

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Bob Del Gizzi		2. Telephone No. 503.823.0495	3. Bureau/Office/Dept. Police Fiscal Services
4a. To be filed (date): 17 August 2011	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: 17 August 2011
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title: * Authorize an Agreement and memorandum of understanding with the Department of the Treasury, Internal Revenue Service, Criminal Investigation to allow for reimbursement of City expenses (Ordinance)

2) Purpose of the Proposed Legislation: The memorandum of understanding memorializes the terms and conditions of the agreement between the Internal Revenue Service, Criminal Investigation and the City, by and through the Police Bureau as it relates to joint participation in the Oregon and Southwest Washington Financial Crimes Task Force. The agreement between Treasury law enforcement agencies and local, county and state law enforcement agencies will allow the IRS to reimburse the City for Police Bureau overtime, equipment and training expenses committed towards the task force.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

The agreement will allow up to \$25,000 in expense reimbursement to the City for certain Police Bureau expenses within the current federal fiscal year. The revenue will partially offset the bureau's General Fund expenditures to contribute investigative resources to task force cases. IRS Criminal Investigation may modify the total dollar obligation, resulting in an increase or decrease, if they determine that the original obligated amount is not commensurate with the rate of reimbursable requests, based on their analysis of submitted reimbursement requests. Any modifications will be documented in writing and immediately provided to the impacted agency.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? *(Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the **level of confidence**.)*

The Police Bureau's existing General Fund appropriation will be used to continue participation in the Oregon and Southwest Washington Financial Crimes Task Force. This expenditure to provide investigative resources for these cases has direct benefits to the community as well as the region.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No.

- **Will positions be created or eliminated in future years as a result of this legislation?**

No.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☐ **YES:** Please proceed to Question #9.

☒ **NO:** Please, explain why below; and proceed to Question #10.

As a matter of course the Police Bureau would normally conduct criminal investigations on the type of cases pursued by the Oregon and Southwest Washington Financial Crimes Task Force. Participation in the task force provides a force and resource multiplier, which is of great benefit to the City and the community served by the bureau. Bureau personnel assigned to the task force remain under the supervision of the Portland Police Bureau. When statutory, constitutional or decisional law of Oregon restricts investigative methods more than federal law, the investigative methods employed by Portland police officers working with the IRS shall conform to the requirements of Oregon law. Portland police officers may not take action or exercise authority under the agreement if the action or exercise of authority is prohibited by Oregon law.

For these reasons the bureau deems this a routine and non-controversial item that would not require public involvement.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

e) Primary contact for more information on this public involvement process (name, title, phone, email):

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

For the same reasons identified in item eight, above, the bureau deems this a routine and non-controversial item that would not require future public involvement.



MICHAEL REESE, Chief of Police



CITY OF PORTLAND, OREGON



Bureau of Police

Sam Adams, Mayor

Michael Reese, Chief of Police

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DATE: August 17, 2011
TO: Mayor Sam Adams
FROM: Michael Reese, Chief of Police

FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison _____

RE: * Authorize an Agreement and memorandum of understanding with the Department of the Treasury, Internal Revenue Service, Criminal Investigation to allow for reimbursement of City expenses (Emergency Ordinance)

1. **INTENDED THURSDAY FILING DATE:** August 17, 2011
2. **REQUESTED COUNCIL AGENDA DATE:** August 24, 2011
3. **PRIMARY CONTACT NAME & NUMBER:** Commander Edward Brumfield, 823-0404
4. **SECONDARY CONTACT NAME & NUMBER:** Bob Del Gizzi, 823-0495
- OR
5. **TERTIARY CONTACT & PREPARED BY:** Catherine Reiland, 823-0727
6. **PLACE ON:** ☒ **CONSENT** ☐ **REGULAR**
7. **FINANCIAL IMPACT & PUBLIC INVOLVEMENT STATEMENT ATTACHED:**
☒ **X** ☐ **Y** ☐ **N** ☐ **N/A**
8. **THREE ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** ☒ **X** ☐ **Yes** ☐ **No** ☐ **N/A**

9. BACKGROUND/ANALYSIS

The Police Bureau has for the last several years been an active member of the Oregon and Southwest Washington Financial Crimes Task Force, which is managed by the Internal Revenue Service (IRS). The mission of the task force is to develop criminal investigations and forfeit assets with ties to illegal activities in Oregon and Southwest Washington.

The task force has been very successful in pursuing cases through the federal system by working closely with local agencies, the IRS and the U S Attorney's Office. These cases, which directly impact members of the community, would not have been investigated had Portland Police not been an active member of the task force due to the limited resources available to the IRS.

The agreement will allow the IRS to reimburse the City for Police Bureau overtime, equipment and training expenses committed towards the task force. Equitable sharing with participating agencies of assets seized and forfeited during the course of task force investigations is within the discretionary authority of the Department of the Treasury, as provided by 18 U.S.C. 981 (e)(2), and the Secretary of the Treasury's Guidelines on Seized and Forfeited Property.

The agreement for reimbursement of expenses shall be effective from October 1, 2010 through September 30, 2011 and must be renewed for the following federal fiscal year. The task force

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memorandum of understanding shall remain in effect for as long as Portland Police Bureau is a member of the task force.


Additional information may be found in the ordinance and the financial impact and public involvement statement.

10. FINANCIAL IMPACT

The agreement for reimbursement will allow the City reimbursement by the IRS of up to \$15,000 in overtime expense and \$10,000 in travel and related expense. The maximum amount of reimbursement may be modified, either up or down, by the IRS. Additional information may be found in the financial impact and public involvement statement.

11. RECOMMENDATION/ACTION REQUESTED

If this item meets with your approval, please submit it for Council consideration on the next Consent Agenda.


MICHAEL REESE
Chief of Police