



For Immediate Release
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Thursday October 21, 2010

BASTA Receives Answer From Bell Interim COA
Concerning Demands for Transparency,
Welcomes Attorney General's Motion for City of Bell Monitor

BASTA has been trying to engage in a process that helps to establish transparency in all of the operations of the City of Bell. In good faith **BASTA** submitted a series of questions on October 4 to the Interim CAO (see Appendix A) and on Oct 5, members of **BASTA** and the community met with Pedro Carrillo and Jaime Casso, the interim City Manager and Attorney to discuss the letter. Mr. Carrillo promised that they would respond to our letter in two days. As of October 19 **BASTA** had not received an answer.

About 4 weeks ago, **BASTA** reached out to the Attorney General's office asking for help in creating a process that would create a better and more transparent means of communication between City administrators and the community. The conversation involved us discussing all the options available to the city including receivership and monitoring, the recall process, and transparency, and the difficulty with getting information and we had to respect the AG's need for confidentiality until now.

It took two weeks, but yesterday, **BASTA** finally received a written response to our questions from Mr. Carrillo and today the Attorney General reported that his office "filed a motion in Los Angeles Superior Court asking for the appointment of a monitor to oversee the city's operations to safeguard city finances and ensure the city is run in an open and transparent manner until next year's election."

We hope that this monitor leads to a process where the public's questions can be answered in a clear and authoritative manner more frequently and as a matter of policy and not just as a public request. The City's current and future administration's system of governance will be judged by their ability to answer questions and create transparency on a regular and ongoing basis.

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Synopsis of answers provided by Interim CAO

There is some good information in the document we received, and while all our questions were not answered most were. **BASTA** will formulate more questions in hopes that we can continue to get the community's questions answered. Below is a synopsis of some of the findings, if anyone wants a complete copy of the response, please email BASTA and we will gladly share it with you.

1. Defense of Councilmembers: The most important piece of information is the affirmation that the City of Bell will not pay the legal defense cost for the councilmembers. **BASTA** took the legal position that the City should not pay for the legal cost of the defense of the councilmember, and 48 days later we have confirmation that they agree with us.

On September 2, 2010 **BASTA** legal counsel sent the City Attorney a letter which states that the City may not pay for the legal cost of defense of the Councilmembers concerning the Attorney General's lawsuit or the District Attorney's criminal charges. In his response Mr. Carrillo states that "The city of Bell is in agreement with BASTA and does not intent to pay for the defense of the public officials charges in either the Attorney General or District Attorney's lawsuit...Please be assured that the City will vigorously oppose any motion seeking payment of legal fees by any of the defendants."

2. Supplemental pension plans: In our list of questions **BASTA** also asked for the City to list the names and positions of the 41 people referred to in the LA Times, who received supplemental pension plans and what the city doing to correct this abuse. The city provided **BASTA** with a list of these individuals and they have stated that "they have moved to eliminate the practice and no longer offer this plan to any individual in the city of Bell." The list includes a number of the indicted councilmembers and administrators, and other we have been calling to resign. The list does not include a single member of the Bell Police Department.

3. Total compensation of City Employees: **BASTA** also asked that the City disclose total compensation in a clear and comprehensive manner, referring to Hermosa Beach as an example which provides the following information employees: Full Name, Position, Home Department, Base Salary, Hourly Rate, Part Time, Overtime, Premium Merit, Leave Cash outs, Def Comp, Taxable Life Insurance, Allowances, Total.

BASTA did not receive a breakdown as thorough as requested, but we did receive a document identified as "State Controller's Office – Division of Accounting and Reporting" which gives a listing of Bell City employees and their 2009 W-2 earnings. There have been a lot of questions and misinformation about the salaries of the members of the Bell Police Officers Association. Below is a summary of members of the annual base salary of member's of Bell Police Officers Association as reported by the State Controller.

Members of POA	Number of Employees	Annual Salary Minimum	Annual Salary Maximum
Police Officer	20	\$62,232	\$75,636
Motor Officer	2	\$68,445	\$83,195
Police Detective	3	\$68,445	\$83,195
Total	25		

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4. Loan Program: **BASTA** asked the City to list all employees who received loans from the City, the amount and time of the loan, loan terms, whether any defaults occurred, when it was repaid, and outstanding balances. In response to this question, the city responded that the loan program created by Robert Rizzo was never approved by the city council, that has been canceled and that it is demanding immediate and full payment. 46 loans were made in total, there are 7 outstanding loans, including a loan for \$300,000 to Randy Sopp- Sopp Chevrolet with pending stipulated judgment requiring payment with interest.

All **BASTA** representatives are unpaid volunteers. **BASTA** remains committed to financial transparency and believes it is crucial to leave the ugly, divisive politics of the Rizzo regime behind. That only worked to divide us, not make us a strong, vibrant city capable of local control. We invite anyone who has a difference of opinion with us to sit down with us and discuss it. We remain committed to doing all in our power to **Take Back Bell**.

BASTA welcomes our community and others interested in reviewing our demands for transparency to visit our website at basta4bell.com

BASTA is a coalition of Bell residents, the Bell Police Officer's Association and AFSCME Council 36 who are committed to restoring ethical and honest governance to the City of Bell.

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Appendix A



Dear Mr Carrillo,

10/4/10

You have stated that with Rizzo gone, it is a new day in Bell and the Council is directing the new administration to establish transparency in all of the operations of the City of Bell. Further, you have said that you want to encourage good communications with the community.

BASTA feels that inadequate efforts are being made in this direction. With the weekly new public revelations about matters which the public knows nothing about, there is a need to institutionalize a better process of public communication.

We believe that a wholly new way of doing business is in order. We believe that there should be an item on every Council agenda called "Community Questions." We believe that BASTA and others should be able to submit questions two weeks in advance of your meetings, and that a staff report should be prepared answering the questions, and the questions should be listed on the agenda. Then, staff should give the staff report at the meeting with the questions.

We have an initial set of questions. Some of the questions may be harder to answer than others and we will understand if all the questions cannot be answered at each meeting. Still, we need to start answering the questions that the public has in a clear and authoritative manner. Your governance will be judged by your ability to get these questions answered. Your staff should take your directions, or you should get staff who will. We are asking that these questions be answered at or before the next council meeting.

- 1 Reserves: What were the City's total reserves at the end of FY 2007-8? FY 2008-9? What are they currently? What do you project them to be at the end of FY 2010-11? What is the reason for the decline?
- 2 Bond Default: It is reported that there may be a bond default of \$35 million by the end of the year for the property off Bandini and Atlantic. Please explain the circumstances. Has the City's credit rating declined and why? What is being done to prevent any default and restore our credit rating?
- 3 Defense of Councilmembers: BASTA legal counsel has sent the City Attorney a letter dated Sep 2 2010 which states that the City may not pay for the legal cost of defense of the Councilmembers concerning the Attorney General's lawsuit or the District Attorney's criminal charges. We have received no response. Does the City agree with this letter and is there any intent to pay for the defense of the public officials charged in these actions?
- 4 Loan Program: Please list all employees who received loans from the City, the amount and time of the loan, loan terms, whether any defaults occurred, when it was repaid, any outstanding balance. Please provide who approved the loans and any documentation as to whether the program was ever authorized by the Council and how it was to work.

- 5 Compensation: Reporting compensation as recently requested by the State Comptroller, please list all employees currently making in excess of \$100,000 per year. Please list all compensation of the public officials included in the AG Lawsuit paid in each of the last 3 years.
- 6 Pensions: Please list all retirement payments exceeding \$75,000 paid annually in each of the last 3 years to former Bell employees, including both from PERS and any special pension funds of City (and designate the amount from each fund), and also project the future annual pension payments to all persons who have retired this year and not yet received payments.
- 7 Contractors: Please list all city vendors who have received compensation over \$50,000 annually for each of the last 3 years. Also please inform us if their contracts are current, when they expire, how much their contract is worth, and who approved them.
- 8 Manager/Attorney: Please list all compensation paid to the prior City Atty (BB&K) in each of the last 3 years. Please list all the compensation charged by or paid monthly to Mr Carrillo and his firm Urban Associates since he became CM, and same for Mr Casso and Meyers Nave.
- 9 Please list the names and positions of the 41 people referred to in the LA Times who received supplemental pension plans and what is the city doing to correct this abuse?
- 10 Please disclose total compensation in a clear and comprehensive manner. For example, Hermosa Beach provides the following information employers: Full Name, Position, Home Department, Base Salary, Hourly Rate, Part Time, Overtime, Premium Merit, Leave Cash outs, Def Comp, Taxable Life Insurance, Allowances, Total.
- 11 Please provide job description for all personnel.
- 12 What's going on with the sports complex on Florence and Walker? Is that project still under way and if so how is the city paying for it?
- 13 Are the following individuals still employed or under contract with the city? If so what is the city doing to terminate their relationship with them? A timeline of when residents can expect to see them no longer associated with the city. If they have been terminated, please provide documentation of their termination and the terms of termination.

Eric Eggena, Director of General Services \$421,402
Loudres Garcia, Director of Administrative Services \$ 422,707
Annette Peretz, Director of Community Services \$273,542
Luis Ramirez, Deputy Engineer \$247,573
Ricardo Gonzalez, Business Development Coordinator \$195,628
D&J Engineering (Dennis Tarango) \$10.5 since 1995
(Average of \$800,000 plus a year)

- 14 AB 900 was signed into law last month, but according to the Los Angeles County Assessor's office, they are still waiting for the City of Bell to transfer the money so they can begin to process the reimbursements. When does the city plan to transfer the money to the County?
- 15 Property Taxes, Business Taxes, Business Licenses: It was reported that the city was illegally overcharging property owner and business in Bell, have the taxes and license fees been adjusted to be in compliance with state law?