

5/22/2013

WINBURN DEMANDS
THAT THE CITY OF CINCINNATI
CEASE & DESIST
WASTEFUL SPENDING

Ladies and gentlemen of the press
thanks for attending my press conference

This Monday Morning, May 20, 2013

Councilman, Charlie Winburn

5/22/2013

Something has to change at City Hall!

This press conference is based on facts

It's about holding our leaders accountable

It's about Cincinnati's Future!

We Cannot Continue Down This Path Of.....

- ❑ Higher property taxes and water bills
- ❑ The threat of increased earnings Income tax
- ❑ Promoting an overpriced streetcar
- ❑ Raising the parking rates
- ❑ The continuous threats of police, fire, and sanitation worker lay offs
- ❑ A retirement system at the brink of bankruptcy

We Cannot Continue Down This Path Of.....

- ❑ Losing more jobs to Kentucky and Indiana because 7 of my colleagues on City Council passed an ordinance that restricts merit shops, non-union companies, and small businesses from bidding on the \$5 billion dollars of work through MSD, GCWW & Storm Water Utility.
- ❑ Facing budget deficits year after year
- ❑ Wasteful government spending like the one I am about to share

ELIMINATE WASTEFUL GOVERNMENT
SPENDING PROJECTS IN LIGHT OF OUR
\$35 MILLION DOLLAR BUDGET DEFICIT

□ In my opinion having **145 city credit cards** as we face a city budget deficit sounds like **government waste** to me

THE FACTS

*Documented by City Manager Milton
Dohoney, and Deanna Brown, Interim Finance
Manager, City Purchasing Agent
May 16, 2013 and May 17, 2013*

THE FACTS

- ❑ FACT 1. The City Manager Milton Dohoney authorized and issued 145 Ghost or Credit Cards to 145 City Employees
- ❑ FACT 2. The City Manager Milton Dohoney did not include in his 2014 Budget Reduction Plan, the elimination of excessive credit card expenses that include wasteful spending such as **apple Itunes, office furniture, hotel accommodations, party bags, JC Penney's, Walmart and box lunches** in light of the City of Cincinnati budget cuts that include layoffs of Police, Fire, Sanitation Workers, and Economic Development projects that drive increased tax revenue.

THE FACTS

- FACT 3. The City Manager spent approximately **\$6 Million** dollars in credit card expenditures since 2008
- FACT 4. The City Manager is currently spending **\$171,000 a month** on credit card expenses, however, since January 2013 credit card expenses are at \$686,228.17 which appear to be on track for hitting the all time high **\$2 Million Dollars**

THE FACTS – RISING CREDIT CARD EXPENSES YEAR AFTER YEAR

- FACT 5. Credit card expenses skyrocketed by **605%** in 2009 as compared to 2008. In 2008 City Manager spent **\$87,000 dollars** on credit cards and in 2009 spent **\$616,000.00** on credit cards
- FACT 6. In 2010 credit card expenses increased by **69.15%** as compared to 2009. In 2009 expenses were **\$616,000.00** and expenses in 2010 were **\$1,043,250.68**
- FACT 7. In 2011 credit card expenses increased by **52.58%** as compared to 2010 when expenses were **\$1,043,250.68** and **\$1,591,799.00** in 2011

THE FACTS – RISING CREDIT CARD EXPENSES YEAR AFTER YEAR

- FACT 8. In 2012 credit card expenses increased by **18.36%** as compared to 2011 which was **\$1,591,779.00** and in 2012 they were **\$1,884,092.33**
- FACT 9. While the city is currently facing a budget deficit for 2014 the City Manager is still spending money on **145 credit cards totaling to date \$686,228.17**
- FACT 10. 145 city employees have a cumulative credit limit/line of **\$2.1 Million dollars to spend at our tax payers expense**

THE FACTS – RISING CREDIT CARD EXPENSES YEAR AFTER YEAR

- FACT 11. 40 city employees have a credit limit or line of credit ranging from \$15,000.00 to 50,000.00
- FACT 12. 103 city employees have a credit limit or credit line up to \$10,000.00
- One employee has a \$5,000.00 credit line, and another at \$7,000.00

TAKE AWAYS – The City Manager needs to answer the following questions.....

- ◆ Why do the City tax payers need to pay for 145 credit cards
- ◆ Why has credit card repayments increased in 2009 by 605.58% and increased to almost 70% in 2010
- ◆ Why is the city administration currently paying approximately \$171,000.00 each month for credit cards when the city is facing a \$35 million dollar budget deficit.

TAKE AWAYS – The City Manager needs to answer the following questions.....

- ◆ Why is the city administration laying off police, fire and sanitation workers while they continue to pay \$171,000.00 each month on credit card expenses to include purchases from: (?)
 - ◆ Apple Itunes
 - ◆ JC Penney
 - ◆ Walmart
 - ◆ Party Bags
 - ◆ Box Lunches
 - ◆ Hotel Accommodations & Office Furniture

RECOMMENDATIONS

1. Immediately cancel all 145 credit cards;
2. Require all 145 city credit cards to be turned in to his office by 5:00 p.m. on Wednesday, May 22, 2013;
3. Pass an emergency ordinance to limit the number of credit cards and line of credit/credit limit that the city manager can have at any time. In other words, require the city manager to reduce the number of credit cards from 145 to approximately 18 credit cards. All city departments and/or divisions would only be entitled to 1 credit card

RECOMMENDATIONS

4. Use all funds set aside for credit card payments and limits after the monthly bills are paid, then prospectively explore the possibility of using those funds to keep police, fire fighters and sanitation workers on the job, effective immediately.
5. Chair of Finance (Vice Mayor Qualls) Immediately Request a special audit by the Ohio Auditor of State on the 145 city credit card accounts from 2002 to 2013 for the purpose of determining if all expenditures were made for a proper public purpose. If any expenditures are improper or illegal the Auditor of State should issue findings for recovery from those who made the expenditure.

RECOMMENDATIONS

6. Request the Ohio Auditor of State to determine if each city department has contributed to the city's \$35 million budget deficit as a result of their activity.
7. I plan to ask the Mayor and Council to demand the City Manager take full responsibility for immediately freezing all US Bank/Visa Credit Card accounts issued to 145 City of Cincinnati employees in light of the City's \$35 million dollar budget deficit.

RECOMMENDATIONS

8. I am calling on Vice Mayor Qualls, Chair of the Finance Committee, to move on this motion expeditiously in light of our City facing a \$35 Million Dollar Budget Deficit
9. I am also calling on Vice Mayor Qualls to investigate as Chair of City of Cincinnati Finance Committee other government waste projects that the City Administration has not revealed. This recommendation includes directing Vice Mayor Qualls to convene a blue ribbon efficiency committee to assist with my recommendation to right size our bloated city government bureaucracy with view toward eliminating our wasteful government spending. All 9 members of council will appoint 1 person to the committee