

**Ethics Review Board**

**City of New Orleans**

**January 30, 2017**

**3:30 P.M. – 5:30 P.M.**

**City Council Chambers | 1330 Perdido Street | Orleans, Louisiana 70112**

**Minutes**

Present: Mr. Allen Miller, Chair; Dr. Michael Cowan; Dr. Joe Ricks; Rev. Boutin; Mr. Howard Rodgers

Absent: Mr. James Brown, Vice Chair

Staff: Dane Ciolino, General Counsel

Guest: Toni Hackett Antrum, the Hackett Group, Ethics Education Trainers

At 3:38 p.m., a quorum being present, the Chair called the meeting to order. On a motion by Dr. Cowan seconded by Dr. Ricks, the board unanimously approved the minutes of the December 20, 2016 meeting.

Inspector General's Report

Assistant Inspector General for Investigations Howard Schwartz told the board that the Fire Fighter's Pension and Relief Fund (The Pension Board) reported in its January 2011 Actuarial Valuation report that 32 (6%) fire fighter's received Ordinary Retirement and 492 (94%) fire fighter's received Disability Retirement. Mr. Schwartz also noted that every Fire Department in Louisiana besides in New Orleans and Baton Rouge averages a 10% Disability Rate.

Mr. Schwartz told the board that in August 2011, the Office of Inspector General (OIG) went to the Pension Board to ask about the incredibly high disability retirements, and the Pension Board said that "everyone gets hurt", and "that the numbers were accurate"

Mr. Schwartz told the board that the OIG received information in May 2016, that the Pension Board decided to change its categories in its May 2012 Actuarial Valuation report to "Retirees" and "Disability Retirees." He also reported that the Pension Board changed the numbers on the Actuarial Valuation report to show greatly reduced disability retirement numbers. In 2012 they reduced the numbers from 94% to 45% and they continued to reduce the numbers every year.

Mr. Schwartz told the board that the Actuary's explanation was that it costs the Pension Board the same amount of money for either retirement received by an employee. However, it costs the City of New Orleans and the tax payers an additional \$8.8 million for an employee to receive disability retirement.

Mr. Schwartz told the Board that the Pension Board issues 1099 forms to all firefighters on disability retirements because 50% of their pension is not subject to federal income tax; they issued these 1099's to 80% of the firefighters not 45%.

Mr. Schwartz told the board that two of the Pension Board members also said they strenuously objected to using the lower inaccurate numbers, however, the minutes did not reflect this.

Mr. Schwartz told the board that the OIG referred the actuary to the Actuarial Board for Counseling and Discipline in Washington, D.C. in a letter detailing the facts and circumstances. He also told the board that 5 months later the OIG received a letter back saying that they were “dismissing the complaint” because the minutes for the Pension Board did “in fact reflect the objections two board members had” and that the Actuary “provided an appropriate and understandable answer to those objections.” Additionally, he explained to the board that the OIG still could not locate these minutes and was going to ask the Board in D.C. to provide them.

In response to Mr. Miller, Mr. Schwartz told the board that the \$8.8 million is calculated as \$6.2 million for disability costs which include supplemental earnings benefits, and \$2.6 million is for how the Pension Board calculates pensions which is in violation of the State statute.

Deputy Inspector General for Audit & Review Erica Smith reported that the Audit Division will release the following reports in 2017:

#### 2017 Audit Releases

- Audubon Commission/Audubon Nature Institute Payroll- *Will release in the 2<sup>nd</sup> Quarter*
- Audubon Commission/Audubon Nature Institute Credit Cards and Expense Reimbursements- *Will release in the 2<sup>nd</sup> Quarter*
- Audubon Commission/Audubon Nature Institute Disbursements- *Will release in the 3<sup>rd</sup> Quarter*
- Sewerage & Water Board (S&WB) Use of Funds- *Will release in the 3<sup>rd</sup> Quarter*

#### 2017 Strategic Plan Audits

- S&WB Inventory Controls and Management
- New Orleans police Department (NOPD) Uniform Crime Reporting of Aggravated Assault/Battery
- NOPD Uniform Crime Reporting of Rapes
- S&WB Payroll Controls
- S&WB Billing and Collection Controls

Assistant Inspector General for Inspections & Evaluations Nadiene Van Dyke reported to the board that the Inspections & Evaluations Division issued the following reports in 2016:

#### 2016 Reports and Public Letters

- Municipal Court Funding
- Property & Casualty Insurance Follow-up Report
- Pedestrian Crossing Signals
- Fuel Receiving Controls Follow-up Report

- Fleet Management
- Fuel Dispensing
- Public Letter: Law Department Procurement of Outside Counsel
- Law Department Funding

#### Government Performance Savings and Revenue

- \$1.3 million revenue in 2016
- Savings of \$750,000 on utilities consultant contracts
- Beginning in 2017, \$4 million per year on Sanitation contracts (technical assistance provided in 2016).

Ms. Van Dyke told the board that she wanted to explain questions regarding the appropriateness of reports that address policy matters:

The OIG's Inspections & Evaluations Division is responsible for "Inspecting, evaluating, reviewing, studying, and or analyzing government operations and programs for the purposes of providing information for decision-making, and of making recommendations to improve programs, policies, or procedures."

In response to Dr. Cowan, Ms. Van Dyke told the board that an example of a policy recommendation is the Fleet Management & Fuel Dispensing reports, which discusses the City of New Orleans Chief Administrative Office (CAO) Policy Memorandum 5R.

Ms. Van Dyke told the board that there were many problems with this particular memo, including items that were unclear and processes that were not spelled out carefully. She also told the board that this resulted in the City completing 2 updated versions, and the Inspections & Evaluations Division is currently working with the CAO on completing its final version.

#### Independent Police Monitor's Report

The Independent Police Monitor (IPM), Susan Hutson introduced the Office of the Independent Police Monitor's (OIPM) newest employee Eileen Shanklin-Andrus, Auditor; she started January 16, 2017 and will be working with the OIPM's Annual Report, Budget and Risk Assessment.

Deputy Police Monitor, Ms. Ursula Price reported the Office of the Independent Police Monitor's (OIPM) year-to-date activities for 2017: 6 complaints, 1 officer complaint, 5 disciplinary hearings, 2 case monitoring's, 2 crime victims, 3 mediation referrals (1 acceptance) and 1 critical incident.

In response to Mr. Miller, Ms. Price told the board that there have been 2 reports of wide spread sexual harassment from Police Officers. She also told the board that the 2 current reports were reported by 2 male Police Officers as witnesses.

Ms. Price told the board that the OIPM continues to work with NOPD to receive ongoing access to NOPD's New Early Intervention System, police reports, etc.

In response to Mr. Miller, the IPM told the board that the OIPM needs a specific kind of access to NOPD's data.

In response to Mr. Miller, Ms. Price told the board that the OIPM also needs access to NOPD's IAPro database from the back-end, the New Early Intervention System, electronic police reports, the Body Worn Camera System. She also told the board that the OIPM can provide the ERB with a year's worth of correspondences regarding OIPM accessing NOPD's databases.

Ms. Price told the board that accessing the NOPD's databases is pertinent in completing the OIPM's Annual Report due by March 31, 2017.

In response to Dr. Ricks, the IPM told the board that the OIPM starts the complaint process by first speaking to the complainants and completing audits of data received.

In response to Dr. Cowan, the IPM told the board that the New Orleans East Police Shooting is being investigated by the NOPD's Force Investigation Team and the Office of the Consent Decree Monitor (OCDM) and that OIPM is monitoring the investigation.

In response to Dr. Cowan, the IPM told the board that one of the OIPM lawyers is currently at the Public Integrity Bureau (PIB) watching the interviews regarding the New Orleans East Police Shooting with the involved officers. She also told the board that Ms. Price was at the scene of this event and the OIPM formulates questions that are asked at the interviews.

In response to Dr. Cowan, the IPM told the board that the OIPM is actively monitoring the New Orleans Police Shooting.

In response to Dr. Cowan, the IPM told the board that the OIPM and PIB have a working relationship.

In response to Rev. Boutin, the IPM told the board that the OIPM will list the community awareness events that were attended in its 2016 Annual Report.

In response to Rev. Boutin, Ms. Price told the board that the OIPM currently has 3 outreach contractors that will start training on January 31, 2017. She also told the board that one specializes in Justice System involved youth, the other has a focus on the Gentilly area of New Orleans and New Orleans East youth and the other has a focus on the Hollygrove area of New Orleans youth.

Ms. Price told the board that the OIPM would like to contract a Media person if money is available in the OIPM operating budget. She also told the board that this contractor would be responsible for mass communications and social media.

### General Counsel's Report

Mr. Dane Ciolino, the ERB's General Counsel advised the board that New Orleans City Councilmember Jared Brossett is currently in the process of drafting an ordinance regarding the transitioning of the OIPM into operational independence and to also ensure that the ERB plays a meaningful role in oversight of the OIPM.

Mr. Ciolino advised the board of the importance of the OIG working to transition into performing prosecutorial functions. He also told the board that this needs to be placed on the agenda for the next City of New Orleans Governmental Affairs meeting and also placed on the agenda for the next City Council meeting.

Mr. Miller told the board that both Amendments should be available and ready to vote on in February 2017. He also told the board that he and Mr. Ciolino will work with the New Orleans City Council to make sure that the ordinance is consistent with the ERB's desire and that it mirrors the OIG's ordinance.

Mr. Ciolino advised the board that there are 2 items to discuss for Executive Session.

### Ethics Education Report

Ms. Toni Hackett Antrum of the Hackett Group told the board that since the ERB's December meeting the Hackett Group is currently in the process of following up and setting meetings with S&WB, the City Council, Public Belt Railroad, Traffic Court, Public Works and the French Market.

Ms. Hackett Antrum told the board that the Hackett Group continues to focus on how to engage Boards and Commissions with ethics education.

Ms. Hackett Antrum told the board that the Hackett Group will continue to remain Certified Louisiana State Ethics Trainers. She also told the board that on February 9, 2017, the Hackett Group will be renewing their certifications in Baton Rouge, Louisiana.

In response to Dr. Cowan, Ms. Hackett Antrum told the board that the Hackett Group will continue to follow the 2017 schedule submitted to the ERB.

Mr. Miller told the board that the 2017 ERB meeting dates will be revisited at the February 14, 2017 meeting.

Mr. Miller thanked the members of the public for attending the ERB meeting and also expressed his and the board's appreciation of Mr. Quatrevaux continued efforts as Inspector General for the City of New Orleans.

Mr. Miller told the board that the ERB members are recommended by various University Presidents and then appointed by the City of New Orleans. He also explained that the ERB's function is to administer and enforce the provision of the City's Code of Ethics, consistent with their duties and responsibilities as members of the ERB and that he believes the ERB has an obligation to consistently and appropriately review the operations of the OIG and the ERB.

Mr. Miller explained to the board the process of the National Search to evaluate possible candidates for the position of Inspector General and opened the floor for public comment.

Dr. Ricks moved to engage through the RFP process the hiring of a search firm to identify and advise the ERB on possible candidates for Inspector General with Rev. Boutin seconding. The motion passed.

Mr. Rodgers told the board that this process will be transparent.

Dr. Cowan voiced his support for Mr. Quatrevaux and stated that he believed it would be in the best interest of the board to conduct the National Search for an Inspector General.

The chair called for a vote to adjourn to executive session pursuant to Louisiana Revised Statute sections 42:17(A) (1) to discuss the character and professional competence of a person and 42:17(A) (4) to discuss investigative proceedings regarding allegations of misconduct. Dr. Cowan moved and a second was offered by Dr. Ricks at 4:40 P.M.

The board, by an affirmative vote of all member present, held an executive session.

At the conclusion of the executive session, the board reconvened its public meeting. Dr. Cowan moved and a second was offered by Dr. Ricks.

At 5:02 P.M., Dr. Cowan moved that the meeting adjourn, a second was offered by Mr. Rodgers. The motion carried unanimously and the meeting adjourned.

GENERAL MATTERS SPEAKER CARD

(Please print clearly)

Date: \_\_\_\_\_

Mr./Mrs. President:

I would like to speak regarding the following item(s):

Agenda item & page number (motion, resolution, ordinance, order of business or report):	Support	Oppose	Info. Only	Time/ Item (in minutes; 5 min total)
1) #7 NO	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Name: TONI MCCORMICK

Address: 859 MAPLE PL

Remarks: I think this is a political

Representing: play and I oppose any kind of  
(Please see speaker time rules on reverse of card) be used to  
try to improve

GENERAL MATTERS SPEAKER CARD

(Please print clearly)

Date:

1/30/17

Mr./Mrs. President:

I would like to speak regarding the following item(s):

Agenda item & page number (motion, resolution, ordinance, order of business or report)

Support

Oppose

Info. Only

Time/Item (in minutes, & min total)

- 1) # 7 Search Firm
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_

Name:

Erika McConduit

Address:

4640 S. Carrollton Ave, Ste 210, NOLA

Remarks:

Representing:

Urban League

(Please see speaker time rules on reverse of card)

GENERAL MATTERS SPEAKER CARD

(Please print clearly)

Date: \_\_\_\_\_

Mr./Mrs. President:

I would like to speak regarding the following item(s):

*discussion regarding search firm*

Agenda item & page number (motion, resolution, ordinance, order of business or report):

Support

Oppose

Info. Only

Time/ Item (in minutes, 5 min total)

1) *Ruthie Frerson*

2) \_\_\_\_\_

3) \_\_\_\_\_

4) \_\_\_\_\_

5) \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Remarks: \_\_\_\_\_

Representing: \_\_\_\_\_

(Please see speaker time rules on reverse of card)

GENERAL MATTERS SPEAKER CARD

(Please print clearly)

Date: \_\_\_\_\_

Mr./Mrs. President:

I would like to speak regarding the following item(s):

Agenda Item & page number (motion, resolution, ordinance, order of business or report):

Support

Oppose

Info. Only

Time/Item (in minutes, 6 min total)

1) Regarding Removal IG

2) \_\_\_\_\_

3) \_\_\_\_\_

4) \_\_\_\_\_

5) \_\_\_\_\_

Name:

Petrak Henry

Address:

4341 Mac Arthur Blvd

Remarks:

How Helpful the office

Representing:

my self

(Please see speaker time rules on reverse of card)

GENERAL MATTERS SPEAKER CARD

(Please print clearly)

Date: \_\_\_\_\_

Mr./Mrs. President:

I would like to speak regarding the following item(s):

Agenda item & page number (motion, resolution, ordinance, order of business or report):

Support

Oppose

Info. Only

Time/ Item (in minutes, 6 min total)

- 1) SEARCH I.G. CANDIDATES
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name: Lloyd Dennis

Address: 401 Park Blvd

Remarks: In favor of search for candidates

Representing: Schl

(Please see speaker time rules on reverse of card)

GENERAL MATTERS SPEAKER CARD

(Please print clearly)

Date: 1-30-2011

Mr./Mrs. President:

I would like to speak regarding the following item(s):

Agenda item & page number (motion, resolution, ordinance, order of business or report):

Support

Oppose

Wife, Only

Time/Item (in minutes, 5 min total)

- 1) Agenda Item 7
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name: Patrick Lynch CPA

Address: 1615 Robert E. Lee Blvd 702

Remarks: opposition to search

Representing: N/A

(Please see speaker time rules on reverse of card)

GENERAL MATTERS SPEAKER CARD

(Please print clearly)

Date: \_\_\_\_\_

Mr./Mrs. President:

I would like to speak regarding the following item(s):

Agenda item & page number (motion, resolution, ordinance, order of business or report):	Support	Oppose	Info. Only	Time/Item (in minutes, 5 min total)
1) <u>Item 7</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2) <u>I.G. Candidate Search</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Name:

PETER WARING

Address:

4300 S. CARROLLTON AVE.

Remarks:

Representing:

CITIZENS OF NEW ORLEANS

(Please see speaker time rules on reverse of card)