

The People's Budget Report

PB NOLA

Who Is PB NOLA?

The People's Budget New Orleans (PB NOLA) is a community led campaign. The group represents community leaders and organizations from around the city who feel that by educating their fellow New Orleanians on the city's budget and the budget process they can better advocate for the needs of neighborhoods around the city. PB NOLA advocates for increased, improved resident input in the city budget, including but not limited to the adoption of a public policy known as Participatory Budgeting in which a small portion of the city's budget is available for capital expenditures by direct vote by residents.

PB NOLA¹ began in 2012 as a campaign of the New Orleans Coalition on Open Governance. PB NOLA is currently managed by the Committee for a Better New Orleans.

The People's Budget Summit 2014:

The People's Budget New Orleans (PB NOLA) held the first-ever People's Budget Summit on October 8, 2014 in an effort to gain more information about the priorities and needs of New Orleans residents in the city budget. The event was held at the Tulane City Center with attendance of roughly 60 community members of a wide variety of ages, backgrounds and races.

The evening began with presentations by advocacy groups who represent a portion of the city's budget. The groups were asked to speak on the way our city currently funds their respective area of the budget, how their group advocates for better spending and what best practices in funding for that area of the budget look like in comparable cities. Presenters included Bike Easy, The Orleans Parish Prison Reform Coalition, The New Orleans Public Library, the Greater New Orleans Housing Alliance and VAYLA-NO.

Following presentations, participants were given a cup with 500 red beans, each representing \$1 million of the city's budget. Bowls representing each city department receiving general fund dollars were placed on tables around the room. Before beginning the budgeting game, Kelsey Foster of PB NOLA reviewed the rules of the game. Participants were required to spend \$3 million on the Orleans Parish Consent Decree, \$11 million on the New Orleans Police Department consent decree, an additional \$4 million on the Office of the Inspector General (a requirement of the NOPD consent decree) and \$9 million on the New Orleans Fire Department Pension Fund. The remaining beans could be spent as participants saw fit in accordance to their priorities and community needs.

All rule sheets included the amount of money allocated to each department in the 2014 budget to give an idea of what funding was necessary to keep the city running in its current state. Beside each department and 2014 general fund allocation was a description of what could happen if the department was under or de-funded. By showing previous funding amounts and repercussions for under-funding, we hoped to steer participants towards creating a realistic budget with their allocated beans while providing an understanding of the importance of all city departments, especially those with low visibility to the average resident.

¹ <http://pbnola.wordpress.com/>

Residents were also given a paper survey to collect additional data about their overall budget priorities, the departments they felt received too much funding, and their relationship to the current city budget process. Next to each city department bowl residents were able to list their first priority for the funding allocated to that department in order to further gather information about specific needs of residents. For example, after deciding how much to allocate to the New Orleans Recreation Development Commission, residents could specify that they wanted to see the funding go towards athletic programming for at-risk teens.

Results Overview:

We learned from this first summit, and we will make adjustments for future People's Budget summits. Although we provided as much information as possible for residents to successfully perform this exercise and most did, there were some that funded departments based on personal feelings and preferences rather than a realistic budget. Subsequently, a very small number of departments received funding that was either much greater or much less than the benchmark that was provided from the 2014 budget.

As a result, we feel it is neither fair to government nor the residents to provide these percentages. This does not in any way negate the value or accuracy of the very clear trends that emerged during this process. The participants made a very evident effort to show their spending priorities through a serious and realistic budget. Thus, this report discusses the resulting trends in comparison to the proposed 2015 budget rather than the specific numbers.

Residents showed an overall dissatisfaction with the current budget process, with 100% of survey respondents identifying that they are not happy with the current process and 96% of respondents indicating that they do not feel that they are included in the budget's decision making process. On scale of 1, not transparent at all, to 10, very transparent, residents ranked the transparency of the city's budget process at an average of 3.2. When asked to rank their understanding of the budget process from 1, do not understand it at all to 10, understand it very well, residents answers averaged at 4.6. Fifty-two percent of respondents had attended Mayor Landrieu's Budget Town Hall meetings, although 100% of that group felt that the input they provided at those meetings was not valued.

The most striking finding of the People's Budget shows that the most drastically underfunded department by residents was the department given the largest budget increase by Mayor Landrieu in the proposed 2015 budget. Residents significantly underfunded the Sheriff's Office. In contrast, the proposed 2015 budget gives the Sheriff's \$28,584,338 in general fund dollars, an 18% increase from the adopted 2014 budget. It should be noted that the funding residents gave to the Sheriff were in addition to a mandatory \$3 million to satisfy the Orleans Parish Prison consent decree. Fifty percent of survey respondents listed the Sheriff's Office as one of the top three most over-funded departments, the second highest rate of response.

Overall, most participants showed a desire for more quality of life improvements to the city, namely better funding for the Department of Public Works and more youth programming, although the majority of funding in the proposed 2015 city budget is allocated to public safety programs. In contrast, the majority of respondents felt that public safety received too much funding with the New Orleans Police Department and the Sheriff's Office ranking first and second among departments that residents felt were over funded. Seventy-seven percent of respondents felt that the NOPD received too much funding while 50% felt that the Sheriff's Office received too much funding.

Findings by Budgeting for Outcomes Results Area:

Public Safety:

In New Orleans, public safety is a constant priority for both residents and public officials. This year, the proposed 2015 budget gives the largest raise--18%-- to the Sheriff's Office and an across the board 5% raise to the New Orleans Police Department. The proposed budget book explicitly notes \$12.3 million in NOPD consent decree funding in response to resident concerns over public safety including an early notification system, body and car cameras and a Federal Monitor. Residents listed increased transparency and oversight both in general and through the Independent Police Monitor as top priorities for NOPD funding, and two respondents listed body cameras as a top funding priority in line with actual proposed spending. The second most common resident priority for spending called for better community relations.

The \$4.4 million increase in spending to the Sheriff's Office falls on the Parish Prison-Medical line, although specifics about what kind of medical care that funding could provide is not included. Residents overwhelmingly supported the increase to medical services for inmates, with respondents listing proper medical care for inmates as the number one priority for funding to the Sheriff's Office.

Participants in the People's Budget felt that public safety receives too much funding. The NOPD and Sheriff's Office came in as the first and second departments that survey respondents felt received too much funding, with 77% of respondents listing the NOPD and 50% listing the Sheriff as the recipients of too many tax dollars. Conversely, 11% of respondents listed the NOPD as one of their top three priority departments to receive funding this year.

While the proposed budget gives an 18% raise to the Sheriff's Office, the participants in the People's Budget Summit severely underfunded his office. The difference in residents' funding for the Sheriff's Office from that of the administration shows the largest break in funding priorities in our activity. Second to improved medical care for inmates, respondents listed improved transparency of the Sheriff's Office as the second most common desire for spending in the Sheriff's Office, a potential explanation for the strong desire to spend less tax money on the Sheriff's Office.

The New Orleans Fire Department pension fund accounts for a larger-than-ever portion of the city's budget in the proposed 2015 budget. As Mayor Landrieu states in his opening letter, "In this budget we must dedicate \$43.4 million to fully fund the fighters pension fund's actuarial requests in 2015. That's more for the firefighter's pension fund than the entire general fund budgets for safety and permits, the health department, NORDC, public works, the coroner, and HDLC combined." Twenty-seven percent of survey respondents felt the NOFD received too much funding, an issue Mayor Landrieu can do little to change.

The Health Department, however, received higher than expected funding from residents. Respondents had a variety of priorities for the increased funding, with the majority focusing on better health care for the homeless population. Needle exchanges, shelters with minimal restrictions for use, mental health services, support for those living with HIV/AIDS and better shelter for the homeless in winter months topped the list of resident priorities. Other responses included preventative health services and increased funding for the Special Supplemental Nutrition Program for Women Infants and Children. The proposed 2015 budget states that it will focus spending on "access to care, domestic abuse, public health and education."

The Human Services/Youth Study Center Budget received roughly the same amount of funding as provided in the Mayor's proposed budget. Respondents overwhelming noted progressive programming such as job training and life skills for youth as a top priority for funding the Youth Study Center.

For the purposes of the budgeting exercise, Juvenile, First City, Municipal, Criminal and Traffic Courts were combined along with the Judicial Retirement Fund. Courts were funded on a very similar level to that of the proposed 2015 city budget when all funding is combined. Residents listed better rehabilitation and diversion programs as top priorities for spending.

The Clerk of Criminal Court's budget was not included in the combined courts department, but was combined with the Registrar of Voters. As with the combined courts department, the Clerk of Criminal Court and Registrar were funded at a very similar amount by residents as by the administration in the proposed 2015 budget. Residents listed funding for employees and the upkeep of voting sites in underprivileged neighborhoods as spending priorities.

Similarly, the District Attorney's Office received very comparable funding from residents as in the proposed budget. Residents named opportunities for youth internships, funding for victims' assistance, diversion programs and greater access to legal aid as priorities for spending.

The Coroner's Office, however, received higher funding from residents than from the proposed 2015 budget, even given a significant increase in the office's proposed funding this year. The administration set aside \$2,176,605, an increase of 22% from the 2014 approved budget. With a considerable amount of additional funding from the city this year, residents still hope to see more money spent on the coroner for more mental health services and expedited autopsies.

Children and Families:

Residents showed the strongest response to departments affecting children and families, overall giving the majority of their beans to departments that improve quality of life. Parks, libraries and the Museum of Art saw much larger funding by residents than in the 2015 proposed budget.

One piece of feedback participants gave more than almost any other was a desire to see both more employment and recreation opportunities for youth. Forty-four percent of survey respondents said they would like to see more funding for youth opportunities, the top response for funding priorities in the survey. The proposed 2015 budget notes youth opportunities as a priority under the children and families result area, allocating an additional \$1.6 million to NORDC in general fund dollars this year and a continued focus on the Mayor's Youth Summer Jobs Program.

Residents gave considerable additional funding to the New Orleans Recreation Development Corporation and the New Orleans Public Library. Both the NOPL and NORDC receive no general fund dollars departmentally, although both receive a dedicated millage and NORDC receives some general fund money through the Department of Miscellaneous, a fact that was noted both in the rules of the game sheet handed out to participants and in a briefing by Kelsey Foster of PB NOLA at the beginning of the evening.

Understanding that any funding given to these two departments would be in addition to what they receive in a dedicated millage, New Orleanians still chose to fund NOPL at a rate much higher than appropriated in the proposed 2015 budget.

Residents had a variety of spending priorities for NORDC, with programming for teens at the top of the list. Other respondents listed cultural programming, improved public transportation to parks and community gardening in low-income neighborhoods as priorities. Adult literacy programming was a top priority for library

funding, with increased hours and a focus on hiring bilingual staff tied as the second most common responses.

Residents also chose to fund the Department of Miscellaneous at a slightly higher rate than the proposed 2015 budget, although most specified that their priority for that funding would go to non-recreational areas, specifically youth employment, workforce development and the Public Defender's Office.

The New Orleans Museum of Art fared particularly well in the People's Budget, with residents giving the museum significantly more funding than currently allocated by the city-- NOMA receives only \$128,931 in the proposed 2015 budget. Residents listed youth art classes, youth internships and community outreach programming as their priorities for spending the additional funding.

The Mosquito Rodent and Termite Control Board also saw significantly increased funding from residents. The proposed 2015 budget allocates just over \$2 million to the department. Residents specified that they would like to see the additional funding spent on better rodent control and more mosquito spraying.

Open and Effective Government:

Following public safety, the department that residents felt received too much funding was the Chief Administrative Office at 31%. Participants chose to drastically under-fund this department in the bean exercise. The office receives \$45,410,476 in the 2015 proposed budget, a slight 4% raise from last year. According to the proposed budget, spending priorities for this office include maintaining the 311 system and the One Stop Shop. Residents also listed 311 as their highest priority for spending in the CAO's office, noting as well that they would choose to give the CAO a smaller salary.

Fifteen percent of respondents felt that the Mayor's Office received too much funding and participants followed this by funding the office at a lower rate in the People's Budget. The most commonly listed spending priority for the Mayor's Office was disaster preparedness with blight, NOLA 4 Life, neighborhood engagement and "meaningful, living wage workforce development" also listed.

The Finance Department also received significantly less funding in the People's Budget than their proposed budget of \$38,707,770. Residents noted that transparency and fairness in awarding contracts as the most common priorities for the Finance Department.

The Law Department however, received more than their proposed share of the budget from the department's proposed \$5,946,682. Residents listed blight adjudications as the top priority for this department, indicating that blight remains a top priority for residents. The proposed 2015 budget lists blight as a top priority, stating "The 2015 budget will continue to support an aggressive blight reduction strategy by increasing funding to eliminate blight by \$900,000."

City Council saw slight under-funding by participants while receiving \$9,719,766 in the proposed 2015 budget. The most frequent response from residents on spending priorities from City Council was increased transparency and responsiveness, with opportunities for youth leaders also listed.

The Alcoholic Beverage Control Board received significantly more funding by residents than in the proposed 2015 budget while the administration allocated \$1,500 this year. There were no specific priorities listed by residents for the allocation of the additional funding.

Civil Service received a great deal of funding from residents although the city proposes just \$1,864,409 in the budget. Several respondents listed increased training for city employees as a priority for this spending, while others indicated a desire to see job creation, not typically a function of civil service.

Property Management was funded at a very similar rate by residents as in the proposed 2015 budget. Residents named cleaning and maintenance of city owned property and demolition of blighted city property as spending priorities.

Economic Development:

Residents expressed a particular desire to see more job creation, especially opportunities for youth. Mayor Landrieu names job creation with a focus on youth as a priority in this result area in the proposed 2015 budget in response to a local study that found 52% of African American men in New Orleans are unemployed. This year's budget sets aside \$677,000 in funding for a new economic opportunity program.

Safety and Permits received roughly the same amount of funding from both the participants at the People's Budget Summit as in the proposed 2015 budget. Residents listed fair, increased, city-wide inspections and bilingual staff as spending priorities for Safety and Permits.

Sustainable Communities:

The Department of Public Works received less funding in the People's Budget than in the proposed 2015 budget, although more than in the approved 2014 budget which residents used as a guide in allocating funding. The Department of Public Works receives over \$23 million in general fund dollars in the proposed budget. The increase in both resident and city funding shows that the state of city infrastructure is a clear priority for both community members and the administration. Residents listed road and road sign repair citywide as their top priority with streetlight repair and drain clearing as other priorities.

The proposed 2015 budget allocates an additional \$1.5 million for street repairs, specifically to be used to fill potholes. The budget also notes that the Department of Public Works and the Sewerage and Water Board are collaborating under newly appointed executive director Cedric Grant to implement the FEMA-funded Recovery Roads Program to repair streets and drainage.

Parks and Parkways received slightly higher funding from residents compared to the \$7 million the department receives in the proposed 2015 budget. The 2015 budget notes funding the Lafitte Greenway at \$156,000 as a priority for the department, which received an overall \$230,000 increase in general fund dollars this year. The highest noted resident funding priority was funding for historic sites and grass cutting.

Residents funded the Department of Sanitation at less than its proposed 2015 rate. Recycling was the most common spending priority. Residents also listed cutting trash pick up to one day a week and illegal dumping enforcement as focuses for the department.

The City Planning Commission received a much higher rate from residents than in the proposed budget, where it receives \$1,527,327. Residents listed water management and bike lanes to the Lower 9th Ward as priorities for spending. Respondents also named more community involvement in the planning process as a focus for the department.

The Vieux Carre Commission and Historic District Landmark Commission, combined for the purposes of the budgeting activity, received roughly the same amount of funding from residents as in the 2015 proposed budget. Residents listed preservation of historic neighborhoods as a top priority for these departments.