



OFFICE OF INSPECTOR GENERAL  
JEFFERSON PARISH

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INSPECTOR GENERAL



April 30, 2024

**PUBLIC LETTER TO PARISH COUNCIL**  
**(PROPOSED) UNAUTHORIZED EXPENDITURE OF CRIMINAL JUSTICE FUND**  
*Parish Council Agenda 05/01/2024 Item #21, Summary 26307*

**JPOIG 2024-0004**

The Jefferson Parish Office of Inspector General (JPOIG) is authorized pursuant to the Jefferson Parish Code of Ordinances (JPCO) §2-155.10(11)(f) to engage in prevention activities to include “review of legislation; review of rules, regulations, policies, procedures...” Public Letters are intended to communicate the elements of proposed, pending and/or existing legislation, rules, regulations, and policies, to assess their effectiveness, and to consider their impact on government accountability and operations.

**SUMMARY**

Summary 26307, an ordinance amending the 2024 Operating Budget calls for the transfer of \$860,000 from the Criminal Justice Fund (22530) to the Parish General Fund (10010). The Criminal Justice Fund is funded with revenue dedicated and restricted to maintaining, administering, and operating judicial services in the criminal justice system. The proceeds of a special tax constitute a trust fund. This transfer raises concerns about the misuse of dedicated revenue. At a minimum, this transfer will obscure how the dedicated revenue will be expended, diminishing transparency for voters. More concerning, this type of budget amendment is violative of the trust associated with the dedicated millage fund.

**PROPOSED BUDGET AMENDMENTS**

On 05/01/2024, the Parish Council will consider amending the Parish Budget which was adopted via Ordinance 26714 on 12/06/2023. Among the Budget amendments, the following items appear to transfer money out of the below identified special services account and into the general fund, *to wit*:

**GENERAL FUND (FUND 10010)**

**Revenues**

10010-0000-5911.22530	\$860,000
(Trf From Criminal Justice)	

**NON-DEPARTMENTAL (DEPT 0850)**

**Expenditures**

10010-0850-7680.262	860,000
(Major Crime Task Force)	

**CRIMINAL JUSTICE (FUND 22530)**

**Expenditures**

22530-3553-7680	(\$860,000)
(Community Services)	
22530-3553-7911.10010	860,000
(Trf to General Fund)	

The transfers by and between Criminal Justice Fund 22530 and General Fund 10010 of equal amounts is, upon information and belief, made to fund a Cooperative Endeavor Agreement with the City of Gretna to provide funding to the Gretna Police Department for the Major Crimes Task Force. On 04/17/2024, the Parish Council approved via Resolution #144093:

a Cooperative Endeavor Agreement between the Parish of Jefferson and the City of Gretna to provide funding to the Gretna Police Department for the Major Crimes Task Force for a period of one year at a cost not to exceed One Million Dollars (\$1,000,000.00).<sup>1</sup>

**CRIMINAL JUSTICE FUND**

The Criminal Justice Fund 22530 accounts for a portion of a special property tax for the Jefferson Parish Special Services District used for providing, maintaining, administering, and operating judicial services in the criminal justice system.<sup>2</sup> The Criminal Justice program was created to provide services to and for citizens of Jefferson Parish, which services shall include but not be limited to providing, maintaining, administering and operating judicial services in the civil, juvenile and criminal justice system.<sup>3</sup>

Under state law, the proceeds of any special tax constitute a trust fund. La. R.S. 39:704 states:

The proceeds of any special tax shall constitute a trust fund to be used exclusively for the objects and purposes for which the tax was levied. The records of the taxing authority shall clearly reflect the objects and purposes for which the proceeds of the tax are used.<sup>4</sup>

The Louisiana Attorney General has consistently opined that a **governing authority may not use the proceeds of a special tax for something other than the purpose for which it was levied, even where the proposed use is closely related** to the purpose for which the tax was levied.<sup>5</sup>

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<sup>1</sup> Parish Council Minutes, dated 04/17/2024. Item 106.

<sup>2</sup> 2024 Annual Parish Budget, p. 172.

<sup>3</sup> 2024 Annual Parish Budget, p. 238.

<sup>4</sup> La. R.S. Sec. 39:704.

<sup>5</sup> La. Atty General Opinion 98-0369. Citing Hemler v. Richland Parish School Board, 76 So. 585 (La. 1917); Watkins v. Ouachita Parish School Board, 136 So. 591 (La. 1931); Hodnett v. Monroe City School Board, 277 So.2d 598 (La. App. 2n~ Cir. 1972) and Brock V. St. James Parish Council, 407 So.2d 1265 (La. App. 4t~ Cir. 1981), writ denied.

## 1. Parish wide 1.00 Mill

On 05/03/2014, Jefferson Parish voters approved a Parish wide millage (renewal) and collection of a special tax not to exceed one mill on all property. Specifically, voters:

authorized to renew the levy and collection of a special tax of not to exceed one (1) mill on all property subject to taxation in the Parish, for a period of ten (10) years, beginning with the year 2025... to be divided annually and dedicated to the following public purposes: **(a) one-half (1/2) of the avails of said tax to be deposited in and credited to The Jefferson Court and Judicial Service Fund and used to provide, maintain, administer and operate judicial services in the criminal justice system of the Parish;** and (b) one-half (1/2) of the avails of said tax to be deposited in and credited to The Jefferson Community Park and Culture Service Fund and used to provide, maintain, administer and operate cultural and park facilities and programs in the Parish of which 1/2 will be dedicated specifically to culture and the other 1/2 will be dedicated specifically to parks? (Bold supplied)<sup>6</sup>

This millage was renewed again in 2021.<sup>7</sup>

## 2. Unincorporated and Lafitte 2 1/2 Mills

Also on 05/03/2014, Jefferson Parish voters in unincorporated Jefferson Parish and the Town of Jean Lafitte approved a millage (renewal) and collection of a special tax not to exceed 2 1/2 mill on all property. Specifically, voters:

authorized to renew the levy and collection of a tax of not to exceed two and one-half (2-1/2) mills on all property subject to taxation in the District, for a period of ten (10) years, beginning with the year 2015, with the estimated amount reasonably expected to be collected from the levy of the tax for one year being \$6,272,450, to be dedicated to the following purposes: **(a) one mill of said tax to be dedicated to provide support, maintain, administer and operate judicial services in the criminal justice system;** (b) one-half mill of said tax to be dedicated to provide, maintain, administer and operate cultural and park facilities and programs in the District of which 1/2 will be dedicated to culture and the other 1/2 will be dedicated to parks; (c) one-half mill of said tax to be dedicated to promote industry, trade and commerce by providing economic and planning assistance to business enterprises located in or to be located in the District; and (d) one-half mill of said tax to be dedicated to provide, assist, administer and maintain services and programs for the elderly in the District?<sup>8</sup>

Together, these millages, .5 Mill and 1 Mill, are dedicated to support, maintain, administer and operate judicial services in the criminal justice system. The projected revenue from these millages for 2024 is \$4.8 million.<sup>9</sup>

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<sup>6</sup> <https://voterportal.sos.la.gov/graphical#!/#TabFull>

<sup>7</sup> Proces Verbal, 12/11/2021.

<sup>8</sup> <https://voterportal.sos.la.gov/graphical#!/#TabFull>

<sup>9</sup> 2024 Annual Parish Budget, p. 172.

## FUNDING TO MAJOR CRIME TASK FORCE

The Major Crime Task Force, formerly known as the Westbank Major Crime Task Force, was founded in 2006 to address a sharp increase in post-Katrina crime rates in the Algiers area of New Orleans, in the West Bank portion of Jefferson Parish and in Plaquemines. Historically, funding for the task force was provided by Jefferson Parish, the City of Gretna, and other local sources and from the State.<sup>10</sup>

Jefferson Parish has provided funding to the Major Crime Task Force from multiple sources, to include by way of example:

- General fund (10010)
- Riverboat gaming (22040)
- Council District Tourism (22030)
- Criminal Justice Fund (22530)
- Council District Projects (44530)<sup>11</sup>

On 09/27/2023, the Parish Council adopted via ordinance 26683 amending the Jefferson Parish Municipal Code to provide for Chapter 31, Article III, Multijurisdictional Cooperation, adding Section 31-30 which reads:

The parish council shall annually appropriate funds to provide operational support for the multijurisdictional major crimes task force. The appropriation shall not exceed one million dollars per year.

The ordinance does not identify a funding source for this expenditure of up to one million dollars.

In December 2023, the Parish adopted the 2024 budget which allocated \$860,000 from the Criminal Justice Fund to the Major Crimes Task Force. This budget allocation represents approximately 18% of the total fund which is revenue dedicated and restricted to judicial services.

<b><u>BUDGET HIGHLIGHTS:</u></b>		
The 2024 budget increased 9.5% above the 2023 Adopted Budget and 9.5% above the 2023 Amended Budget. The increase was primarily due to increase funding for the Major Crimes Task Force.		
The main revenue source for this department is Property Taxes currently levied at 1.41 mills and projected to generate approximately \$4.8 million for operations.		
	<u>2023</u>	<u>2024</u>
District Attorney	4,085,990	3,747,650
Constable & Justice of Peace	96,000	96,000
Juvenile Court-Process Servers	210,000	210,000
Major Crimes Task Force	90,000	860,000
District Courts - Computer Equipment	66,450	66,450

While the expenditure of funds from the “Criminal Justice Fund” for the Major Crimes Task Force is arguably related to “crime,” the expenditure is not related to the purpose for which the millage was

<sup>10</sup> Jefferson Parish Resolution 112281, passed 05/06/2009.

<sup>11</sup> The Criminal Justice Fund has provided funding for the Major Crime Task Force for at least the past nine years of approximately \$90,000. See Resolution 133531, adopted 05/08/2019; Resolution 134809, adopted 12/18/2019; Resolution 135626, adopted 04/08/2020; Resolution 137028, adopted 02/03/2021; 139134, adopted 02/16/2022; Resolution 141216, adopted 02/08/2023.

imposed, i.e. judicial services in the criminal justice system. By comparison, other expenditures, such as Court-Process Servers, are directly related.

On 05/01/2024, the Parish Council will consider a budget amendment to the General Fund of \$860,000 to fund the Cooperative Endeavor Agreement with the City of Gretna to provide funding to the Gretna Police Department for the Major Crimes Task Force.

The use of General Fund revenue to fund the Major Crimes Task Force is not prohibited. Conversely, the use of dedicated millage fund for a purpose other than the one approved by the voter may violate state law which declares the proceeds of a special tax to constitute a trust fund to be used exclusively for the objects and purposes for which the tax was levied. If the Major Crimes Task Force cannot be funded by the Criminal Justice Fund, then the Criminal Justice Fund cannot be used to fund the General Fund in an amount equal to the commitment.

An on-going commitment by the Parish to fund the Major Crime Task Force necessitates identifying a permissible funding source which may include the General Fund and other unrestricted discretionary sources. Depleting and re-directing millage dedicated to judicial services to the General Fund is neither a short-term nor long-term solution.



Kim Raines Chatelain  
*Inspector General*