

LRB-FISCAL REVIEW SECTION ANALYSIS

FINANCE AND PERSONNEL COMMITTEE

ITEM 8, FILE # 030287

JUNE 18, 2003

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File # 030287 is a communication from the Milwaukee Police Department transmitting a report summarizing receipt and expenditure of Asset Forfeiture Funds in 2002.

Background

1. Federal Asset Forfeiture Funds come to the Police Department as a result of department participation in the seizure or forfeiture of tangible property or cash from successful drug trafficking investigations. The Federal government requires the funds only be used for increased or enhanced law enforcement efforts; funds may not be used to supplant existing budgetary efforts.
2. Common Council File 920252 requires the Police Department to present an annual Asset Forfeiture Expenditure Plan to the Common Council. The purpose of the plan is to ensure funding decisions provide for the most cost-effective use of these funds. Forfeiture funds provide a significant level of “discretionary” spending power to the Police Department. A separate resolution is required for the expenditure of asset forfeiture funds. Once allocated, the Department can use funds for any approved purpose for a period of up to three years, after which unspent funds revert to the *Asset Forfeiture Trust Account* and become eligible for re-allocation.

Discussion

1. The 2002 approved spending plan allocated \$144,500 of which \$127,941.91 has been expended. A balance of \$16,558.09 (11% of the total allocation) remains as of December 31, 2002.
2. The 2000 balance of \$9,618.77 is being returned to the *Asset Forfeiture Trust Account* as the three-year time allotment for expenditure has expired.
3. The Asset Forfeiture Fund Account is replenished on a periodic basis, throughout the year, as the U.S. Department of the Treasury forwards funds to MPD.
4. The asset forfeiture program funds a mix of new and continuing items and programs.

5. The major expenditures for 2002, accounting for approximately 86% of the total allocation, are as follows:

- Mounted Horse Patrol - \$70,000.00 (48%)
- Vehicle for Horses - \$33,945.34 (23%)
- Boat Motor - \$10,000.00 (6%)
- Name Tags - \$8,167.50 (5%)
- Surveillance - \$3,538.88 (2%)

6. The Metro Drug Asset Forfeiture Account balance and expenditures for 2002 are also included in this communication. As of December 31, 2002, this account had a balance of \$75,500.57.

Fiscal Impact

There is no fiscal impact associated with the receipt of this communication.

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LRB-Fiscal Review Section
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