



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: NOVEMBER 28, 2023**

**FROM: POLICE DEPARTMENT      WARDS: ALL**

**SUBJECT: POLICE DEPARTMENT ASSET FORFEITURE FUNDS – FUNDS TRANSFER  
AND SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$38,632.83**

## **ISSUE:**

Authorize a supplemental appropriation of asset forfeiture funds in the amount of \$38,632.83 from the Federal Treasury Asset Forfeiture Account to the Grants and Restricted Programs Fund Police Asset Forfeiture Programs as detailed in this report.

## **RECOMMENDATION:**

That the City Council, with at least five affirmative votes, authorize the Chief Financial Officer, or designee, to transfer \$38,632.83 from the Special Deposits Fund, Federal Treasury Asset Forfeiture Account to the Grants and Restricted Programs Fund, recording an increase in revenue in the amount of \$38,632.83, and to appropriate an equal amount in the Grants and Restricted Programs Fund, Police Asset Forfeiture Programs as detailed in this report.

## **BACKGROUND:**

Federal and State legislation allow for funds seized by law enforcement during the investigation of specific narcotics law violations to be forfeited to the investigating law enforcement organizations. These funds are restricted in use to law enforcement and must be used to supplement, not supplant, the Police Department's annual budget.

According to the U.S Department of Justice, U.S. Department of the Treasury Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies, Federal Agencies are not eligible to receive equitable sharing funds, commonly referred to as asset forfeiture funds. "Equitable sharing for task forces may be paid either to a fiduciary agency or to individual member agencies.... Agencies participating in task forces may designate one task force member agency to serve as the fiduciary agency for the task force." The fiduciary agency may earmark equitable sharing funds for use in the support of the task force operating expenses. In doing so, the fiduciary agency may be awarded a higher percentage of funds as a qualitative factor.

On September 15, 2021, the Inland Crackdown Allied Task Force (INCA Task Force) Executive Board, a federal agency, voted into agreement for the Riverside Police Department to be the

### INCA Task Force Fiduciary Agent.

On April 4, 2023, the City Council authorized a supplemental appropriation in the total amount of \$461,872.30 and for the City Manager to execute all documents necessary to receive the reimbursement of funds for services performed in cooperation with various task forces. This authorization included execution of the INCA Task Force Memorandum of Understanding (INCA MOU), of which the City of Riverside Police Department is a member agency. The INCA MOU designates the City of Riverside as the INCA Task Force Fiduciary as it pertains to Federal Asset Forfeiture.

## **DISCUSSION**

The INCA Task Force focuses on illegal drug and money laundering activities in the Inland Empire region. The Riverside Police Department (RPD) has one detective assigned to the INCA Task Force. The overtime for this detective is reimbursed by the State of California Department of Justice for up to \$19,840.75 for the fiscal year ending September 30, 2023. As part of the INCA task force, the RPD is also reimbursed by the State of California Department of Justice for helicopter maintenance up to \$20,000 for the use of a helicopter on task force operations.

The INCA MOU designates the City of Riverside as the INCA Task Force Fiduciary as it pertains to Federal Asset Forfeiture. It also establishes that the City of Riverside receives one (1) equal share of any asset seized as a participating agency, one (1) additional equal share of any asset received for providing air support, and an additional five percent (5%) of all asset forfeiture for related administrative costs as the INCA Task Force Fiduciary.

As the fiduciary agent and in order to qualify for the additional five percent (5%) of all asset forfeiture, the City of Riverside has agreed to pay task force operating expenses. The City receives additional asset forfeiture funds specifically established in the INCA MOU for INCA Task Force Operations to pay these expenses. Operating expenses are outlined in the INCA MOU and include purchases of equipment, payment of services rendered, payment to informants who provide information that results in an arrest, and Training for INCA Task Force personnel.

The City has received \$38,632.83 in asset forfeiture funds that are earmarked for INCA Task Force Operating expenses. The proposed expenditures include utilities, general office supplies, informant payments and buy money, and travel and training for INCA Task Force personnel. The expenditures are outlined in the following chart:

Key	Object	Expenditure	Budget
		<b>Professional Services</b>	
3145501	421000	Gang/TF Audit/UC Funds	5,000.00
		<b>Special Department Supplies</b>	
3145501	426800	General Office Supplies	5,632.83
3145501	426800	Utilities	8,000.00
		<b>Travel &amp; Meeting Expense</b>	
3145501	427100	Training Related Travel	5,000.00
		<b>Training</b>	
3145501	427200	Asset Forfeiture Training	8,000.00
3145501	427200	Investigations Training	7,000.00

		<b>Total:</b>	<b>38,632.83</b>
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### **STRATEGIC PLAN ALIGNMENT:**

This item contributes to Strategic Priority No. 2 *Community Well-Being* and Goal No. 2.4 – Support programs and innovations that enhance community safety, encourage neighborhood engagement, and build public trust.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The proposed fund transfer will allow the Police Department to support the INCA Task Force by helping them procure the items and services summarized in this report. As a participating agency on the INCA Task Force, the Department will mutually benefit from the purchases made by acquiring additional tools needed to serve the public interest, benefit the City's diverse populations, and result in greater public good.
2. **Equity** – The proposed fund transfer will allow the Police Department to support the INCA Task Force by helping them procure the items and services summarized in this report. As a participating agency on the INCA Task Force, the Department will continue to provide public safety services and ensure every member of the community has equal access to share in the benefits.
3. **Fiscal Responsibility** – The proposed fund transfer will be used to procure the items summarized in this report which will be made in accordance with the City's Purchasing Policy and will be managed responsibly.
4. **Innovation** – The proposed fund transfer will be used to procure the items in this report and will assist the INCA Task Force, of which the City of Riverside Police Department is a participating agency, in meeting the community's changing needs and prepare for the future.
5. **Sustainability & Resiliency** – The proposed fund transfer will allow the Police Department to support the INCA Task Force, of which the Police Department is a participating agency, and help them procure the items and services summarized in this report without using General Funds. This allows the Department to meet the needs of the present without compromising the needs of the future.

### **FISCAL IMPACT:**

The total fiscal impact of this action is \$38,632.83 of Asset Forfeiture Funds. Upon approval, the amount of \$38,632.83 will be transferred from the Special Deposits Fund, Federal Treasury Asset Forfeiture Account No. 0000721-225112 and recorded in the Grants and Restricted Programs Fund Police Department revenue account number, 3145501-374500, and expenditures will be appropriated in the same amount to the Police Department expenditure accounts as detailed in the chart below.

<b>Fund</b>	<b>Account Description</b>	<b>Account Number</b>	<b>Amount</b>
<b>Revenue</b>			
Grants & Restricted Programs	Police Asset Forfeiture - US Treasury	3145501-374500	\$38,632.83
<b>Total</b>			<b>\$38,653283</b>
<b>Expenditures</b>			
Grants & Restricted Programs	Forfeiture/US Treasury-Professional Services	3145501-421000	\$5,000.00
	Forfeiture/US Treasury-Special Department Supplies	3145501-426800	\$13,632.83
	Forfeiture/US Treasury-Travel & Meeting	3145501-427100	\$5,000.00
	Forfeiture/US Treasury-Training	3145501-427200	\$15,000.00
<b>Total</b>			<b>\$38,632.83</b>

Prepared by: Larry V. Gonzalez, Chief of Police  
 Certified as to  
 availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer  
 Approved by: Mike Futrell, City Manager  
 Approved as to form: Phaedra A. Norton, City Attorney

**Attachments:**

1. INCA Task Force MOU
2. U.S Department of Justice, U.S. Department of the Treasury Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies