the purchase of a utility service body for the budgeted Class FF Pickup.

- In Fund 296, OC Fleet Services, increase capital assets by \$10,173 offset by an equivalent increase to transfers in from OC Flood, Fund 400, for cost increases related to the utility service body of the Class FF Pickup with Service Body (Seq. #293) included in the FY 2016-17 budget.

In OC Flood, Fund 400, increase transfers out to OC Fleet Services, Fund 296, by \$10,173 offset by an equivalent decrease to capital assets for the purchase of a utility service body for the budgeted Class FF Pickup.

**Other Issues**

**Aged Vacant Position Deletions**

Consistent with the Position Policy memo to departments issued on December 14, 2016, the following aged vacant positions (greater than 18 months) will be deleted:

<b>Department</b>	<b>Position Classification</b>	<b>Deletions</b>
Child Support Services (027)	Accounting Specialist	(3)
	Child Support Officer	(7)
	Customer Service Representative	(2)
	Office Assistant	(11)
	Office Manager	(1)
	Senior Law Office Supervisor-DA	(1)
	Senior Office Supervisor A/B	(1)
	Staff Development Specialist	(1)
	Staff Specialist	(2)
	Warehouse Worker II	(1)
		<b><i>Child Support Services - Subtotal</i></b>
Probation (057)	Deputy Probation Officer II	(2)
	Senior Deputy Probation Officer	(2)
	Senior Juvenile Correctional Officer	(1)
	Store Clerk	(1)
		<b><i>Probation - Subtotal</i></b>
Treasurer-Tax Collector (074)	Accounting Assistant II	(4)
	Property Tax Technician	(1)
	Senior Information Technologist	(1)
		<b><i>Treasurer-Tax Collector - Subtotal</i></b>
Inmate Welfare Fund (144)	Correctional Programs Technician	(1)
	Deputy Sheriff II	(1)
	Information Processing Technician	(1)
	Vocational Instructor Correctional Facility	(2)
		<b><i>Inmate Welfare Fund - Subtotal</i></b>
	<b>GRAND TOTAL</b>	<b>(47)</b>

No appropriations or NCC adjustments are required for the position deletions.