



AGENDA ITEM NO.

C16

COUNTY OF HUMBOLDT

For the meeting of: November 14, 2017

Date: October 9, 2017

To: Board of Supervisors

From: Maggie Fleming, District Attorney *M Fleming*

Subject: Grant Award for Fiscal Year (FY) 2017-18 Automobile Insurance Fraud Program (4/5 vote required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Adopt the attached Resolution accepting the Grant Award from the State of California for the Automobile Insurance Fraud Program FY 2017-18;
2. Approve the attached supplemental budget in Fund 1100, Budget Unit 205, District Attorney (4/5 vote) Government Code Section 29088 Transfers from contingencies – Government Code Section 29125;
3. Direct the Clerk of the Board to process and return the Resolution to the District Attorney's Office, attention Rachelle Davis, for further processing and submission to the State; and
4. Direct the Clerk of the Board to provide the attached supplemental budget to the Auditor-Controller's Office, if approved.

SOURCE OF FUNDING:

State of California, Department of Insurance and the General Fund

DISCUSSION:

Prepared by: Rachelle Davis

CAO Approval *[Signature]*

| | | | | | |
|---------|----------------------------|----------------------|-----------------|--------------------|-------------|
| REVIEW: | Auditor <i>[Signature]</i> | County Counsel _____ | Personnel _____ | Risk Manager _____ | Other _____ |
|---------|----------------------------|----------------------|-----------------|--------------------|-------------|

TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Fennell*

Seconded by Supervisor *Wilson*

And unanimously carried by those members present,

The Board hereby adopts the recommended action contained in this report.

PREVIOUS ACTION/REFERRAL:

Board Order No. C-11

Meeting of: December 6, 2016

Dated: *11/14/17*
Kathy Hayes, Clerk of the Board

By: *[Signature]*

The Office of the District Attorney (DA) has received notification of grant funding through the State of California – Department of Insurance, for the period July 1st 2017 through June 30th 2018 to continue the Automobile Insurance Fraud Program in the amount of \$94,530.

This is the eighth year the District Attorney has participated in this program. The funds will be used locally to continue to fund a .50 District Attorney Investigator and a .20 full time equivalent (FTE) Deputy District Attorney to investigate and prosecute all forms of claimant and premium fraud. Both Del Norte and Trinity County District Attorney's Offices have entered into an annual agreement for the duration of each fiscal year grant award with the Humboldt County District Attorney to develop a regional Insurance Fraud Unit. The resources will be available to investigate and prosecute automobile insurance fraud cases in those counties as well as here in Humboldt County.

The Insurance Fraud Unit also participates in community outreach to insurance companies and the public to provide information about automobile insurance fraud and how to report it.

FINANCIAL IMPACT:

Acceptance of the one year grant award will allow the District Attorney to be reimbursed up to a maximum of \$94,530 for services performed in accordance with the scope of work described in the grant for the period of July 1, 2017 through June 30, 2018. The anticipated grant award originally in the amount of \$71,000 for the FY 2017-18 was accepted and increased to \$94,530 by the State of California. In acceptance of the grant award there is a supplemental amount of \$23,530. This will be used to supplement salary, expert witness fees as well as enhance staff development and training. The program will fund .70 FTE employees.

Approval of this agenda item supports the Board's strategic framework by creating opportunities for improved public safety and providing community appropriate levels of service by seeking outside funding sources to benefit Humboldt County needs while building inter-jurisdictional and regional cooperation.

OTHER AGENCY INVOLVEMENT:

State of California, Department of Insurance

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may decide not to accept the grant award from the State of California, however, this is not recommended. Non acceptance of the grant award will cause a loss of revenue for the Humboldt County District Attorney's Office. This would leave the community, as well as the region without an Automobile Insurance Fraud Investigator.

ATTACHMENTS:

1. Grant Award Letter
2. Resolution
3. Supplemental Budget

cc: Auditor-Controller

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE

FRAUD DIVISION
9342 TECH CENTER DRIVE, SUITE 100
SACRAMENTO, CA 95826
(916) 854-5760
(916) 255-3202 FAX
www.insurance.ca.gov

Dave Jones, *Insurance Commissioner*
George Mueller, *Deputy Commissioner*



October 31, 2017

Rachelle Davis
Legal Office Business Manager
Humboldt County District Attorney's Office
825 5th Street, 4th Floor
Eureka, CA 95501

RECEIVED
NOV 02 2017
DISTRICT ATTORNEY

RE: Fiscal Year 2017-18 Automobile Insurance Fraud Program Grant Award Amendment

Dear Rachelle Davis:

I am pleased to report that the Department of Insurance has received permission to distribute an additional \$1,021,012 for the Fiscal Year 2017-18 Automobile Insurance Fraud Program. Humboldt County has been awarded \$94,530 which is an increase of \$21,730. The amended grant award is to be used specifically for the enhanced investigation and prosecution of automobile insurance fraud and economic automobile theft.

Enclosed are two original Grant Award Agreements for signature. Please have the official designated in the Resolution from the Board of Supervisors sign and date both originals and return to the address below by **November 17, 2017**. Once the Agreements are fully executed, a signed Grant Award Agreement will be returned to you.

A Resolution from the Board of Supervisors authorizing the applicant to enter into a Grant Award Amendment with the California Department of Insurance (CDI) is required. The Resolution must designate, by title, the official authorized to sign the Grant Award Agreement and include a statement accepting liability for the local program. **The Resolution must be received by January 2, 2018.** Grant funds will not be distributed to the award recipient until the Resolution is received and the Grant Award Agreements are fully executed. Sample Resolution wording can be provided upon request.

Return to: CDI Enforcement Branch Headquarters
Local Assistance Unit Manager
9342 Tech Center Drive, Suite 100
Sacramento, CA 95826

Sincerely,

Janis Perschler

Janis Perschler
Manager, Local Assistance Unit

Enclosures

cc: Wayne Cox, Chief Investigator

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of November 14, 2017

RESOLUTION NO. 17-102

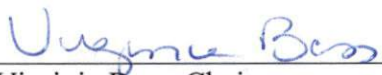
RESOLUTION AUTHORIZING RECEIPT OF FUNDING FROM THE CALIFORNIA DEPARTMENT OF INSURANCE FOR FISCAL YEAR 2017-2018 FOR THE AUTOMOTIVE INSURANCE FRAUD GRANT PROGRAM

WHEREAS, the County of Humboldt desires to undertake a certain program designated Automotive Insurance Fraud Program to be funded in part from funds made available through California Insurance Code Section 1872.8, California Code of Regulations, Title 10, Section 2698.60 et. Seg. and administered by the California Department of Insurance.

NOW, THEREFORE, BE IT RESOLVED, that the District Attorney of the Humboldt County District Attorney's Office is authorized, on its behalf, to submit the attached proposal to the California Department of Insurance and is authorized to execute on behalf of the Board of Supervisors the attached Grant Award Agreement including any extensions or amendments thereof; and

BE IT FURTHER RESOLVED, that the grant funds received hereunder shall not be used to supplant expenditures controlled by this body.

Dated: November 14, 2017



Virginia Bass, Chair
Humboldt County Board of Supervisors

Adopted on motion by Supervisor Fennell, seconded by Supervisor Wilson, and the following vote:

| | | |
|----------|-------------|---------------------------------------|
| AYES: | Supervisors | Bohn, Fennell, Bass, Wilson, Sundberg |
| NAYS: | Supervisors | -- |
| ABSENT: | Supervisors | -- |
| ABSTAIN: | Supervisors | -- |

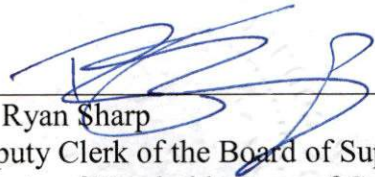
BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of November 14, 2017

RESOLUTION NO. 17-102

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By Ryan Sharp
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California

Attachment

**District Attorney
Automobile Insurance Fraud Program
Supplemental Budget FY 2017-18**

REVENUE:

| | | |
|-----------------|------------------------------------|----------|
| 1100 205 515042 | Automobile Insurance Fraud Program | \$23,530 |
|-----------------|------------------------------------|----------|

EXPENDITURES:

| | | |
|---------------|--------------------------------|----------|
| 1100 205 1100 | Salaries and Wages | \$19,930 |
| 1100 205 2614 | Staff Development and Training | \$ 2,800 |
| 1100 205 2715 | Expert Witness | \$ 800 |

TOTAL EXPENDITURES: \$23,530