

MEMORANDUM



TO: VICTOR CARDENAS, CITY MANAGER
FROM: CARL JOHNSON, FINANCE DIRECTOR
SUBJECT: ACCOUNTING SERVICES FOR HIDTA
DATE: MARCH 4, 2025

Since July 2023, at the request of Michigan HIDTA Deputy Director David Molloy, the City of Novi Finance Department has been performing accounts payable and light accounting duties for the Michigan High Intensity Drug Trafficking Areas (HIDTA). The HIDTA program was created by Congress in 1988. The HIDTA program is a federally funded grant program administered by the Office of National Drug Control Policy (ONDCP) within the Executive Office of the President of the United States.

The HIDTA program coordinates and assists Federal, State, Local and Tribal law enforcement agencies to address regional drug threats with the purpose of reducing drug trafficking organizations (DTOs), Money Laundering Organizations (MLOs), drug production, and the violent crime associated with drug trafficking throughout the United States. They also work with local community coalitions to assist in creating Drug Free Communities through treatment, prevention, and educational resources. The Office of National Drug Control Policy oversees 33 regional HIDTAs covering all 50 states, Puerto Rico, the United States Virgin Islands, and the District of Columbia. See attached flyer for additional information on the program.

The Novi Police Department has been involved with the Michigan HIDTA for nearly 17 years. They have Novi PD Task Force Officers assigned to three of the HIDTA initiatives; two with the Drug Enforcement Administration and one with the Federal Bureau of Investigation. Director of Public Safety/Chief of Police Erick Zinser serves as a voting member on the Michigan HIDTA Executive Board as a representative of the Michigan Association of Chiefs of Police.

The Michigan HIDTA receives approximately \$4.0 million in federal funds to assist the region in the mission of reducing drug trafficking and drug production. The agency does not receive funds in advance of spending. The program is a reimbursement basis only. All HIDTA programs must contract with a state, county, or local government to assist with cash management.

The local government entities are responsible for paying the current invoices and payroll for HIDTA. HIDTA then submits the request for reimbursement from the Federal level. Once the request is approved (usually less than 14 days), the local government is reimbursed for the payments from the Federal government.

Of the \$4.0 million total grant allocated, approximately \$1.8 million is managed by Washtenaw County to provide payroll services, the Drug Enforcement Administration (DEA) assists with paying \$450,000 of vendors invoices and the Michigan State Police (MSP) handles another \$1.1 million.

Since 2023, the City of Novi has successfully managed over \$614,000 of Michigan HIDTA vendor payments with the understanding there could be additional payments in the future. Feedback from the vendors/payees has been very positive for the City of Novi.

In February 2025, Deputy Director Molloy contacted the City of Novi and inquired if we would be interested in managing the \$1.1 million currently being handled by the MSP. Early estimates indicate this would be an additional 35 invoices per month for the Finance Department to process. The Michigan HIDTA Finance Section performs the collection and review of required background documentation (i.e. justification memorandum, funding request, invoice review, etc.) and sends the documentation to the Finance Department for payment.

We will work with the Michigan HIDTA and our City Attorney to update the existing Memorandum of Understanding codifying the services to be rendered and a mutually agreed upon payment structure.



HIDTA Works

The goals of the HIDTA program are to:

- Disrupt the market for illegal drugs by dismantling and disrupting drug trafficking and/or money laundering organizations; and
- Improve the efficiency and effectiveness of HIDTA initiatives

Created by Congress in 1988, the High Intensity Drug Trafficking Areas (HIDTA) Program coordinates and assists Federal, State, Local, and Tribal law enforcement agencies (LEAs) to address regional drug threats with the purpose of reducing drug trafficking and drug production in the United States.

The HIDTA program oversees 33 regional HIDTAs in all 50 states, Puerto Rico, the United States Virgin Islands, and the District of Columbia. With HIDTA presence in over 600 counties across the country, an estimated two-thirds of Americans live in a HIDTA-designated county.

With the increasing availability of Mexican-produced methamphetamine, the number of methamphetamine laboratories operating in the United States has declined sharply.

66 dismantled
Methamphetamine labs
dismantled by HIDTA

7 "Super labs"
Producing over 10 pounds
of meth in a single "cook"



Traffickers also operate laboratories to manufacture synthetic drugs and to convert certain substances to more potent forms of the active ingredient, primarily marijuana into cannabis oil. Of those, HIDTA initiatives dismantled

7 manufacturing DMT • 4 manufacturing fentanyl
3 manufacturing PCP ♦ 1 manufacturing MDMA,
LSD, Amphetamines and Alprazolam

HIDTA initiatives dismantled 137 conversion labs
That were transforming cannabis to "hashy oil," "wax," or "hashish" and 17 labs
converting powder methamphetamine to crystal methamphetamine.

254,364 HIDTA deconfliction systems performed
These are event deconflictions, actions that alert agencies when their tactical operations
are occurring in the same general location and time frame as operations by other agencies

1,070,618 compared pieces of case information looking
for connections between cases.



Amount of illegal drugs removed from our communities

4.1m
Units of fentanyl
6.5+ Tons
Heroin
1000+ Lbs
Prescription drugs

4 Tons
Fentanyl powder

2,120 Tons
Marijuana plants and products
162 Tons
Powder cocaine and crack
110 Tons
Meth: Powder and crystal



22,620+
Federal agents, state,
local, and tribal law
enforcement officers,
analysts, and support
personnel took part in
the HIDTA initiatives

Over 69%
Of those participants were
from state, local, or tribal
agencies

99%
Of agents and officers
that were surveyed,
reported that HIDTA
assistance was useful



27,345
Investigations
provided with
analytics supported
by HIDTA analysts
in 2020



8,658
Investigations of drug trafficking and money
laundering organizations

3,014
Disrupted or dismantled drug
trafficking or money laundering
organizations

69% of the DTOs/MLOs were part of
an international or multi-state operation

\$17.6 Bil
Wholesale value of illicit drugs removed from the marketplace

\$827.7 Mil
Seized in Cash
Approaching 3 times the
Federal funds
appropriated

\$2.8 Billion
In "other" assets from traffickers
\$8.2 Bil
seized in drug proceeds since 2010 by
HIDTA

48,142
Officers, agents, analysts, and support
staff trained by HIDTA on drug-related
subjects

3,953
Law enforcement agencies
Participated in the HIDTA event
deconfliction systems in 2018

97% (up from 2018)
Positive results from follow-up surveys
about HIDTA training



HIDTA-funded
prosecutors initiated
10,380 individuals,
prosecuted
12,432 persons, and
obtained
6,091 convictions in
2018



268,687
Vape
Cartidges

28,502
Removed firearms off the
streets



93,511
Arrests



37,676
Apprehended fugitives
involved with drug
trafficking, violent crimes
gangs, other major crimes



67% in 2018
Of the U.S. population
are included in a
designated high
intensity trafficking
area (HIDTA)

19.6% in 2018
Of U.S. counties are
also included in
designated HIDTAs

ROI: \$68.18 for every HIDTA \$1 budgeted in 2020

This equation is based off the combined value of the illegal drugs
seized and the cash and assets taken from traffickers

*excluding funding for treatment and prevention