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BUREAU OF GOVERNMENTAL RESEARCH 1055 St. Charles Ave., Suite 200 New Orleans, LA 70130 504-525-4152 / www.bgr.org April 28, 2023

Members of the Jefferson Parish Council 200 Derbigny St. Gretna, LA 70053

Dear Councilmembers,

The Bureau of Governmental Research's (BGR) 2021 report, <u>Handle with Care: Public Planning and Accountability Must Guide Spending of Federal Relief Funds</u>, noted that American Rescue Plan Act (ARPA) dollars create a rare opportunity for local governments to address public service, infrastructure and community needs without burdening their taxpayers. But realizing the full potential of this one-time money requires policymakers to establish a prudent decision-making process with strong oversight mechanisms.

As the Jefferson Parish Council changes its approach to allocating \$84 million of ARPA funds, BGR urges the Council to ensure full transparency and accountability for use of the funds. This includes not only direct expenditures of ARPA dollars, but also General Fund dollars made available for other purposes by the Council's decision this week to apply ARPA funds to the 2023 General Fund budget. While federal rules require annual public reporting on planned and actual ARPA expenditures, they do not extend to General Fund spending enabled by ARPA use. Therefore, the public loses the ability to track \$64 million in Council District Improvement Fund expenditures and \$20 million in capital improvements for the Alario Center and Shrine on Airline now that the Council has replaced those ARPA allocations with General Fund allocations via Ordinance 26605. To preserve public oversight of these dollars, the Parish Council will need to institute its own reporting mechanisms.

Consistent with the guidance *Handle with Car*e provided to government recipients of ARPA funds, BGR recommends that the Council establish online dashboards that allow the public to track expenditures of the General Fund allocations to the District Improvement Funds and Alario Center and Shrine projects — as well as the results of the initiatives the allocations support. The Parish's most recent federally required public ARPA report (July 2022) provided an overview of four projects that would account for just \$13.9 million (22%) of the \$64 million allocated to the council districts. None of the projects were underway so the Parish had yet to record any actual expenditures. This illustrates how little the public knows about where the money (now General Fund dollars) will go, and underscores the need for regular, detailed reporting.

At this critical juncture in the Parish's ARPA use, BGR also reiterates *Handle with Care's* guidance on planning for ensuring effective use of the relief dollars and applies it to the General Fund allocations to the District Improvement Funds. The Council's past decision to carve the money up among the districts has limited its ability to make transformational investments benefiting the entire parish. Nonetheless, councilmembers should still avoid piecemeal decision making within their districts by developing a comprehensive spending plan for their individual allocation in consultation with the Parish administration. Each plan should focus on top priorities identified through a careful analysis of the district's needs and other potential funding sources, and pursue expenditures that evidence indicates would deliver successful outcomes. The plans should draw on existing analyses, relevant national research findings and established best practices. The Jefferson Parish American Rescue Plan Task Force, formed by the Council in 2021 to provide advice on allocating ARPA funds, identified parishwide priority areas and general guidelines for using the \$84 million that can also inform district plans. In addition, to maximize efficiency and effectiveness, the plans should be coordinated with other Parish programs, services, operations and infrastructure.

Once it develops an approach for public reporting and district-level planning, the Council should amend Ordinance 26605 to establish these requirements so that they continue beyond this year's election cycle. That would acknowledge the time necessary to expend these one-time funds and ensure that a change in council district representation does not disrupt transparency and accountability.

Sincerely,

Rebecca Mowbray

President & CEO

Samuel Zemurray Chair in Research Leadership

Ocea Marbony

Bureau of Governmental Research