

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 prosecute real estate fraud.

Budget at a Glance

Requirements Less Reimbursements*	\$10,078,536
Sources/Reimbursements	\$5,721,012
Fund Balance	\$4,357,524
Use of Fund Balance	\$1,601,560
Total Staff	0

*Includes Contingencies

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 cost of automobile insurance, particularly 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 prosecute auto insurance fraud.

Workers' Compensation Insurance Fraud Prosecution accounts for activity related to the investigation and prosecution of workers' compensation insurance fraud. The California 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. The funds received by San Bernardino County 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 prosecute workers' compensation insurance fraud.

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 are transferred to the District Attorney's Criminal Prosecution budget unit to offset the cost of staff associated with these specialized prosecutions.

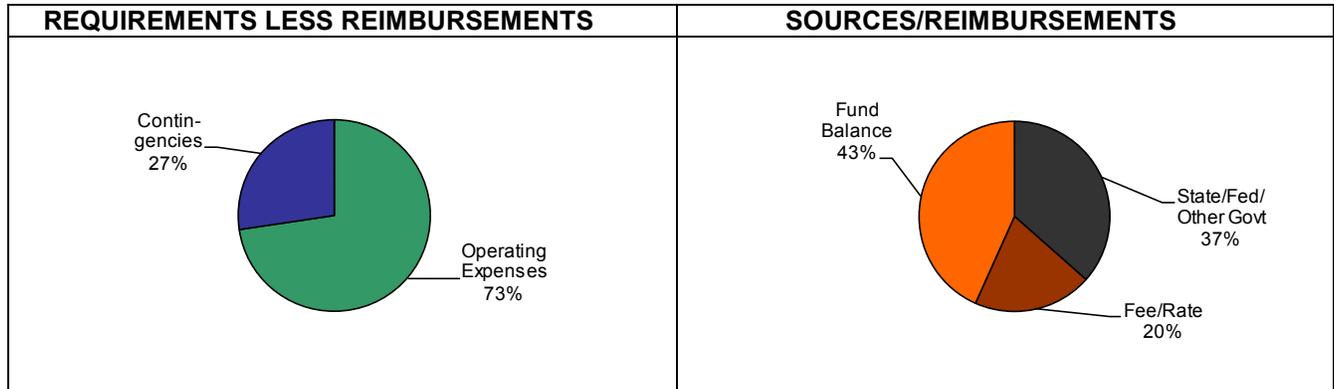
Vehicle Fees – Auto Theft accounts for the receipt of assessments on vehicles registered in San Bernardino County. In May of 1995, the Board adopted a resolution, pursuant to Vehicle Code 9250.14, to impose a \$1.00 fee on each San Bernardino County new and renewal vehicle registration. The revenue from 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. 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. Proceeds from the sale of forfeited assets such as real property, vehicles, businesses, 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 the sale of these seized assets are often shared with participating state and local law enforcement agencies. The County’s share of these funds are ultimately transferred to the District Attorney’s Criminal Prosecution budget unit to assist with operating costs of the Department’s Asset Forfeitures Unit and other eligible public safety expenses pursuant to established guidelines set forth by the U.S. Department of Justice.

2014-15 RECOMMENDED BUDGET



ANALYSIS OF 2014-15 RECOMMENDED BUDGET

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

BUDGET UNIT: Various
FUNCTION: Public Protection
ACTIVITY: Judicial

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Estimate	2013-14 Modified Budget	2014-15 Recommended Budget	Change From 2013-14 Modified Budget
Requirements							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	6,836,889	6,399,296	6,731,791	6,181,128	7,476,527	7,322,572	(153,955)
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	3,681,799	2,755,964	(925,835)
Total Exp Authority	6,836,889	6,399,296	6,731,791	6,181,128	11,158,326	10,078,536	(1,079,790)
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	6,836,889	6,399,296	6,731,791	6,181,128	11,158,326	10,078,536	(1,079,790)
Operating Transfers Out	(1,071)	0	0	0	0	0	0
Total Requirements	6,835,818	6,399,296	6,731,791	6,181,128	11,158,326	10,078,536	(1,079,790)
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	3,623,978	3,616,819	3,650,341	3,676,817	3,798,598	3,676,741	(121,857)
Fee/Rate	2,212,049	2,027,195	3,778,175	2,131,332	2,633,000	2,030,796	(602,204)
Other Revenue	41,522	23,495	17,361	13,475	9,700	13,475	3,775
Total Revenue	5,877,549	5,667,509	7,445,877	5,821,624	6,441,298	5,721,012	(720,286)
Operating Transfers In	0	780,606	0	0	0	0	0
Total Financing Sources	5,877,549	6,448,115	7,445,877	5,821,624	6,441,298	5,721,012	(720,286)
				Fund Balance	4,717,028	4,357,524	(359,504)
				Budgeted Staffing	0	0	0

DETAIL OF 2014-15 RECOMMENDED BUDGET

	2014-15			
	Requirements	Sources	Fund Balance	Staffing *
Special Revenue Funds				
Real Estate Fraud Prosecution (Fund REB)	1,492,443	950,000	542,443	7
Auto Insurance Fraud Prosecution (Fund RIP)	874,708	637,495	237,213	5
Workers' Comp Insurance Fraud (Fund ROB)	2,718,641	2,245,179	473,462	13
Specialized Prosecutions (Fund SBI)	2,333,928	604,292	1,729,636	9
Vehicle Fees - Auto Theft (Fund SDM)	830,732	795,419	35,313	3
State Asset Forfeitures (Fund SBH)	204,848	135,000	69,848	0
Federal Asset Forfeitures (Fund SDN)	1,623,236	353,627	1,269,609	0
Total Special Revenue Funds	10,078,536	5,721,012	4,357,524	37

* Although the funding for this staffing is included in these special revenue funds, actual staffing costs are located within the District Attorney's General Fund budget unit.

Real Estate Fraud Prosecution: Requirements of \$1.5 million includes 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 (\$200,000). Sources of \$950,000 represent the amount anticipated from the \$3.00 fee collected on recording documents for real estate fraud prosecution.



Auto Insurance Fraud Prosecution: Requirements of \$874,708 primarily include transfers to the Department's Criminal Prosecution budget unit for the cost of staff assigned to auto insurance fraud prosecution (\$637,495) and an amount set aside in contingencies for future allocation (\$237,179). Sources of \$637,495 represent projected grant funds from the California Department of Insurance.

Workers' Compensation Insurance Fraud Prosecution: Requirements of \$2.7 million include transfers to the Department's Criminal Prosecution budget unit for the cost of staff assigned to workers' compensation insurance fraud prosecution (\$2.2 million) and an amount set aside in contingencies for future allocation (\$500,000). Sources of \$2.2 million reflect projected grant funds from the California Department of Insurance.

Specialized Prosecutions: Requirements of \$2.3 million include transfers to the Department's Criminal Prosecution budget unit for staffing and other costs related to specialized prosecutions (\$1.8 million) and an amount set aside in contingencies for future allocation (\$500,000). Sources of \$604,292 reflect the Department's estimate of case settlements anticipated for 2014-15 (\$595,796) and interest earnings (\$8,496).

Vehicle Fees – Auto Theft Prosecution: Requirements of \$830,732 primarily include transfer to the Department's Criminal Prosecution budget unit for costs associated with prosecuting and investigating automobile theft crimes (\$768,959) and an amount set aside in contingencies for future allocation (\$61,737). Sources of \$795,419 represent new and renewal registration assessment on vehicles registered in San Bernardino County.

State Asset Forfeitures: Requirements of \$204,848 primarily include transfers to the Department's Criminal Prosecution budget unit to help offset the costs of processing asset forfeiture cases (\$204,000) and an amount set aside in contingencies for future allocation (\$617). Sources of \$135,000 reflect the anticipated proceeds from asset forfeitures.

Federal Asset Forfeitures: Requirements of \$1.6 million include transfers to the Department's Criminal Prosecution budget unit to assist with operating expenses of the Asset Forfeiture Unit (\$400,000) and an amount set aside in contingencies for future allocation (\$1.2 million). Sources of \$353,627 represent proceeds from federal asset forfeiture funds (\$350,000) and interest earnings (\$3,627).

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are decreasing by \$1.1 million, due to reductions in total revenue (\$720,286) and fund balance (\$359,504).

Sources are decreasing by \$720,286 as less revenue is anticipated for 2014-15 primarily due to projected decreases in fees collected on recording documents, grant funds from the California Department of Insurance, and amounts received through case settlements.

STAFFING CHANGES AND OPERATIONAL IMPACT

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