MEMORANDUM OF UNDERSTANDING

Between the
Citrus Heights Police Department
Elk Grove Police Department
Folsom Police Department
Galt Police Department
Isleton Police Department
Rancho Cordova Police Department
Sacramento Police Department
Sacramento Sheriff's Department
Sacramento District Attorney's Office
Sacramento Probation Department

PURPOSE

On April 16, 1991, the Sacramento County Board of Supervisors passed and adopted a resolution, number 91-0577, which authorizes the Department of Motor Vehicles, pursuant to Vehicle Code Section 9250.14, to collect an annual one dollar fee for vehicles registered in Sacramento County for the funding of local agency programs that deter, investigate or prosecute vehicle theft crimes. Unless reenacted, this funding provision of the Vehicle Code expires on January 1, 1996. (Reenacted through January 1, 2010)

Vehicle Code Section 9250.14 was subsequently amended to collect an additional two dollar fee for all commercial motor vehicles registered in a County to also fund local agency programs that deter, investigate or prosecute vehicle theft crimes. Unless reenacted, the one dollar fee for all vehicles, as well as the two dollar fee for commercial vehicles provision of the Vehicle Code will expire on January 1, 2010.

The purpose of this memorandum of understanding is (1) to provide a uniform and equitable availability of funds to agencies which meet the funding criteria; (2) to establish a program funding oversight committee; and (3) to establish compliance standards for mandated criteria.

The participating agencies to this Memorandum of Understanding are: Sacramento County District Attorney's Office, Sacramento County Probation Department, Sacramento Police Department, Sacramento Sheriff's Department, Folsom Police Department, Galt Police Department, Isleton Police Department, Citrus Heights Police Department, Elk Grove Police Department and Ranch Cordova Police Department.

STATUTORY MANDATES

California Vehicle Code Section 9250.14 in its entirety states:

"(a) (1) In addition to any other fees specified in this code and Revenue and Taxation Code, upon the adoption of a resolution by any county board of supervisors, a fee of one dollar ($1) shall be paid at the time of registration or renewal of registration of every vehicle, except vehicles described in subdivision (a) of Section 5014.1, registered to an address within that county except those expressly exempted from payment of registration fees. The fees, after deduction of the administrative costs incurred by the department in carrying out this section, shall be paid quarterly to the Controller.

(2) In addition to the one dollar ($1) service fee, and upon the implementation of the permanent trailer identification plate program, and as part of the Commercial Vehicle

Registration Act of 2001, all commercial motor vehicles subject to Section 9400.1 registered to an owner with an address in the county that established a service authority under this section, shall pay an additional service fee of two dollars ($2).

(b) Notwithstanding Section 13340 of the Government Code, the money paid to the Controller is continuously appropriated, without regard to fiscal years, for the administrative costs of the Controller, and for disbursement by the Controller to each county that has adopted a resolution pursuant to subdivision (a) based upon the number of vehicles registered, or whose registration is renewed, to an address within that county.

(c) Except as otherwise provided in this subdivision, money allocated to a county pursuant to subdivision (b) shall be expended exclusively to fund programs that enhance the capacity of local police and prosecutors to deter, investigate, and prosecute vehicle theft crimes. In any county with a population of 250,000 or less, the money shall be expended exclusively for those vehicle theft crime programs and for the prosecution of crimes involving driving while under the influence of alcohol or drugs, or both, in violation of Section 23152 or 23153, or vehicular manslaughter in violation of Section 191.5 or subdivision (c) of Section 192 of the Penal Code, or any combination of those crimes.

(d) No money collected pursuant to this section shall be expended to offset a reduction in any other source of funds, nor for any purpose not authorized under this section.

(e) Any funds received by a county prior to January 1, 2000, pursuant to this section that are not expended to deter, investigate, or prosecute crimes pursuant to subdivision (c) shall be returned to the Controller, for deposit in the Motor Vehicle Account in the State

Transportation Fund. Those funds received by a county shall be expended in accordance with this section.

(f) Each county that adopts a resolution under subdivision (a) shall submit, on or before the 13th day following the end of each quarter, a quarterly expenditure and activity report to the designated statewide Vehicle Theft Investigation and Apprehension Coordinator in the Department of the California Highway Patrol.

(g) A county that imposes a fee under subdivision (a) shall issue a fiscal yearend report to the Controller on or before August 31 of each year summarizing all of the following:

(1) The total revenues received by the county under subdivision (b) for the immediately preceding fiscal year.

(2) The total expenditures by the county under subdivision (c) for the immediately preceding fiscal year.

(3) A summary of vehicle theft abatement activities and other vehicle theft programs funded by the fees collected under this section.

(4) The total number of stolen vehicles recovered and the value of those vehicle during the immediately preceding fiscal year.

(5) The total number of vehicle stolen during the immediately preceding fiscal year as compared to the fiscal year prior to the immediately preceding fiscal year.

(6) Any additional, unexpended fee revenues received under subdivision (b) for the county for the immediately preceding fiscal year.

(h) Each county that fails to submit the report required pursuant to subdivision (g) by November 30 of each year shall have the fee suspended by the Controller for one year,

commencing on July 1 following the Controller's determination that a county has failed to submit the report.

(i) (1) On or before January 1, 2006, and on or before January 1 annually thereafter, the Controller shall provide to the Department of the California Highway Patrol copies of the yearend report submitted by the counties under subdivision (g), and, in consultation with the Department of the California Highway Patrol, shall review the fiscal yearend reports submitted by each county pursuant to subdivision (g) to determine if fee revenues are being utilized in a manner consistent with this section. If the Controller determines that the use of the fee revenues is not consistent with this section, the Controller shall consult with the participating counties' designated regional coordinators. If the Controller determines that the fee revenues are still not consistent with this section, the authority to collect the fee by that county shall be suspended for one year.

(2) If the Controller determines that a county has not submitted a fiscal yearend report as required in subdivision (g), the authorization to collect the service fee shall be suspended for one year pursuant to subdivision (h).

(3) When the Controller determines that a fee shall be suspended for a county, the Controller shall inform the Department of Motor Vehicles on or before January 1, 2006, and on or before January 1 annually thereafter, that the authority to collect a fee for that county is suspended.

(j) On or before January 1, 2006, and on or before January 1 annually thereafter, the Controller shall prepare and submit to the Legislature a revenue and expenditure summary for each participating county that includes all of the following:

(1) The total revenues received by each county.

(2) The total expenditures by each county.

(3) The unexpended revenues for each county.

(k) The Department of the California Highway Patrol, in consultation with all participating county designated regional coordinators, shall review the effectiveness of reducing vehicle theft crimes that were funded by the fees imposed by this section. The Department of the California Highway Patrol shall provide a report based on that review and, on or before January 1, 2009, shall submit that report to the Legislature.

(l) For the purposes of this section, a county designated regional coordinator is that agency designated by the participating county's board of supervisors as the agency in control of its countywide vehicle theft apprehension program.

(m) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute that is enacted on or before January 1, 2010, deletes or extends that date."

OVERSIGHT COMMITTEE

A committee shall be formed for the purpose of supervising the administration and utilization of funds. The committee shall consist of participating agency heads or their designees. Each agency which is represented at a meeting shall have one vote. A representative from the County Executive's Office shall serve on the committee in an advisory, non-voting capacity. Meetings of this committee will be held at least twice a year, in April and October. At its first regularly scheduled meeting, the Committee shall

elect a chairperson and a vice-chairperson to serve for a term of two years. The duties of the Committee shall include:

1. Establish guidelines for issuing quarterly progress reports and the final comprehensive report to the County Executive's Office.

2. Review of financial reports by the program accountant.

3. Consider and provide recommendations to the Board of Supervisors and the City Councils of the participating agencies concerning the disposition of unspent funds.

4. Consider and provide recommendations to the Sacramento County Board of Supervisors and the City Councils of each participating city relative to any proposed modifications to this agreement including the Fund Allocation Formula.

5. Provide the County Executive's Office with a final comprehensive report which addresses the effectiveness of the enhanced vehicle theft programs and a recommendation concerning the sponsorship of legislation for the extension of the provisions of California Vehicle Code Section 9250.14 beyond January 1, 2010.

AGENCY RESPONSIBILITIES

Agencies receiving funding and participating in the Memorandum of Understanding agree to perform the following functions:

1. Assign a representative to the Vehicle Theft Program Oversight Committee.
2. Develop and maintain an overview of the agency's vehicle theft program. The overview shall include:
    A. A description of resources allocated to local vehicle theft programs prior to January 1, 1992.

    B. Program objectives.

    C. A description of the necessary program staffing, including a description of duties and the annual percentage of time that will be expended for the exclusive purpose of deterring, investigating, or prosecuting vehicle theft crimes.

    D. A description of other available program resources and the annual percentage of time that the resources will be expended for the exclusive purpose of deterring, investigation, or prosecuting vehicle theft crimes.

    E. Annual program cost breakdown.

    F. Program effectiveness evaluation method.

    A copy of the overview shall be made available to the Committee.

Subsequent program changes shall be reported to the Committee.

3. Provide to the Oversight Committee quarterly reports which shall include:

   A. Quantitative vehicle theft program activity and productivity for the quarter and year-to-date.

   B. An accounting of all funded resources including personnel time which were expended for the exclusive purpose of deterrence, investigation, or prosecution of vehicle theft crimes. This accounting shall be provided on a quarterly and year-to-date basis.

   C. Suggested program modifications.

4. Maintain records for three calendar years plus the current year relating to funding expenditures including work distribution records for personnel whose duties are not exclusively devoted to either deter, investigate or prosecute vehicle theft crimes.

5. Review the program's financial reports.

6. Any agency who fails to attend committee meetings or provide quarterly reporting information could become ineligible for funds during that time period. Failure to provide the required fiscal and statistical information for two consecutive quarters could subject the aforementioned agency to forfeit any future funding and removal from the Memorandum of Understanding.

ADMINISTRATIVE AND ACCOUNTING SUPPORT

Administrative support, which includes the review of submitted expenditures for reimbursement will be provided by the Office of the County Executive. Accounting support, which includes a program accountant and will provide for the receipt and payment of collected monies, will be provided by the Office of the Auditor-Controller, County of Sacramento (the program accountant). The program accountant shall provide technical assistance and reports to the Oversight Committee. The Vehicle Theft Program will be billed for this support based on actual hours worked.

FUND ALLOCATION FORMULA

The County administrative costs shall be deducted from funds disbursed by the Controller. For the purpose of funding apportionment, the following formula shall be used to distribute the net funds:

1. The maximum allocation for the Sacramento County District Attorney's Office shall be twenty-five percent (25%) of net funds received.

2. The maximum allocation for the Sacramento County Probation Department shall be ten percent (10%) of net funds received.

3. The remaining sixty-five percent (65%) of net funds received shall be apportioned to each of the participating law enforcement agencies based on the percentage of total population in each of the agencies' jurisdictional boundaries. The population estimates as reported in the most recent Population Estimates for California Cities and Counties by the State Department of Finance shall be used in this computation and shall be recalculated annually. The apportionment for a given calendar year will be

based on the estimates published during each immediately preceding calendar year. These distribution percentages will be modified annually based on the Population Estimates for California Cities and Counties by the State Department of Finance and this distribution change will not require an amendment to this MOU. The following represents the most recent population estimates as of January 1, 2006, with a total Sacramento County population of 1,385,607:

Agency	Pop. Estimate	Pop. %	Allocation %
Citrus Heights Police	86,883	6.27	4.0755
Elk Grove Police	130,874	9.44	6.1360
Folsom Police	69,445	5.01	3.2565
Galt Police	22,982	1.66	1.0790
Isleton Police	813	.06	.0390
Rancho Cordova PD	56,355	4.07	2.6455
Sacramento Police	457,514	33.02	21.463
Sacramento Sheriff	560,741	40.47	26.3055
Sacramento D.A.	---------	-----	25.000
Sacramento Probation	---------	-----	10.000
Total:	1,385,607	100.00%	100.0000%

As discussed above, the allocation percentages above shall be recalculated for each calendar year. Any change to this allocation methodology will require an amendment to this MOU.

VEHICLE THEFT PROGRAM ACCOUNTING AND REIMBURSEMENT PROCEDURES:

1. The State Controller will forward the collections from the Department of

Motor Vehicles (less the Department's administrative charges) to the County Treasury. At present, the receipt of quarterly wire transfers is anticipated. The Treasurer's Department will, on a quarterly basis, prepare a deposit permit and forward a copy to the program accountant at the Auditor-Controller's Office.

2. The billings (according to actual time spent) from the County Executive's and Auditor-Controller's offices for the previous quarter will be forwarded to the program accountant.

3. Each quarter the program accountant will prepare a journal voucher which will:

   A. Pay the County Executive and Auditor Controller billings. These payments will be made each time collections are forwarded.

   B. Deposit the remainder of the money in subsidiaries of Fund 73, General Ledger Account 550 (trust funds) in the following manner:

      25% of the Office of the District Attorney, County of Sacramento.

      10% to the Probation Department, County of Sacramento.

   The deposits to the District Attorney's Office and Probation Department shall not vary unless the Memorandum of Understanding (MOU) is amended.

   The remaining 65% will be deposited in the following subsidiaries to

Fund 73 based on the percentage of population in each of the agencies' jurisdictional boundaries:

Subsidiary 092400, Veh Theft Sheriff's Dept.
Subsidiary 092500, Veh Theft Sacramento Police Dept.
Subsidiary 092600, Veh Theft Folsom Police Dept.
Subsidiary 092700, Veh. Theft Galt Police Dept.
Subsidiary 092800, Veh Theft Iselton Police Dept.
Subsidiary # Pending, Veh. Theft Rancho Cordova Police Dept.
Subsidiary # Pending, Veh. Theft Citrus Heights Police Dept.
Subsidiary # Pending, Veh. Theft Elk Grove Police Dept.

Interest will be added to the non-County subsidiaries on or about the third Friday following June 30 of each year. This interest will be at the County Investment pool rate based on the average daily cash balance of each subsidiary during the preceding fiscal (July-June) year. The population estimates used will be those reported in the most recent Population Estimates for California Cities and Counties, published each year by the State Department of Finance. The allocations among the subsidiaries for a given calendar year will be based on the estimates published during the immediately preceding calendar year. The allocation change will become effective with the first payment of each calendar year.

This allocation procedure will not change unless the MOU is amended.

4. As funds are received from the Controller, the program accountant will forward a statement to each participating entity advising it of the current status of its subsidiary (trust) account. This statement will be issued in the following format:

   A. Prior receipts less prior disbursements, resulting in the balance available in the account before the current distribution.

   B. Current distribution to the entity.

   C. Interest allocation, if any (see above).

   D. Total available to be claimed.

   The Oversight Committee, which is an advisory group comprising of representatives from each participating agency, can request that this statement format be changed.

5. Participating agencies will prepare expenditure documentation, in accordance with guidelines set up by the Oversight Committee and the Office of the County Executive. This documentation shall be forwarded to the County Executive's representative, who shall be responsible for approving and forwarding same to the program accountant, who shall issue a claim to outside payees or a journal voucher to transfer monies to County departments.

6. Previously incurred eligible expenditures that have not been reimbursed because there was not available money in an entity's subsidiary (trust) account can be reimbursed as funds become available. The County Executive's representative will be responsible for reviewing the eligibility of expenditures

to be reimbursed, using the enabling legislation and guidelines developed by the Oversight Committee.

ADOPTION, AMENDMENT AND DISSOLUTION OF THIS MEMORANDUM

This Memorandum of Understanding will become effective upon its adoption, by resolution, by the Sacramento County Board of Supervisors and the City Councils of the cities of Citrus Heights, Elk Grove, Folsom, Galt, Isleton, Rancho Cordova and Sacramento. Amendments to this Memorandum may be proposed by any of these bodies or by a participating agency and shall be submitted to all these bodies for adoption by unanimous vote. A City Council may, by resolution, terminate its participation in this program upon giving thirty (30) days' prior written notice to the Board of Supervisors. The allocation to the remaining cities and the Sheriff's Department will be automatically recalculated to exclude the population of the withdrawing city from the allocation formula. This Memorandum will be dissolved upon the adoption of resolutions of dissolution by all remaining parties or (1) upon the adoption, by the Board of Supervisors, of a resolution rescinding Resolution 91-0477, which authorizes the Department of Motor Vehicles to collect the fee which funds this program, or (2) upon the expiration (January 1, 2010, if not extended) or invalidation of the State legislation Vehicle Code 9250.14 which authorizes the Board of Supervisors to impose this fee.

We hereby agree to the Memorandum of Understanding and certify that the agreements made here will be honored.

Date: _____ _____

Jan Scully
District Attorney

Date: _____ _____

Verne Spiers
Chief Probation Officer

Date: _____ _____

Albert Najera, Chief
Sacramento Police Department

Date: _____ _____

John McGinness, Sheriff
Sacramento Sheriff's Department

Date: _____ _____

Sam Speigel, Chief
Folsom Police Department

Date: _____ _____

Loren Cattolico, Chief
Galt Police Department

APPROVED AS TO FORM:

CITY ATTORNEY

Date: _____ _____

Ronald Jole, Chief

Isleton Police Department

Date: _____ _____

Chris Boyd, Chief

Citrus Heights Police Department

Date: _____ _____

Robert Simmons, Chief

Elk Grove Police Department

Date: _____ _____

Reuben Meeks, Chief

Rancho Cordova Police Department