



**OFFICE OF THE
CITY MANAGER
ERNIE HERNANDEZ**

City of
LYNWOOD

Incorporated 1921

11330 Bullis Road, Lynwood, CA 90262
(310) 603-0220 x 200



September 23, 2021

LYNWOOD - Despite citing progress, the City of Lynwood was put on notice this morning by the California State Auditor who published a negative report on the City of Lynwood's finances, citing instability and placing Lynwood back in the "high risk" category.

The State Auditor released a negative report on Lynwood's finances back in the fall of 2018 and identified nine individual financial issues, which in the spring of 2019, City Council members received and filed a public report by city staff that the auditor's 2018 findings were in fact being addressed and remedied. City staff relayed the same messaging to Council Members throughout the following two years. Although City staff did take actions to remedy some of the issues identified by the auditor in 2018, the effort was not enough. According to the State Auditor, since then the City of Lynwood has addressed only one of the nine concerns fully; partially addressed six of the concerns; and two of the concerns are listed under "pending."

"This is unfortunate news," said Mayor Marisela Santana. "It is unfortunate to get this type of news at a time when for the first time in Lynwood's history, we have a council that works cohesively for the betterment of our great City. For this very reason, we hired a brand new City Manager with experience in making cities stronger financially. We brought him in with the understanding that Lynwood urgently needed stability and good leadership in the City Manager's Office, someone who was going to stop playing games and help move Lynwood forward. While we knew there was room for improvement, we didn't know things were this bad."

With a new City Manager in tow, this negative report gives us, as a City, an opportunity to truly put Lynwood on the right path, Santana said. "For the sake of our community, the five of us are committed to leaving this City better than how we found it. We have been under the impression that this was already happening, and unfortunately, it wasn't. We have to take this as a blessing in disguise, an opportunity to continue to unearth business as usual guises. We can't be better if we're only fixing things superficially."

The State Auditor stated in its report that Lynwood remains high risk because it has not fully addressed nearly all of the risk areas from the 2018 audit, threatening the City's ability to provide public services.

Along with new City Manager Ernie Hernandez, the City of Lynwood is also working on strengthening its administration to address the issues posed by the State Auditor under the previous City administration. "The City recognizes that the former leadership team fell short of providing formal updates to the State on their issues of concern," said City Manager Hernandez. "That will change moving forward and public services will not be affected. The City of Lynwood is committed to working with the auditors wholeheartedly."

Upon being hired, Hernandez noticed several areas of concern and has been working diligently with the City Council to remedy his concerns himself. In fact, one month after being hired, Hernandez outlined for the City Council a schedule that would address his concerns and those of the 2018's audit. "Progress is already being made on a lot of those issues, and we will continue working on those issues to bring back stability to this great City, including financial stability. From what I understand, Lynwood has gone through a lot over the years, I was brought in to change that and we will get there."