

Office of The City Treasurer

Treasurer Report

December 8, 2020

Wanda M. Brown, City Treasurer

City Council meetings - November 24, and December 8, 2020

SUBJECTS: 1) City Treasurer received 39,059 in November 3, election.
2) City Treasurer locked out of City Hall premises by Mayor Butts.
3) 01- Ordinance No. 21-02 establishing maximum campaign contribution limits for the City and Candidates of \$100,000 per donor election cycle.

DISCUSSION: **CITY TREASURER RE-ELECTED FOR 9TH TERM!**

City Treasurer Wanda Brown whom was unchallenged received 39,059 votes. The most votes ever received by anyone running in a city-wide election. Although, I ran unchallenged, I am honored that residents chose to punch my number anyway. I only need a single vote to win re-election. 39,059 votes exceed the total votes cast in the 2018 mayor election for all 5 candidates by 7,056 votes and 19,242 more votes than those cast for Mayor Butts.

CITY TREASURER LOCKED OUT OF CITY HALL BY MAYOR BUTTS:

When the City Treasurer reported the true financial health of the City at city council I meetings last year as opposed to the optimistic rosy picture the mayor has been reporting for many months, the mayor retaliated by first having her microphone cut if she went one second over the three-minute Oral Report Time. The mayor now retaliates by, deactivating her employee badge to council chambers and all City departments. The mayor has now locked the newly elected 32 year serving City Treasurer not only out of her own office including City Hall premises. The justification he is falsely using, the Treasurer didn't report her August 28, 2020 City self administered COVID 19 test to Human Resources. Not only did the Treasurer report the Negative results to HR when received several days later. She sent a second copy of the August 28th Negative results as recently as November 05. In addition, she sent a copy of her negative results of COVID 19 test administered by her physician on 11-16-2020 via e-mail to HR on November 15,2020 that was acknowledged by HR. The mayor continues to retaliate by using staff essentially as a weapon against the Treasurer to lie in order for him to utilize any petty, divisive, tactics to feed his rage against the Treasurer for exposing the dire financial status of the City. The mayor finally admitted the City is in fact facing a **(\$15,000,000)** deficit this fiscal year and a **(\$12,000,000)** in the upcoming budget, and five (5) year budget deficits for the next five years during negotiating with SEIU 721 Union. According to SEIU 721, the City is now crying "poverty" when their demands are presented to the City, yet talks rosy financial health picture of financial health to the public. **However, I believe the budget deficits are substantially larger than the City's admission, and the deficits will last longer than 5 years.**

There was a special pay roll run of \$309,465.45 on 10/12/2020. Could this the total for bonuses to be paid to executive staff in December in spite of a **(\$15,000,000)** and **(\$12,000,000)** deficits and five years of projected deficits?! Now that the mayor has shut down City Hall, no one will be any the wiser, for bonuses, referred to as executive Christmas money. Then again, the 2017 Pension Obligation Bonds (POB) where the City borrowed \$53,000,0000, and quickly put \$36,000,000 in the general fund, that was sucked up by employee wages, City bills, and executive staff bonuses. Monthly bills average **\$19,000,000 to \$23,000,000out the door!** As previously reported, the City is swimming in **Red Ink!** **Yet,** last year Artie Fields, City Manager bonus was \$32,454.26, which exceeds some City employee's annual salary!

The City's Negative Fund balance exceeds **(\$475,000,000)**. Unrestrictive net assets are a good indication of the budget health. These are free or unrestricted dollars after bills are paid. The City don't have any of those dollars! Clearly, the City's budget isn't healthy with a deficit of **(\$12,000,000)** in current budget! 2020 POB of **\$102,000,000** worsens the City's Negative Fund balance. POB is basically a way of borrowing to pay bills, to help keep the City afloat. Total City bond debt and Successor Agency/ former RDA is a staggering **\$531,689,615**. **When added to Negative fund balance (\$475,000,000) a staggering (\$1,006,689,615)! Yes, Billion!**

The City, or Mayor Butts will have to make some serious adjustments to ease the bleeding in its finances. One is to develop a realistic budget and adhere to it, stop spending dollars you don't have, eliminate executive staff bonuses, hire competent executive staff for key departments such as the finance and public works departments, develop a plan to pay down the staggering debt, and when borrowing via POB, use the funds to reduce long term debt or unfunded liability with CalPERS instead of putting the dollars in the general fund checking account! Watch the City's course of action taken in the next 60 days. Furloughs every Friday, layoffs, mandatory pay cuts again? Who will they be? No layoffs scheduled for the lucky Mayor Butts approved hiring! Los Angeles to lay off 1800 that includes 951 police?

Ordinance 01 - **CAMPAIGN CONTRIBUTION LIMITS NEW STATE LAW**

The Daily Breeze, November 25, 2020 reported "Inglewood will not follow a new state law limiting local campaign contributions to \$4,700. Instead opting for a cap 21 times higher than what a state senator can accept from a single source." The Bill, AB 571 was authored by Kevin Mullins, Democrat South San Francisco. The purpose of the bill was to "curtail out of control fundraising and spending on local elections. The bill allows cities to legally set a limit that is different from the state. The article adds the "Fair Political Practices Commission (FPPC) provides enforcement and covers the costs for the cities and counties that accept the state's limits. **But, those that set their own limit will not get support from the FPPC."**

"The commission's objectives are to ensure public officials act in a fair and unbiased manner in the governmental decisions making process, to promote transparency in government, and to foster public trust in the political system."

Wanda M. Brown
Inglewood City Treasurer