

Special Revenue Funds - Consolidated

DESCRIPTION OF MAJOR SERVICES

The Inland Regional Narcotics Enforcement Team (IRNET) is a joint project among city, county, state and federal agencies in the Inland Empire aimed at combating major narcotics and money laundering operations. **IRNET Federal** accounts for IRNET's share of federal asset forfeitures. **IRNET State** accounts for IRNET's share of state asset forfeitures and was established to comply with federal guidelines requiring state forfeiture funds to be kept separate from federal forfeiture funds.

Budget at a Glance

Total Requirements (Excl. Reimb.)	\$20,891,009
Total Sources (Incl. Reimb.)	\$10,666,881
Use of/ (Contribution to) Fund Balance	\$10,224,128
Total Staff	0

Federal Seized Assets (DOJ) accounts for asset forfeitures from federal cases filed with the U.S. Department of Justice (DOJ) through its asset forfeiture program and **Federal Seized Assets (Treasury)** accounts for asset forfeitures from cases filed with the U.S. Department of Treasury. Receipts from this program are required to be maintained in separate funds and must not replace existing funds that would be made available to the Sheriff/Coroner/Public Administrator in the absence of forfeiture funds.

State Seized Assets accounts for asset forfeiture proceeds from cases filed and adjudicated under state asset seizure statutes. The California Health and Safety Code 11489 (b)(2)(A)(i) requires these funds be maintained in a special revenue fund. Fifteen percent (15%) of all forfeitures received after January 1994 are set aside for drug education and gang intervention programs. The 15% allocated to drug education programs is used to fund the Sheriff/Coroner/Public Administrator's Drug Use is Life Abuse (DUILA) program, Crime-Free Multi-Housing, Law Enforcement Internship and Operation Clean Sweep Programs. Funds are also used for maintenance of seized properties. Services for the drug education program are provided by staff budgeted in the Sheriff/Coroner/Public Administrator's general fund budget unit, and reimbursed by this budget unit.

San Bernardino County Auto Theft Task Force (SANCATT), established by the Board of Supervisors in 1995, deters, investigates and prosecutes vehicle theft organizations and provides statistical and financial reports to the State Controller and California Highway Patrol as required by AB767. This budget unit accounts for funds received from vehicle registration assessments, per Vehicle Code 9250.14, and are expended exclusively to fund programs that enhance law enforcement efforts to deter and investigate vehicle theft crimes. Expenditures for SANCATT personnel are transferred to the Sheriff/Coroner/Public Administrator's general fund budget unit. In addition, funds offset operating expenses for qualified expenditures by participating agencies.

CAL-ID Program funding is used for the operating expenses of the Local Automated Fingerprint Identification System (AFIS) and for staffing costs of positions assigned to the CAL-ID program. The budget unit is funded from joint trust contributions by all local contracting municipal agencies and vehicle registration fees per Vehicle Code (VC) 9520.19. Staffing costs for positions assigned to the CAL-ID program are transferred to the Sheriff/Coroner/Public Administrator's general fund budget unit.

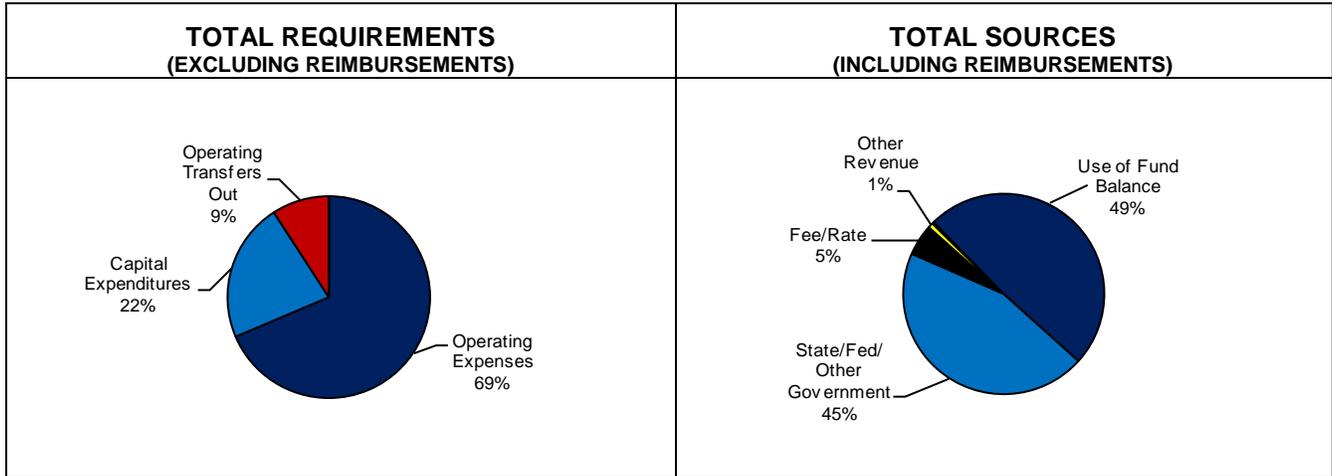
Court Services Auto accounts for processing court fees collected under AB1109, which are used to supplement the County's cost for vehicle fleet replacement and equipment, maintenance, and civil process operations associated with court services.

Court Services Tech accounts for processing court fees collected under AB709, which are used for automated equipment necessary to operate court services.

In accordance with state legislation (AB1805) effective July 1, 2007, **Local Detention Facility Revenue** accounts for an allocation of funds from the state replacing booking fees previously charged by the County to cities and local entities, as permitted by Government Code Section 29550. Funds are required to be used for the purpose of operating, renovating, remodeling, or constructing local detention facilities.



2016-17 RECOMMENDED BUDGET



ANALYSIS OF 2016-17 RECOMMENDED BUDGET

GROUP: Law and Justice
DEPARTMENT: Sheriff/Coroner/Public Administrator
FUND: Consolidated Special Revenue

BUDGET UNIT: Various
FUNCTION: Public Protection
ACTIVITY: Police Protection

	2012-13	2013-14	2014-15	(A) 2015-16	2015-16	(B) 2016-17	(B-A)
	Actual	Actual	Actual	Modified Budget	Estimate	Recommended Budget	Change From Prior Year Modified Budget
Requirements							
Staffing Expenses	719,829	(17,613)	0	0	0	0	0
Operating Expenses	13,382,093	11,084,260	14,274,890	17,747,870	13,178,798	14,328,652	(3,419,218)
Capital Expenditures	2,355,600	3,810,640	5,990,854	4,659,888	2,725,052	4,654,185	(5,703)
Total Exp Authority	16,457,522	14,877,287	20,265,744	22,407,758	15,903,850	18,982,837	(3,424,921)
Reimbursements	(115,146)	(470,173)	(1,319,453)	(1,059,908)	(60,981)	(62,912)	996,996
Total Appropriation	16,342,376	14,407,114	18,946,291	21,347,850	15,842,869	18,919,925	(2,427,925)
Operating Transfers Out	2,315,425	867,016	2,861,264	3,683,199	2,024,347	1,908,172	(1,775,027)
Total Requirements	18,657,801	15,274,130	21,807,555	25,031,049	17,867,216	20,828,097	(4,202,952)
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State/Fed/Other Government	15,672,072	12,497,788	12,962,811	10,152,505	11,800,418	9,380,299	(772,206)
Fee/Rate	3,185,873	(166,879)	15,193	1,000	955,016	1,050,000	1,049,000
Other Revenue	2,324,121	2,372,900	1,605,923	2,085,686	171,198	173,670	(1,912,016)
Total Revenue	21,182,066	14,703,809	14,583,927	12,239,191	12,926,632	10,603,969	(1,635,222)
Operating Transfers In	0	0	0	0	0	0	0
Total Financing Sources	21,182,066	14,703,809	14,583,927	12,239,191	12,926,632	10,603,969	(1,635,222)
Fund Balance							
Use of / (Contribution to) Fund Balance	(2,524,265)	570,321	7,223,628	12,791,858	4,940,584	10,224,128	(2,567,730)
Available Reserves				2,979,450	10,830,724	606,596	(2,372,854)
Total Fund Balance				15,771,308	15,771,308	10,830,724	(4,940,584)
Budgeted Staffing*	0	0	0	0	0	0	0

*Data represents modified budgeted staffing



DETAIL OF 2016-17 RECOMMENDED BUDGET

	2016-17				
	Requirements	Sources	Use of / (Contribution to) Fund Balance	Available Reserves	Staffing
Special Revenue Funds					
IRNET Federal (Fund SCF)	1,380,149	10,500	1,369,649	0	0
IRNET State (Fund SCX)	234,680	61,000	173,680	0	0
Federal Seized Assets - DOJ (Fund SCK)	4,231,128	35,000	4,196,128	0	0
Federal Seized Assets- Treasury(Fund SCO)	521,431	1,200	520,231	0	0
State Seized Assets (Fund SCT)	1,901,373	509,500	1,391,873	0	0
Auto Theft Task Force (Fund SCL)	1,393,728	1,769,596	(375,868)	606,596	0
CAL-ID Program (Fund SDA)	4,389,516	4,389,516	0	0	0
Court Services Auto (Fund SQR)	1,126,454	656,750	469,704	0	0
Cout Services Tech (Fund SQT)	2,891,031	412,300	2,478,731	0	0
Local Detention Facility Revenue (Fund SRL)	2,758,607	2,758,607	0	0	0
Total Special Revenue Funds	20,828,097	10,603,969	10,224,128	606,596	0

IRNET Federal: Requirements of \$1.4 million consist of Operating Expenses which support law enforcement operations and investigations, training and education, transfers and contributions to other agencies for their participation in asset seizures, and overtime for personnel involved in law enforcement operations. Sources of \$10,500 include projected interest earnings on the current Fund Balance. In order to comply with federal guidelines, the department does not budget anticipated revenues in this budget unit.

Fund Balance will be used for law enforcement operations and equipment, transfers to other law enforcement agencies, and overtime for personnel involved in law enforcement operations, all of which can be reduced as needed dependent on the amount of fund balance available.

IRNET State: Requirements of \$234,680 consist of Operating Expenses for various one-time law enforcement operations and ongoing drug and gang programs. Sources of \$61,000 include anticipated state asset forfeiture funds and projected interest earnings. Use of Fund Balance of \$173,680 is for one-time Operating Expenses. State forfeited funds are distributed to the local law enforcement agency that participated in the seizure.

Federal Seized Assets (DOJ): Requirements of \$4.2 million include \$1.9 million in Operating Expenses to support law enforcement operations and investigations and Capital Expenditures of \$2.3 million in one-time equipment and software purchases. Sources of \$35,000 include projected interest earnings on the current Fund Balance. In order to comply with federal guidelines, the department does not budget anticipated revenues.

Fund Balance will be used to support law enforcement operations and investigations along with training and education. In addition, the fund balance will be used for law enforcement equipment, transfers to other law enforcement agencies and overtime for personnel involved in law enforcement operations. These purchases can be reduced as needed dependent on the amount of fund balance available.

Federal Seized Assets (Treasury): Requirements of \$521,431 support law enforcement operations. Sources of \$1,200 represent projected interest earnings. In order to comply with federal guidelines, the department does not budget anticipated revenues in this budget unit.

Fund Balance will be used to support law enforcement operations and investigations along with training and education, all of which can be reduced as needed dependent on the amount of fund balance available. Treasury



Guide and Equitable Sharing for Foreign Countries and Federal, State and Local Law Enforcement Agencies permits the expenditures noted above.

State Seized Assets: Requirements of \$1.9 million primarily include \$282,944 in Operating Expenses that support continuous law enforcement investigation activity. In addition, \$63,500 of Operating Expenses provide for a transfer to the Sheriff/Coroner/Public Administrator’s general fund budget unit for public safety educator overtime and salaries. Operating Transfers Out of \$1.6 million is budgeted for departmental Capital Improvement Program (CIP) projects. Sources of \$509,500 include \$425,000 in anticipated state asset seizures, \$9,500 in projected interest earnings and \$75,000 from the Evidence and Cash Trust Fund. Use of Fund Balance of \$1,391,873 is being used for one-time Capital Improvement Projects.

State forfeited funds are distributed to the local law enforcement agency that participated in the seizure. Fifteen percent of these funds will be deposited in a special fund maintained by the seizing agency to fund programs designed to combat drug abuse and reduce gang activity.

San Bernardino County Auto Theft Task Force (SANCATT): Requirements of \$1.4 million include Operating Expenses, offset by \$62,912 in Reimbursements. Requirements include contributions to non-county participating task force agencies and a transfer to the Sheriff/Coroner/Public Administrator’s General Fund budget unit to support the cost of 4 positions. The District Attorney Department is reimbursing \$62,912 to SANCATT for the cost of one of these positions. Sources of \$1.8 million primarily represent vehicle registration fees and projected interest earnings. The department is budgeting to contribute \$375,868 to Fund Balance, which is being placed in Available Reserves of \$606,596 for future use, to support costs associated with the operations of SANCATT as permitted by Vehicle Code Section 9240.14.

CAL-ID Program: Requirements of \$4.4 million include \$4.2 million in Operating Expenses, which support communications, and travel and training, and transfers to the Sheriff/Coroner/Public Administrator’s General Fund budget unit for staffing costs of 36 personnel assigned to this program. Capital Expenditures of \$160,000 include one-time equipment purchases. Sources of \$4.4 million are from the CAL-ID Program trust fund and directly offset all claimable costs.

Court Services Auto: Requirements of \$1.1 million primarily include \$1.1 million in Capital Expenditures to replace vehicles. Sources of \$656,750 primarily reflect the Department’s share of anticipated court fines. Use of Fund Balance of \$469,704 is being used for one-time purchases to replace patrol vehicles.

Per Government Code Section 26746, Fund Balance shall be expended to supplement the County’s cost for vehicle fleet replacement and equipment, maintenance, and civil process operations.

Court Services Tech: Requirements of \$2.9 million include \$1.8 million in Operating Expenses primarily to fund an upgrade to the Court Case Management System (CCMS) and \$1.1 million in Capital Expenditures to fund one-time purchases of computer equipment for the CCMS. Each time the Sheriff’s Civil Services Division serves various court writs, the Sheriff’s Civil Services Division receives a portion of the fee. Sources of \$412,300 primarily represent the department’s share of anticipated court fines. Use of Fund Balance of \$2.5 million is being used to upgrade the CCMS. Per Government Code Section 26731, Fund Balance shall be expended to supplement the County’s cost for the implementation, maintenance, and purchase of auxiliary equipment and furnishings for automated systems or other non-automated operational equipment and furnishings deemed necessary.

Local Detention Facility Revenue: Requirements of \$2.8 million represent Transfers to the Sheriff – Detentions General Fund budget unit for expenditures related to the operation, renovation, remodeling, or construction of local detention facilities. Sources of \$2.8 million represent the booking fee allocation anticipated from the state in addition to projected interest earnings.



BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are decreasing \$4.2 million, resulting primarily from the following:

- In 2015-16, the department budgeted to expend \$1.5 million for Capital Improvement Program (CIP) projects at the department's training facilities from its Contract Training special revenue fund. This special revenue fund's ongoing revenue was transferred to the department's General Fund budget unit in 2013-14 and will be deactivated in 2016-17, resulting in a reduction of \$1.5 million in requirements.
- Federal Seized Assets (DOJ) requirements are decreasing a net \$3.2 million primarily as a result of the department only being able to budget revenue once funds have been received by the department, in accordance with federal guidelines. In 2015-16, the department was able to increase its requirements in a quarterly budget report, as it had received asset forfeiture funds from the federal government, which paid for the maintenance of law enforcement hardware and equipment. Since the department cannot budget anticipated receipts, it has reduced requirements accordingly. It is likely that the department will return to the Board in a future quarterly budget report to partially restore its Operating Expenses budget.
- State Seized Assets requirements are decreasing \$797,914 primarily as a result of the completion of one-time CIPs projects in 2015-16 and to reflect an assumed reduction in anticipated asset forfeiture revenue, which will not impact any ongoing departmental operations.
- CAL-ID Program requirements are decreasing \$462,155 primarily due to the prepayment in 2015-16 for the maintenance of various CAL-ID related law enforcement equipment, resulting in reduced estimated expenditures in 2016-17.
- Court Services Tech requirements are increasing \$2.4 million primarily to pay for an upgrade to the Court Case Management System (CCMS). The department will be using Fund Balance in 2016-17 to pay for this one-time cost.

Sources are decreasing a net \$1.6 million primarily due to the fact that for Federal Seized Assets (DOJ), the department can only budget revenue once funds have been received by the department, in accordance with federal guidelines. In 2015-16, the department was able to increase sources by \$1.7 million in a quarterly budget report, as it had received additional asset forfeiture funds from the federal government. It is likely that the department will return to the Board in a future quarterly budget report as asset forfeiture revenue is received throughout the fiscal year.

ANALYSIS OF FUND BALANCE

Historically, the Department has used Fund Balance for one-time law enforcement expenditures. This is standard practice for the Department. Such one-time expenditures have included various detention facility and training academy improvements, law enforcement equipment and vehicle purchases, and support of the expansion and relocation of the County's Aviation Unit.

Various laws and program guidelines governing the special revenue funds require the use of the Fund Balance generally to supplement law enforcement operations as well as to purchase various law enforcement vehicles and equipment. Additionally, the Department uses Fund Balance for overtime salaries of officers involved in law enforcement investigations as permitted by federal asset forfeiture program guidelines.

STAFFING CHANGES AND OPERATIONAL IMPACT

There is no staffing within these budget units.

