

CHILD SUPPORT SERVICES REVENUE RECOVERY DIVISION

BOS Policy B-1 Request for Budget Transfer

Presenter: Laura Roth
Director of Child Support Services

Board of Supervisors Meeting

May 25, 2010

Collections By Department

- Revenue Recovery invoices the Superior Court for all costs incurred when collecting court debts
- Court related collections costs account for approximately 91% of the division's costs
- The second revenue source for the Division is the 13% collection fee charged to County of El Dorado departments for whom we collect
- That 13% fee is difficult to project, as level of effort does not always equate to a collection recovery

REVENUES COLLECTED:

TOTAL COLLECTIONS:

YEAR	COURTS	COUNTY DEPTS	MISC	TOTAL	DIVISION COSTS	% OF COST/ COLLECTIONS
2007-08	\$1,453,321	\$ 240,169	\$ 11,110	\$1,704,600	<i>TTC*</i>	<i>TTC*</i>
2008-09	\$1,567,878	\$ 299,550	\$ 29,584	\$1,897,012	\$ 419,219	22%
2009-10 PROJECTED	\$2,947,497	\$ 264,520	\$ 22,278	\$3,234,295	\$ 480,546	15%
TOTAL	\$5,968,696	\$ 804,239	\$ 62,972	\$6,835,907	\$ 899,765	

Benefits & Cost Savings

- **Cost savings have been realized through business process changes such as bulk mailing discounts, locate tools & outbound dialing**
- **The manager of Revenue Recovery was eliminated and a supervisor class created to better serve the needs of the department, at a lower salary cost**
- **Understanding of Fair Debt Collection Practices, Confidentiality, HIPPA, and other important debt collection obstacles/processes such as:**
 - **Bankruptcy – Regulations**
 - **Statute of Limitations**
 - **FTB Intercepts**
 - **Small Claims**
 - **Writs of Execution**
 - **Earnings Withholding Orders**

Division Revenues*:

YEAR	COURTS	COUNTY DEPTS	MISC	TOTAL
2007-08	\$ 299,659	\$ 23,648	\$ 9,014	\$ 332,321
2008-09	\$ 395,080	\$ 34,830	\$ 13,108	\$ 443,018
2009-10 PROJECTED TOTAL	\$ 429,373	\$ 29,182	\$ 11,280	\$ 469,835
TOTAL	\$ 1,124,112	\$ 87,660	\$ 33,402	\$ 1,245,174

- * Collections were handled by the County Treasurer's office for the 2007-2008 Fiscal Year.
- Revenue Recovery was moved under DCSS beginning with the 2nd quarter of FY 2008-2009
- Includes abatements

RECOMMENDATION

- Recommending the Board approve a Budget Transfer in the amount of \$36,000 from contingency to cover the Fiscal Year 2009/2010 anticipated department shortfall of which \$24,968 is the “tier two reduction” required by the CAO during last year’s budget discussions. At this point, Revenue Recovery expected to fall approximately \$10,000 (may be less) short by close of business June 30, 2010.
- This is pursuant to Board of Supervisor’s policy B-1