

Special Revenue Funds - Consolidated

DESCRIPTION OF MAJOR SERVICES

Real Estate Fraud Prosecution accounts for activity related to the investigation and prosecution of real estate fraud crimes in the County. On January 23, 1996, the Board of Supervisors (Board) adopted Resolution 96-14 to allow the County to collect, pursuant to Government Code 27388, a \$2 fee upon recording documents. On December 9, 2008, the Board adopted Resolution 2008-311 authorizing an increase of this fee from \$2.00 to \$3.00. This fee is used to fund costs of the District Attorney's Real Estate Fraud Prosecution Unit. Sources are transferred to the District Attorney's Criminal Prosecution budget unit to offset the cost of staff assigned to real estate fraud prosecution.

Budget at a Glance

Total Requirements	\$11,158,326
Total Sources	\$6,441,298
Fund Balance	\$4,717,028
Use of Fund Balance	\$1,035,229
Total Staff	0

Auto Insurance Fraud Prosecution represents activity related to the investigation and prosecution of automobile insurance fraud. Insurance fraud is a particular problem for automobile policy holders. It contributes substantially to the highest cost of automobile insurance with particular significance in urban areas. Prevention of automobile insurance fraud can significantly reduce insurance claim payments and may therefore produce a commensurate reduction in automobile insurance premiums. Under direction of the Insurance Commissioner, the California Department of Insurance makes funds available, as authorized by the California Insurance Code, to the District Attorney's Office for investigation and prosecution of automobile insurance fraud. Sources are transferred to the District Attorney's Criminal Prosecution budget unit to offset the cost of staff assigned to auto insurance fraud prosecution.

Workers Compensation Insurance Fraud Prosecution accounts for activity related to the investigation and prosecution of workers' compensation insurance fraud. The Department of Insurance, pursuant to Section 1871.83 of the California Insurance Code, distributes funds to the District Attorney's Office for this purpose. These assessed funds represent a percentage of the total premiums collected by workers' compensation claims relating to the willful failure to secure the payment of workers' compensation. Of all money collected by the state, 56% is retained by the state for fraud investigation and 44% is distributed statewide to District Attorney Offices through a grant program. These funds are administered through this budget unit. The insurance grant revenue is transferred to the District Attorney's Criminal Prosecution budget unit to offset the cost of staff assigned to the Workers' Compensation Insurance Fraud Prosecution Unit.

Specialized Prosecutions was established in 1990-91 with funding from various fines and forfeitures for the District Attorney's Office to prosecute crimes such as hazardous waste dumping, consumer fraud and violations of Cal/OSHA laws. Sources transferred to the District Attorney's Criminal Prosecution budget unit to offset the cost of staff associated with the Specialized Prosecution.

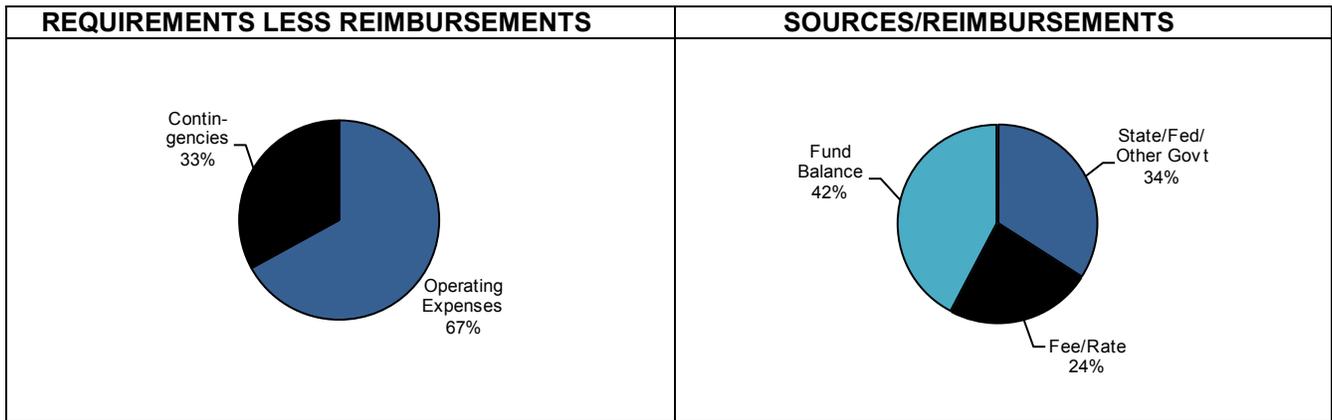
Vehicle Fees – Auto Theft accounts for the receipt of assessments on vehicles registered in San Bernardino County. In May of 1995, the Board adopted a resolution, pursuant to Vehicle Code 9250.14, to impose a \$1.00 fee on each San Bernardino County new and renewal vehicle registration. The revenue from this fee is used to enhance the capacity of local law enforcement and prosecutors to deter, investigate and prosecute vehicle theft crimes. This budget unit receives the District Attorney's share of the registration assessment on vehicles registered in San Bernardino County. Sources are transferred to the District Attorney's Criminal Prosecution budget unit to offset the costs of prosecuting and investigating automobile theft crimes.

State Asset Forfeitures represent receipt of the District Attorney's share of state asset forfeiture funds. The goal of asset forfeiture is to remove the profits from those who benefit from illegal activities. While seizures and arrests present a temporary setback for criminals, asset forfeiture is effective in permanently removing the proceeds from the criminals while diminishing their ability to continue the illegal enterprise. The law permits law enforcement agencies to use the proceeds of forfeitures to offset public safety expenses. Thus, law enforcement is able to convert criminal profits into supplemental funding to inhibit illegal activities. There is no staffing associated with this budget unit. Sources are transferred to the District Attorney's Criminal Prosecution budget unit to help offset the cost of processing asset forfeiture cases.



Federal Asset Forfeitures account for the share of federal asset forfeitures processed by the District Attorney’s Office. In 1982, Congress enacted the comprehensive Crime Control Act that gave federal prosecutors new forfeiture provisions to combat crime. Also created by this legislation was the Department of Justice Assets Forfeiture Fund. The proceeds from the sale of forfeited assets such as real property, vehicles, business, financial instruments, vessels, aircraft and jewelry are deposited into this fund and are subsequently used to further law enforcement initiatives. Under the Equitable Sharing Program, proceeds from sales are often shared with the state and local enforcement agencies that participated in the investigation, which led to the seizure of the assets. This important program enhances law enforcement cooperation between state/local agencies and federal agencies. The U.S. Department of Justice sets forth the terms by which law enforcement may use these funds. These funds are transferred to the District Attorney’s Criminal Prosecution budget unit to assist with the Asset Forfeitures Unit’s operating expenses and other public safety expenses according to the guideline set forth by the U.S. Department of Justice.

2013-14 ADOPTED BUDGET



ANALYSIS OF 2013-14 ADOPTED BUDGET

GROUP: Law and Justice
DEPARTMENT: District Attorney
FUND: Special Revenue Funds - Consolidated

BUDGET UNIT: Various
FUNCTION: Public Protection
ACTIVITY: Judicial

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2012-13 Final Budget	2013-14 Adopted Budget	Change From 2012-13 Final Budget
Requirements							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	0	6,836,889	6,399,296	6,731,790	6,934,073	7,476,527	542,454
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	2,711,275	3,681,799	970,524
Total Exp Authority	0	6,836,889	6,399,296	6,731,790	9,645,348	11,158,326	1,512,978
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	0	6,836,889	6,399,296	6,731,790	9,645,348	11,158,326	1,512,978
Operating Transfers Out	7,230,722	(1,071)	0	0	0	0	0
Total Requirements	7,230,722	6,835,818	6,399,296	6,731,790	9,645,348	11,158,326	1,512,978
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	3,803,976	3,623,978	3,616,819	3,650,341	3,600,908	3,798,598	197,690
Fee/Rate	5,556,513	2,212,049	2,027,195	3,778,175	2,030,000	2,633,000	603,000
Other Revenue	31,452	41,522	23,495	17,361	11,500	9,700	(1,800)
Total Revenue	9,391,941	5,877,549	5,667,509	7,445,877	5,642,408	6,441,298	798,890
Operating Transfers In	0	0	780,606	0	0	0	0
Total Sources	9,391,941	5,877,549	6,448,115	7,445,877	5,642,408	6,441,298	798,890
				Fund Balance	4,002,940	4,717,028	714,088
				Budgeted Staffing	0	0	0

DETAIL OF 2013-14 ADOPTED BUDGET

	2013-14			
	Requirements	Sources	Fund Balance	Staffing*
Special Revenue Funds				
Real Estate Fraud Prosecution (Fund REB)	2,130,045	1,263,000	867,045	7
Auto Insurance Fraud Prosecution (Fund RIP)	874,784	637,495	237,289	3
Workers' Comp Insurance Fraud (Fund ROB)	2,619,456	2,366,103	253,353	13
Specialized Prosecutions (Fund SBI)	3,305,771	857,600	2,448,171	9
Vehicle Fees - Auto Theft (Fund SDM)	827,958	795,000	32,958	5
State Asset Forfeitures (Fund SBH)	253,048	170,000	83,048	0
Federal Asset Forfeitures (Fund SDN)	1,147,264	352,100	795,164	0
Total Special Revenue Funds	11,158,326	6,441,298	4,717,028	37

*Staffing costs for these Special Revenue Funds are located within the District Attorney's General Fund budget unit; however, the funding for these positions is located within these special revenue funds.

Real Estate Fraud Prosecution: Requirements of \$2.1 million include transfers to the Department's Criminal Prosecution budget unit for the cost of staff assigned to real estate fraud prosecution (\$1.3 million) and an amount set aside in contingencies for future allocation (\$0.8 million). Sources of \$1.3 million represent the amount anticipated from the \$3.00 fee collected on recording documents for real estate fraud prosecution.

Auto Insurance Fraud Prosecution: Requirements of \$874,784 primarily include transfers to the Department's Criminal Prosecution budget unit for the cost of staff assigned to auto insurance fraud prosecution (\$492,672) and an amount set aside in contingencies for future allocation (\$382,036). Sources of \$637,495 represent projected grant funds from the California Department of Insurance.



Workers' Compensation Insurance Fraud Prosecution: Requirements of \$2.6 million include transfers to the Department's Criminal Prosecution budget unit for the cost of staff assigned to workers' compensation insurance fraud prosecution (\$2.4 million) and an amount set aside in contingencies for future allocation (\$0.2 million). Sources of \$2.4 million reflect projected grant funds from the California Department of Insurance.

Specialized Prosecutions: Requirements of \$3.3 million include transfers to the Department's Criminal Prosecution budget unit for staffing and other costs related to specialized prosecutions (\$1.9 million) and an amount set aside in contingencies for future allocation (\$1.4 million). Sources of \$0.9 million reflect the Department's estimate of case settlements anticipated for 2013-14.

Vehicle fees – Auto Theft Prosecution: Requirements of \$827,958 primarily include transfers to the Department's Criminal Prosecution budget unit for costs associated with prosecuting and investigating automobile theft crimes (\$793,000) and an amount set aside in contingencies for future allocation (\$34,894). Sources of \$795,000 represent new and renewal registration assessment on vehicles registered in San Bernardino County.

State Asset Forfeitures: Requirements of \$253,048 primarily include transfers to the Department's Criminal Prosecution budget unit to help offset the costs of processing asset forfeiture cases (\$200,019) and an amount set aside in contingencies for future allocation (\$52,876). Sources of \$170,000 reflect the anticipated proceeds from asset forfeitures.

Federal Asset Forfeitures: Requirements of \$1.1 million include transfers to the Department's Criminal Prosecution budget unit to assist with operating expenses of the Asset Forfeiture Unit (\$439,000) and an amount set aside in contingencies for future allocation (\$708,095). Sources of \$352,100 represent proceeds from federal asset forfeiture funds (\$350,000) and interest earnings (\$2,100).

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$1.5 million due to increases in contingencies of \$1.0 million and operating expenses (\$0.5 million) resulting from additional transfers to the District Attorney's criminal budget unit primarily for the cost of 2 new positions in Specialized Prosecutions and planned technology improvements. Sources are increasing by \$0.8 million primarily to reflect the current and projected rise in revenue from real estate recording fees as the housing market improves.

STAFFING CHANGES AND OPERATIONAL IMPACT

There is no staffing associated with this consolidated special revenue budget units.

