



## Legislation Text

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File #: 18-296, Version: 2

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**TO:** Mayor and Members of City Council

**THRU:** Douglas J. Hewett, ICMA - CM, City Manager

**FROM:** Gina V. Hawkins, Chief of Police  
Jay Toland, Acting Chief Financial Officer  
Tracey Broyles, Budget and Evaluation Director

**DATE:** June 25, 2018

**RE:**  
Adoption of Special Revenue Fund Project Ordinance Partial Closeout (SROC 2018-1) for Federal Forfeiture Revenues and Expenditures as of June 30, 2017 and Special Revenue Fund Project Ordinance Amendment (SROA 2018-3) for Federal Forfeiture and NC Controlled Substance Tax Received to Date in the Current Year

**COUNCIL DISTRICT(S):**  
All

**Relationship To Strategic Plan:**

Goal I: The City of Fayetteville will be a safe and secure community.

Goal V: Sustainable organizational capacity.

**Executive Summary:**

Special Revenue Fund Project Ordinance Partial Closeout 2018-1 will close revenues and expenditures and their associated budget as of June 30, 2017. All contracts have been completed in previous fiscal years and the financial activity for those years has been audited. This ordinance will close those completed projects and release any unencumbered revenues to be used for future projects.

Special Revenue Ordinance Amendment 2018-3 will appropriate \$433,713 in federal forfeiture and state controlled substance tax funds received in the current year, to increase resources for law enforcement purposes.

**Background:**

Under the Department of Justice Asset Forfeiture Program, the Attorney General is authorized to share federally forfeited/seized property with participating state and local law enforcement agencies.

The North Carolina unauthorized substance tax is an excise tax imposed on controlled substances, illicit spirituous liquor, mash and illicit mixed beverages. If, during an investigation, state or local law enforcement agencies discover a taxable quantity of drugs, the agency may receive a share of the revenues from the North Carolina Department of Revenue.

Funds received from either of these sources must only be expended for law enforcement purposes. The City Manager's Office approves the specific use of these funds before they may be expended.

As the projects are completed and financial records audited, the Finance Department closes out those revenues and expenditures.

**Issues/Analysis:**

None.

**Budget Impact:**

The proposed closeout identifies summarized revenues and expenditures that will be closed. There is no General Fund budget impact associated with the closeout or the amendment to appropriate the additional revenues received.

**Options:**

- 1.) Adopt Special Revenue Fund Project Ordinance Partial Closeout 2018-1 and Special Revenue Fund Project Ordinance Amendment 2018-3.
- 2.) Do not adopt Special Revenue Fund Project Ordinance Partial Closeout 2018-1 and Special Revenue Fund Project Ordinance Amendment 2018-3 and provide guidance to staff.

**Recommended Action:**

Staff recommends that Council move to adopt Special Revenue Fund Project Ordinance Partial Closeout 2018-1 and Special Revenue Fund Project Ordinance Amendment 2018-3 as presented.

**Attachments:**

Special Revenue Fund Project Ordinance Partial Closeout 2018-1  
Special Revenue Fund Project Ordinance Amendment 2018-3