



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: CEO
Department No.: 012
For Agenda Of: 6/19/07
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Michael F. Brown, Chief Executive Officer,
Director(s) Gary Blair, Executive Officer, Superior Court
Contact Info: Ken Masuda, Assistant County Executive Officer, 568-3411
Rayna Pinkerton, Chief Fiscal Officer, Superior Court, 568-2212

SUBJECT: Memorandum of Understanding, Court Collections of Criminal and Traffic Fines, Penalties, Fees, Forfeitures and Trust Money.

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Treasurer/Tax Collector

As to form: Yes

Recommended Actions: That the Board of Supervisors:

a. Approve the attached Memorandum of Understanding between the Superior Court and the County of Santa Barbara regarding the collection and distribution of criminal and traffic fines, penalties, fees and forfeitures effective July 1, 2007 and;

b. Authorize the County Executive Officer to execute the document on behalf of the County.

Summary Text: As part of the transfer of Court operations to the State of California, and at the direction of the Administrative Office of the Courts (AOC), the Superior Court will be utilizing the statewide Court Accounting and Reporting System (CARS) for all Court financial transactions. As a result of this transition from the County Financial Information System (FIN) to CARS, the FIN fund revenue accounts (for Criminal and Traffic fines, penalties, fees, forfeitures and trust money deposits) associated with the Court Special Services budget (County fund 0069) will not be accessible by the Court and the revenues cannot be separated (County and Court portions) for daily bank deposits. Therefore, the Superior Court is proposing the establishment of a distribution bank account and procedures for the collection and timely remittance of the County portion of these revenues to the County as authorized by California Government Code section 68085.9. These procedures are the subject of the proposed Memorandum of Understanding (MOU).

Background: With the passage of the Lockyer-Isenberg Trial Courts Funding Act of 1997 (AB 233), the primary responsibility for funding of court operations shifted to the State, although the twenty largest counties, including Santa Barbara County, continue through an expenditure maintenance of effort requirement to provide payments to the State for court operations. Responsibility for funding revenue collections, however, remained with each county.

The Administrative Office of the Courts (AOC) is the staff agency of the Judicial Council, which has policy making authority over the state court system and provides an integrated program of budget planning, asset management, accounting, procurement, contract management, and facility coordination to the judicial branch and the superior courts. Until now, the Superior Court collected various fines, penalties and forfeitures for both the State, the County and cities and deposited County funds into the County Treasury and the funds were then distributed to the various departments. With the Santa Barbara County Superior Court transitioning to the State's financial systems and no longer having the ability to deposit funds in the County Treasury the current process is no longer feasible. As allowed under California Government Code Section 68085.9, the Superior Court proposes to establish a bank account to deposit certain funds received by the Court. The Court proposes to distribute the County revenue to the County by the 4th business day of the following month. Interest on the funds will also be transferred monthly when the interest is received by the Court. According to the AOC, five counties (Riverside, Fresno, Contra Costa, Colusa and Placer) currently have approved bank accounts and processes in place as proposed in the attached Memorandum of Understanding.

Performance Measure:

RPM #30: Enforce judicial orders by collecting at least \$25,000,000 in fines, fees, forfeitures and penalties for the County, State and cities.

RPM #31: Collect at least \$2,500,000 in credit card payments processed by the court's Interactive Voice/Web Response System.

RPM #32: Receive at least 12,000 credit card payments through the Interactive Voice/Web Response System

Fiscal and Facilities Impacts: There will be no new impact to the County. The County will continue to receive the County's portion of fines, fees, penalties and forfeiture revenues in a timely manner. Estimated FY 2007-08 revenues for general use are \$6,956,216. Also received is \$519,200 for small claims court administration, dispute resolution and the law library (this is the Government Code 68085.1 revenue referred to in the MOU). The County is obligated to remit to the State annual revenue Maintenance of Effort (MOE) payments totaling \$3,117,677 and annual expenditure MOE payments of \$6,764,788.

Direct costs to operate the collections program are budgeted in the Court Special Services budget (County fund 0069). A State reimbursement, received in fund 0069, covers the cost of the collections program.

Budgeted: Yes

Fiscal Analysis:

State	\$	806,649.00			
Federal					
Fees					
Other:					
Total	\$	806,649.00	\$	-	\$ -

Staffing Impacts:

Legal Positions:
N/A

FTEs:
N/A

Special Instructions: Copies of the Minute Order to: Richard Morgantini, Administrative Analyst, County Executive Office; Rayna Pinkerton, Chief Fiscal Officer, Superior Court.

Attachments: Memorandum of Understanding, Court County Services, Collections Bank Account for Criminal and Traffic Fines, Fee, Penalties and Forfeitures.

Authored by:

Richard Morgantini, Administrative Analyst, 568-3551

cc:

James T. Laponis, Deputy County Executive Officer

Robert W. Geis, Auditor-Controller

Bernice James, Treasurer-Tax Collector

Gary Blair, Superior Court Executive Officer