

City Council Votes to Level the Playing Field

New Orleans, LA – June 1, 2010 – Today, all seven members of the New Orleans City Council passed an Ordinance that was put forward by Mayor Landrieu by request that will lead to the improvement and reformation of the New Orleans Recreation Department (NORD).

The Ordinance, which calls for a vote in October to amend the City's Home Rule Charter, puts the decision to create a new governing structure for the City's recreation department to a vote of the people. If affirmed, a public private partnership will be established to form the new NORD Commission, which will serve as the governing body to manage the City's recreation transformation. This model was recommended after several years of evaluation of 'best practices' of municipal recreation by the New Orleans City Council Youth and Recreation Committee, the New Orleans Recreation Citizens Advisory Panel (NORD CAP), co-chaired by Rod West, Roy Glapion and Bobby Garon, and a month of close partnership with the Landrieu Administration.

The new NORD Commission would sidestep the pitfalls that have plagued NORD due to a lack of continuity among public officials. Among the goals of the new NORD Commission are equity among all neighborhood recreation facilities and programs as well as making sure that there is adequate funding for the Commission to succeed.

The proposed make-up of the Commission is delineated in a separate ordinance that was filed today by Mayor Landrieu and City Council Arnie Fielkow. The proposed make-up of the Commission will consist of thirteen members that serve terms of five years organized on a staggered basis.

Under the current proposal, the Commission will be comprised of eight public officials: the Mayor, the Chief Administrative Officer, the Deputy Mayor of Operations, two members of the City Council, the superintendent of the Recovery School District, the chairman of the Orleans Parish School Board and the Chairman of the City Planning Commission; and five appointees who possess relevant expertise in several critical areas such as arts or culture, sports, accounting or finance, law and consumer involvement. The proposed make-up ensures broad subject matter expertise and diverse representation on the Commission, including representation of Council districts.

A critical component to the success of the new Commission will be to ensure a level of funding that can bring forth change. Through consultation with members of NORD CAP and other experts, Councilmember Fielkow is advocating a doubling of NORD's current level of funding to bring the Commission to \$10 million annually. He will try to secure this funding and has received commitment from the Landrieu Administration to significantly increase NORD funding. In addition to the Commission, a separate non-profit entity, the New Orleans Recreation Development Foundation, will be created as a private fundraising body that will work to supplement the public dollars allocated to the Commission. The New Orleans Recreation Development Foundation leadership will be required to meet regularly with the leadership of the NORD Commission in order to ensure that the private sector funding harmoniously leverages the public Commission's mission.

“Funding of NORD is woefully deficient right now and needs to be at least doubled in order to function at a level that is acceptable,” said Council President Fielkow. “People ask, ‘Can we afford it?’ I tell them that we can’t afford not to reform NORD. I would prefer to pay on the front end and support a program like NORD rather than pay on the back end and have to re-habilitate kids who, through lack of care by their city government, turned to the streets,” said Fielkow.

Danielle A. Viguerie
Communications Director
Office of City Council President Arnie D. Fielkow
1300 Perdido Street, Suite 2W40
New Orleans, LA 70112
E-mail: daviguerie@cityofno.com
Office number: (504) 658-1063
Facsimile: (504) 658-1068

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Contact:

Ryan Berni
504-658-4992 (office)
504-621-9504 (cell)

MAYOR LANDRIEU & CITY COUNCIL TRANSFORM BUDGET PROCESS *First Executive Order Mandates Use of National Best Practices and Provides New Levels of Transparency*

New Orleans, LA – Mayor Mitch Landrieu announced today that the City will adopt national best practices to guide its annual budget process. The reforms, which were instituted by the first Executive Order signed by Mayor Landrieu, are aimed at producing a more user-friendly budget that reprioritizes how the City spends money by utilizing the citizen-driven “Budgeting for Outcomes” process. “Budgeting for Outcomes” is an approach to establishing expected outcomes and metrics for measuring performance in the budget process.

“We are committed to transforming the way business is done at City Hall, and these budget reforms will allow our citizens to have an active role in determining how we allocate resources and become better stewards of their money,” said Landrieu, who utilized Budgeting for Outcomes as the state’s Lieutenant Governor. “Our job is to prioritize tax dollars to produce the outcomes citizens identified and bring additional transparency and accountability to the process.”

“Although New Orleans city government has used Budgeting for Outcomes in the past, we look forward to implementing a more rigorous, more citizen-driven process,” said Deputy Mayor & CAO Andy Kopplin. “Mayor Landrieu had great

success using this process as Lieutenant Governor to cut waste wisely and to invest in programs that deliver results.”

Additionally, Mayor Landrieu and the New Orleans City Council reached an agreement today to expand the amount of time the City Council has to review the budget by 50 percent. The administration will submit a budget that is also more user-friendly by adding descriptive information to allow citizens to understand the sources of revenues and uses of expenditures. In an effort to usher in a greater level transparency and accountability, the administration will also provide new monthly financial updates to the City Council.

The budgeting season, like hurricane season, begins each June 1st.

Each department in city government is being asked to commence preparing their budget requests, including outcomes they expect to achieve from different levels of investment. Each summer, the mayor and City Council will hold a series of community meetings- one in each council district- to identify the citizens’ priorities. By October 15th of each year, Mayor Landrieu will deliver a budget to the City Council in line with those priorities.

"I am very pleased to see a new sense of partnership between the Mayor and City Council in the presentment, vetting and ultimate adoption of the annual capital and operating budgets", said City Council President and Audit/Budget Committee Chairman Arnie D. Fielkow. "The budget process reforms jointly announced today will significantly benefit all New Orleanians by ensuring that their taxpayer dollars are spent wisely and in accordance with constituent priorities. While the Council had originally intended to implement many of these budget reforms through voter-approved changes to the Home Rule Charter, we believe the issuance of the Mayor's Executive Order addresses the Council's past concerns and that Charter changes can be addressed, if necessary, at a later time. We look forward to immediately rolling up our sleeves and working hand in hand with the Mayor and his budget team in addressing the current and future budgets," said Fielkow.

Additionally, the Executive Order signed today modified the Revenue Estimating Conference, the body which is charged with forecasting the city’s future revenues. The Executive Order adds an additional member of the City Council to the Revenue Estimating Conference as a non-voting ex officio member. The Executive Order also provides for the Revenue Estimating Conference, which meets quarterly, to meet two additional times per year at the request of the Mayor or Chair of the City Council’s Budget Committee should additional revenue forecasts be needed.

The Executive Order also requires the Deputy Mayor for Facilities, Infrastructure, & Community Development and the City Planning Commission to work with the

City Council to develop an improved format for the presentation of the City's Executive Capital Budget.

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Transparency a 'Must' in City Contracts

New Orleans, LA - June 1, 2010 – The New Orleans City Council took a large step today in promoting transparency and openness by having companies that do business with the City reveal all individuals have that have an ownership stake in them – down to the subcontractor level. The 'Subcontractor' Ordinance requires the identification of all contractors and subcontractors that the City does business with through a sworn affidavit, which will become a standard component to all City contracts. Failure to comply with the new law will result in the City suspending payment to any company that does not provide this information.

These reporting requirements are already required for some parties with whom the City does business, including contracts issued to Disadvantaged Business Enterprises and the contracts awarded by the City Council. This measure will broaden the reporting standards to apply to all entities that receive City contracts.

Specifically, every contract in excess of \$15,000 to which the City is a party shall have the following: A sworn affidavit listing all persons (natural or artificial) with ownership interest in the contractor; a sworn affidavit stating that no other person has ownership interest in contractor; a list of all persons, natural or artificial, retained by the contractor as sub-contractors at the time of the contract execution; a sworn affidavit stating no persons having an ownership interest in the contractor has or shall have any ownership interest in any sub-contractors retained by the contractor for work performed in association with the contractor's work for the City; contractors must provide notice to the City within 30 days of obtaining a subcontractor to perform work under contract with the City.

"Long-overdue, the Subcontractor Ordinance is designed to build confidence in the manner in which the City awards contracts. The City serves as a steward for tax payer money, and this disclosure requirement will assure that the public knows what individuals and entities receive city contracts," said Council President Fielkow.

Danielle A. Viguerie
Communications Director
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