

***The Heiner Plan for an Open, Accountable
and Transparent Metro Government***

The headline on the editorial was a doozy. It called Louisville's Housing Department debacle "An Embarrassment."

Hard to argue with that conclusion. The former director of the Louisville Housing & Family Services Department had used federal funds to pay for a relative's housing.¹ Food banks for low-income families weren't open when they were supposed to be. \$1 million intended to remove lead-based paint from houses with children in them was nearly squandered.

And those were just some of the most egregious examples of waste uncovered in the audit performed by the State Auditor's Office. After concluding the audit, State Auditor Crit Luallen said that "It is unacceptable for any government agency to have such a severe level of mismanagement and poor oversight."

Though the audit exposed some serious concerns, we can also look at it as an opportunity to improve how city government works. The audit showed what happens when government bureaucrats and agencies feel that they are immune from public scrutiny and accountability. Management gets sloppy. Internal controls get loosened. Oversight takes a back seat to a "go along to get along" mentality. Ultimately, resources and the public trust get squandered.

This is all unacceptable.

Finding an answer to these problems must be a priority and passion of the next Mayor. We simply cannot have a lax attitude toward conducting the people's business. For Louisville to move forward, we'll need the robust support and participation of our citizens. In order to gain their trust, we must conduct the city's business in a new way – a way that empowers the public through transparency, disclosure and accountability. That's the way a Heiner administration will approach its job. It's the vision of government that Hal Heiner has been promoting for years.

Principles of accountability and transparency motivated Hal Heiner's commitment to open government when he and fellow council members advocated for posting Louisville's checkbook online.

- Want to know where Louisville spent \$8.7 million in information technology? It's now online.
- Where does the \$13 million for Fleet Services go? It's there.
- \$47,000 of the Mayor's Contingency Fund is spent with whom? Check out Louisville's Checkbook online.

It was a start. But there is much more that needs to be done. Transparency and accountability must be central to our efforts to engage the public and move the city forward.

¹ "The Jefferson County Children's Welfare Fund, Inc. was used to pay part of a mortgage payment for the former housing director's mother." Source: Kentucky Auditor of Public Accounts. *State Auditor Finds Gross Mismanagement in Louisville Metro Department of Housing (Press Release)*. p 3.

Hal Heiner will strive to make Louisville a “model city” for transparency and accountability in municipal government. To achieve this goal, he proposes:

1. **Comprehensive Audit throughout Metro Government:** The Housing Department is one of many Metro Departments. We must ensure that each of them is working in an efficient and ethical manner. A comprehensive audit of each department will uncover the deficiencies in the execution of their duties and give management a road map to implementing changes to better ensure government services are being provided effectively. After auditing each department, we will establish an action plan for implementation of the recommendations. Quarterly reports will be provided to the public on progress in implementing the recommendations.
2. **Require Metro Council Approval for Significant² Expenditures:** It was outrageous to uncover that the \$750,000 annual rent from Slugger Field was transferred to the Downtown Development Corporation without Metro Council being notified or authorizing the expenditure. Under a Heiner Administration Metro Council approval will be required for expenditures like this. Never again will the Mayor’s Office give away taxpayer’s dollars without appropriate checks, balances and oversight.
3. **Post Louisville’s “Legal Books” Online:** Currently Louisville’s Checkbook shows where the money is spent and with whom. In many cases – those funds are being spent as part of a personal service agreement, a Memorandum of Understanding or some other contract for services. What the next step must be is to have PDF links to the legal documents and contracts associated with the expenditures on Louisville’s Checkbook online.
4. **Performance Metrics and Measurement in Government:** It has been said “you can’t manage what you don’t measure.” Anyone that has every run a business or managed employees can understand the power of this logic. In order to hold the bureaucracy accountable, we must establish performance metrics as measurements – real metrics tied to real results. For example – how much does it cost to provide trash pickup per residence, per year? How do those figures compare to national best practices? How can that service be better managed to ensure the same level of service at a lower cost? In order to get those answers we must measure the outlays and outcomes. Then we will create the proper incentives for agencies to manage their service provision and budgets with an eye toward customer satisfaction and fiscal accountability and reward success.
5. **Post a Debt Calendar and Schedule Online:** Like every other major metropolitan city in the United States, Louisville uses bonding to finance large, capital projects. It is a responsible type of debt which allows the city to invest in its future and pay off the debt in a fiscally responsible way. We can do more to inform the public of the borrowing we are doing on their behalf. For example, Memphis posts online: i) How much general obligation debt is

² The word “significant” is used here to delineate between a large expenditure like the \$750,000 in the example and something small like the purchase of paper. This concept is not intended to micromanage the purchase of office supplies but is intended to ensure that large expenditures are done in a transparent and accountable manner.

- outstanding? ii) How much is paid during the fiscal year? iii) The total principal and interest balance. iv) The most recent bond activity – including the financial institutions involved with the transaction. Louisville should provide these basic facts to the public in a simple, easy to find online format so they can judge how well we are managing their money.³
6. **Compile a Comprehensive List of All non-essential City-Owned Properties – Then Sell**
Them: Louisville owns properties throughout Jefferson County. Some of them are essential properties – parks, fire and police stations, office buildings. Many others are only on the city list because some favored constituent was able to convince the city to purchase it. We need to get our arms around what properties we have. Then sell “non-essential” properties. Post them on eBay, if necessary. Put these properties back into the private sector and productive use and utilize the funds generated from their sale toward long term investments in an economic development fund.
 7. **Issue RFPs for Development Deals:** The problem many people had with the Center City development is that it looked like an “insiders deal” intended to continue to provide public benefits to a favored developer. Why not open up that kind of public/private partnership to others through a highly promoted process to stimulate interest? Why not promote a competitive environment to determine what is the best use of a prime location and city-owned property like the Water Company block? Why not consider breaking projects into smaller segments so that more local companies can come to the table with their ideas and investment? A Heiner administration will issue a Request for Proposals to solicit partnership ideas on developments to promote competition, local participation and accountability.
 8. **When’s My Street Getting Paved?** Ever looked out to the street and wonder when it’s scheduled to get a new layer of blacktop? A Heiner Administration will post the public works maintenance schedule online with a searchable database. Residents will be able to type in their address and find out what public projects are planned on their streets and in their neighborhoods, how much they costs, who’s doing the work (Metro Department or private contractor) and what “phase” the project is currently in (planning, construction, etc).
 9. **Who’s Driving that Metro Vehicle?** Metro Fleet service is responsible for 2,600 vehicles. First, we should make a concerted effort to reduce the number of non-essential, non-law enforcement take-home vehicles. Second, a taxpayer funded vehicle need not be dedicated to the Mayor. As Mayor, Hal Heiner will be using his own vehicle. Third, regarding the other Metro vehicles, we know that they are used for the day-to-day activities of government business. Some of the vehicles are assigned to certain employees for a period of time. Under a Heiner administration, we will publish which vehicles are assigned to which employees and the number of miles put on the vehicles annually. **NOTE: Police vehicles WILL NOT be published due to safety concerns.**

³ Louisville’s Comprehensive Annual Financial Report (CAFR) contains this information. The report, however, is 121 pages long. We should condense the information into a simple, one-page format – like Memphis. See: <http://www.memphistn.gov/TransExecutiveOrder.html>

10. **Publish Financial Data for Quasi-Governmental Organizations:** The Parking Authority of River City (PARC) has 13 parking garages and six lots around the central business district, totaling more than 10,000 off-street and 5,000 on-street spaces. PARC has revenues and expenses. The Metropolitan Sewer District invests in capital projects and funds itself through fees paid by residents using their services. TARC is a \$51 million line item in the Metro Budget and provides the service of shuttling Louisvillians around the city. All of these sound a lot like a business – with revenues, expenses and investments. We should publish their financial data and results so the public can judge how well each (and any other similar quasi-governmental agency) is being managed.

We can do more to inform Louisville’s residents and taxpayers about how government works, how much it costs and how effective it is in performing its duties.

Open government is honest government. Honest government is responsive government. And, under a Heiner administration open, honest and responsive government will be *effective* government.