



AGENDA REPORT

MEETING DATE: August 25, 2009 Council Item (X) CRA Item ()

TITLE: Redflex Financial Update

PRESENTED BY: Bernie Simon, Finance Director and Acting City Manager

RECOMMENDATION: Approve Payment to Redflex Traffic Systems and Appropriate
\$25,000 from Available Fund Balance from the Traffic Safety
Fund

BACKGROUND:

The City signed an exclusive agreement with Redflex Traffic Systems, Inc for red light traffic enforcement. Redflex installed four cameras in 2007 at two intersections in Grand Terrace: 1) Northbound Michigan at Barton Road, 2) Barton Road at Michigan. 3) Southbound Mt. Vernon at Barton Road, 4) Northbound Mt. Vernon at Barton Road.

Red light violations are vehicle code violations of sections 21453, 21454 and 21457. Citations are reviewed and processed by the Sheriff's Department. Citations are reviewed for quality control and then mailed to the violator. The violator is given a certain number of days to pay, contest or go to court. The violator may go to Central Station to review the video. The violator may also review the video online through the San Bernardino County Court website at <http://www.sbcounty.gov/courts> or directly through the photo notice website at <https://www.photonotice.com>. The City will provide a link to the website in the future for citizens' convenience.

Red light fines and fees are distributed between the court, state, county and the city. The distribution is generally dictated by PC 1463.001,1464 and GC 76000. The city receives approximately 30% of the red light violation section of the fine and 70% of the traffic violation of the fine. The net to the city is roughly only 35% of the amount the violator pays for the ticket.

Redflex invoices \$6,000 per intersection and current unpaid charges through May 2009 are \$234,450. Court collections for red light fines through May 2009 are \$141,520. The Redflex contract states that the city does not owe more than what is collected.

DISCUSSION:

No funds have been submitted to Redflex due to reporting and accounting issues dealing with information from the courts. Staff is now comfortable with the accounting that was done by Redflex along with discussions with County Courts and the Sherriff's Department.

Staff has been setting aside funds to pay for the red light tickets once an accounting was done and verified. Moving violations were posted as revenue to the Traffic Safety Fund. However, through this process, Finance was not putting the correct amount in trust due to the misunderstanding of how fines were identified and labeled from remittances by County Courts.

Specifically, only \$87,400.53 was set aside for Red light fines compared to the \$141,520 that is due to Redflex. This leaves a deficit of \$54,120 owing. Unfortunately, there is only about \$25,000 available in the Traffic Safety Fund. Therefore, staff would recommend the payment in the amount of \$87,400 currently in a trust fund and \$25,000 from the available Traffic Safety Fund for our liability through May 2009. Staff will then discuss with Redflex on how to make up the deficit from future vehicle fine revenues received from the court system.

FISCAL IMPACT:

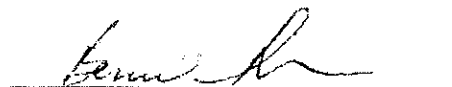
\$25,000 decrease in available Traffic Safety Fund Balance Reserve. This will deplete the fund temporarily.

Respectfully submitted,



Bernie Simon
Finance Director and Acting City Manager

Manager Approval:



Bernie Simon
Acting City Manager

ATTACHMENTS:

- 1) Redflex summary invoices through 5/2009
- 2) Sample Citation distribution
- 3) PC 146311 Red Light violation distribution manual page C-10
- 4) Redflex Traffic Systems Contract;

REDFLEX TRAFFIC SYSTEMS
INCEPTION TO MAY 2009

Date	Court Revenue	Redflex Invoice	Gain/Loss	Cumulative Invoice Balance
Oct-07	250.30	6,400.00	-6,149.70	6,149.70
Nov-07	1,687.97	6,400.00	-4,712.03	10,861.73
Dec-07	2,087.75	12,000.00	-9,912.25	20,773.98
Jan-08	5,141.16	12,000.00	-6,858.84	27,632.82
Feb-08	4,809.40	12,000.00	-7,190.60	34,823.42
Mar-08	6,193.04	12,000.00	-5,806.96	40,630.38
Apr-08	7,845.38	12,000.00	-4,154.62	44,785.00
May-08	6,885.96	12,000.00	-5,114.04	49,899.04
Jun-08	7,823.73	12,000.00	-4,176.27	54,075.31
Jul-08	7,709.52	12,513.64	-4,804.12	58,879.43
Aug-08	7,960.39	12,513.64	-4,553.25	63,432.68
Sep-08	8,353.09	12,513.64	-4,160.55	67,593.23
Oct-08	10,440.47	12,513.64	-2,073.17	69,666.40
Nov-08	6,499.34	12,513.64	-6,014.30	75,680.70
Dec-08	12,443.56	12,513.64	-70.08	75,750.78
Jan-09	6,619.68	12,513.64	-5,893.96	81,644.74
Feb-09	8,474.39	12,513.64	-4,039.25	85,683.99
Mar-09	12,029.87	12,513.64	-483.77	86,167.76
Apr-09	11,037.16	12,513.64	-1,476.48	87,644.24
May-09	7,228.63	12,513.64	-5,285.01	92,929.25
Jun-09				
Jul-09				
Aug-09				
Sep-09				
Oct-09				
Nov-09				
Dec-09				
Totals	141,520.79	234,450.04	-92,929.25	

Superior Court of California
 County of San Bernardino
 Agency Fine Calculation Summary
 Prepared for City of Grand Terrace
 Vehicle Code section 21453 (a) and (c)

Sample Citations:	<u>Red Light Citation</u>	<u>Red Light Traffic School Citation</u>
Total Fine (includes fees)	446.00	500.00
Less:		
Security Surcharge	(20.00)	(20.00)
Night Court	(1.00)	(1.00)
DMV Assessment	(10.00)	(10.00)
Criminal Conviction Assessment	(35.00)	(35.00)
Traffic School Fees	<u>-</u>	<u>(54.00)</u>
 Fine Less Fees:	 <u>380.00</u>	 <u>380.00</u>
 <u>30% Calculation</u>		
30% of Fine less Fees	114.00 RFX	114.00 RFX
Less 2% Automation	<u>(2.28)</u>	<u>(2.28)</u>
30% Allocated to Agency	111.72 RFX	111.72 RFX
Less 2% Est. Cost Allocation	<u>(2.54) 2.27%</u>	<u>(1.12) 1.00%</u>
Estimated 30% Amount Paid to Agency	<u>114.26 RFX</u>	<u>111.72 RFX</u>
 <u>Base Fine Calculation</u>		
Fine Less Fees (above)	380.00	380.00
Base Fine per AOC Bail Schedule (included in \$380)	100.00	100.00
 70% of Base Fine for Violation	 70.00 TFX	 70.00 TLV
Less 2% Automation	(1.40)	(1.40)
Less 20% to County	<u>(13.72)</u>	<u>(13.72)</u>
Remaining Base Fine Allocated to City	54.88 TFX	54.88 TFX
Less Estimated Cost Allocation	<u>(1.31) 2.38%</u>	<u>(1.31) 2.38%</u>
Estimated Base Amount Paid to Agency	<u>53.57 TFX</u>	<u>53.57 TFX</u>
 % of Original Amount to Actual Paid	 76.53%	 76.53%
 Estimated Total Paid to Agency	 <u>167.83</u>	 <u>165.29</u>

Table #2 - I
Special Distribution of Fines and Forfeitures Preceding PC 1463.001 Distribution

CODE SECTION	VIOLATION	DISTRIBUTION		FUND USE/SPECIAL PROVISION
		FROM	TO	
PC 1305.3 --- Recovery of Costs by Prosecuting Agency for Opposing Motion to Vacate Forfeiture	Forfeited bail, when a prosecuting agency incurs costs in successfully opposing a motion to vacate the forfeiture and in collecting on the summary judgement	Actual costs of opposing a motion to vacate a forfeiture and of collecting on the summary judgement from forfeited bail prior to PC 1463.001 distribution	District attorney, county counsel, or applicable prosecuting attorney	To reimburse actual costs incurred by a prosecuting agency in successfully opposing a motion to vacate the forfeiture and in collecting the summary judgement See PC 1463.001 (Table 1).
PC 1463.9 --- Litter Fines	Any of the following: H&S 13002 PC 374.3 VC 23111, 23112, 23113(a)	50% of PC 1463.001 moneys collected for PC 1463.9 during the preceding month	Remainder, General distribution pursuant to PC 1463.001 General distribution pursuant to PC 1463.001	Litter cleanup activities
PC 1463.11 --- Red Light Violations	Any of the following: VC 21453(e) and (c) VC 21454(c) VC 21457(a)	Remaining 60% of PC 1463.001 moneys collected for PC 1463.9 during the preceding month 30% of PC 1463.001, PC 1464, and GC 76000 moneys	General distribution pursuant to PC 1463.001 If a County arrest, to County General Fund If a City arrest, to City General Fund	See PC 1463.001 (Table 1). Not specified Not specified
PC 1463.12 --- Railroad Crossing	Any of the following: VC 21752(c) involving railroad grade crossings VC 22450 involving railroad grade crossings VC 22451 VC 22452 VC 22526(c)	Balance of PC 1463.001, PC 1464, and GC 76000 moneys 30% of PC 1463.001, PC 1464, and GC 76000 moneys	Distributions pursuant to PC 1463.001, PC 1464, and GC 76000 If the offense occurred in an area where the transit district or commission provides rail transportation, to transit district or transportation commission If the offense did not occur in an area where the transit district or commission provides rail transportation, to County General Fund	See PC 1463.001 (Table 1), PC 1464, and GC 76000 (Table 6). Only for public safety and public education related to railroad grade crossings Only for public safety and public education related to railroad grade crossings