



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: FY 2023-24 Annual Comprehensive Financial Report, FY 2024-25 First Quarter Financial Status Report, and Classification and Compensation Alignment

1. Motion to accept City of Glendale's Annual Comprehensive Financial Report, Report on Internal Control over Financial Reporting, and Communication with Those Charged with Governance for the fiscal year ended June 30, 2024
2. Motion to note and file the Financial Status Report for the year ended June 30, 2024
3. Motion to note and file the Financial Status Report for the period ending September 30, 2024
4. Motion to Increase the Citywide Authorized Salaried Position Count
5. Resolution Providing for the Establishment of Classification Titles and Compensation for Employees of the City of Glendale Covered by the Glendale Management Association Memorandum of Understanding, Including Employee Relations Exempt Classifications
6. Resolution Providing for the Establishment of Classification Titles and Compensation for Employees of the City of Glendale Covered by the Glendale City Employees' Association Memorandum of Understanding, Including Confidential and Hourly Classifications
7. Resolution Providing for the Establishment of Classification Titles and Compensation for Employees of the City of Glendale Represented by the International Brotherhood of Electrical Workers, Local 18
8. Resolution Providing for the Establishment of Classification Titles and Compensation for Executive Level Employees of the City of Glendale

COUNCIL ACTION

Item Type: Action Item

Approved for December 17, 2024 **calendar**

EXECUTIVE SUMMARY

The Annual Comprehensive Financial Report, the Report on Internal Control over Financial Reporting, and the Communication with Those Charged with Governance for the fiscal year ended June 30, 2024, are presented. The City received an unmodified opinion from the external auditors, which means the City's financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

As of June 30, 2024, the City has a net position of more than \$1.8 billion for all funds. The unassigned & charter reserve fund balance for the General Fund is \$128.4 million, a reserve of 40.0% of the FY 2023-24 expenditures. The City Council's current General Fund Reserve policy is a minimum of 25% of the annual expenditures, with a target of 35%.

For the FY 2024-25 first quarter, General Fund revenues are approximately \$30.5 million, or 9.3% of the revenue projection. Total General Fund expenditures through the first quarter are approximately \$77.3 million, or 23.3% of the total revised budget.

Staff is also bringing forth four Resolutions relating to several classification and compensation adjustments as the City continues to bring salaries into alignment with their respective labor market counterparts. The proposed actions impact the GMA, GCEA, and IBEW bargaining units, as well as Executive-level employees, who are unrepresented. In addition, one position is being requested to be added to the authorized salaried position count.

RECOMMENDATION

That the City Council approve the attached motions accepting the FY 2023-24 Annual Comprehensive Financial Report, the FY 2024-25 First Quarter Financial Status Report, and the increase to the authorized salaried position count, as well as the resolutions for the establishment of classification titles and compensation.

ANALYSIS

FY 2023-24 Annual Comprehensive Financial Report

The Annual Comprehensive Financial Report (ACFR) is the City's audited financial statements. Finance staff prepares and compiles the ACFR which is then audited by the City's independent certified public accountant, CliftonLarsonAllen LLP. The Auditors' fieldwork commenced in June 2024 and concluded in November 2024 with the issuance of the Independent Auditors' Report on November 19, 2024.

The ACFR is a set of government financial statements comprising the financial report of the City at the end of the fiscal year. The ACFR complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB), Generally Accepted Accounting Principles (GAAP), and applicable legal requirements. These standards, principles and regulations provide the framework and rules which the City follows to produce this financial report. The ACFR is audited by an external certified public accountant pursuant to Article VI, Section 16 of the City's Charter. The ACFR is used by numerous government agencies, bond rating institutions, and financial information repositories in order to comply with various reporting, financial, and bond disclosure requirements.

The results of the annual audit are formally published in the ACFR. For the fiscal year ended June 30, 2024, the City of Glendale received an Unmodified Opinion. This is the "cleanest" or highest opinion an entity can receive, which means that the City financial

statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The June 30, 2024, ACFR will be submitted to the Government Finance Officers' Association for an annual national achievement award. To qualify for this award, the City must publish an easily readable and effectively organized report and must conform to the standards established by the award program. The City has received this national achievement award for 29 consecutive years and staff believes that this years' ACFR will once again earn this designation.

The ACFR is organized into the following three main sections:

1. **Introductory Section** – This section includes the Transmittal Letter from the Interim Director of Finance, a listing of the Administration and Executive Management Team members, and the City's Organization Chart.
2. **Financial Section** – This section is the main section of the ACFR and includes the Independent Auditors' Report, Management's Discussion and Analysis (MD&A), the City's government-wide statements, governmental, proprietary and fiduciary fund-level statements, notes to the basic financial statements, and the required supplementary information (RSI). The remainder of the Financial Section presents the financial statement information for non-major governmental and enterprise funds, all internal service funds and fiduciary custodial funds.
3. **Statistical Section** – Located towards the end of the ACFR, this section provides readers with a variety of information, all of which is unaudited.

Management's Discussion and Analysis (MD&A)

The MD&A is located immediately following the Independent Auditors' Report and serves as an executive summary. GAAP requires that management provide this narrative to accompany the basic financial statements. The Transmittal Letter which precedes the MD&A in the Introductory section, is designed to complement the MD&A and should be read in conjunction with it.

Government-wide statements

The overall financial picture of the City is presented, in accordance with the Governmental Accounting Standards Board pronouncements, on a government-wide basis. Exhibits A-1 and A-2 in the ACFR are designed to provide readers with a broad overview of the City's finances similar to a private-sector business consolidated financial statements. These statements show the end balances and overall results of operations for all City funds. These two government-wide financial statements distinguish functions of the City that are principally supported by taxes, fees, and intergovernmental revenues (governmental activities) from those primarily supported by a user rate charges (business-type activities). The two government-wide statements presented are as follows:

- The **Statement of Net Position** presents information on all of the City's assets and deferred outflows of resources as well as liabilities and deferred inflows of resources, with the difference reported as net position. This is similar to a Balance Sheet in private sector accounting.

Exhibit A-1 Statement of Net Position
(in Millions)

	<u>Government</u>	<u>Business</u>	<u>Total</u>
Assets	\$ 1,882	\$ 1,294	\$ 3,176
Deferred outflows of resources	161	40	201
Liabilities	(888)	(575)	(1,463)
Deferred inflows of resources	(48)	(11)	(59)
Net position June 30, 2024	\$ 1,107	\$ 748	\$ 1,855

- The **Statement of Activities** presents information showing how the City's net position changed during the most recent fiscal year. Similar to an Income Statement in private sector accounting, all changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Exhibit A-2 Statement of Activities
(in Millions)

	<u>Government</u>	<u>Business</u>	<u>Total</u>
Revenues	\$ 476	\$ 408	\$ 884
Expenses	469	352	821
Increase in net position	7	56	63
Net Position July 1, 2023	1,100	692	1,792
Net position June 30, 2024	\$ 1,107	\$ 748	\$ 1,855

Fund-Level Statements and Notes

Following the government-wide statements are the fund-level financial statements and notes. The three main fund types are governmental funds, proprietary funds and fiduciary funds. Governmental funds include General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds. Proprietary funds include enterprise funds and internal service funds. Fiduciary funds include private-purpose trust funds and custodial funds.

The Notes section provides a significant amount of disclosure requirements that supplement the financial data presented in the financial statements. Some of the note disclosures include detailed information about cash and investments, capital assets,

long-term debt and liabilities, the City's pension plan and Other Post Employment Benefits Than Pensions (OPEB).

Statistical Section

The last section of the Report, which is unaudited, contains statistical data about the City. There are 20 schedules in total and most of them have 10 years of history. These schedules are broken down in five distinct categories: (1) Financial trends, (2) Revenue capacity, (3) Debt capacity, (4) Demographic and Economic information and (5) Operation information.

Net Pension Liability

A summary of the net pension liability for FY 2022-23 and FY 2023-24 by plans is shown below. Compared to the FY 2022-23 net pension liability, the FY 2023-24 amount increased by \$19 million, from \$677 million to \$696 million. The increase was mainly due to a positive 5.8% investment return in FY 2022-23, which is lower than the expected discount rate of 6.8%.

Net Pension Liability (In Millions)		
	FY 2023-24	FY 2022-23
Measurement date:	June 30, 2023	June 30, 2022
Miscellaneous Plan:		
Total pension liability	\$ 1,367	\$ 1,320
Total pension asset	\$ 1,025	\$ 985
Net pension liability	\$ 342	\$ 335
Funding %	75%	75%
Safety Plan:		
Total pension liability	\$ 1,064	\$ 1,021
Total pension asset	\$ 710	\$ 679
Net pension liability	\$ 354	\$ 342
Funding %	67%	67%
Total Misc. and Safety:		
Total pension liability	\$ 2,431	\$ 2,341
Total pension asset	\$ 1,735	\$ 1,664
Net pension liability	\$ 696	\$ 677
Funding %	71%	71%

Report on Internal Control over Financial Reporting

The Report on Internal Control over Financial Reporting summarizes the auditors' comments and recommendations regarding opportunities to strengthen internal controls

and operating efficiency. For the fiscal year ended June 30, 2024, the auditors did not identify any significant deficiency or material weakness.

Communication with Those Charged with Governance

The Communication with Those Charged with Governance is for the auditors to communicate the significant audit findings or issues, and other information, that are not communicated in the audited financial statements. For the fiscal year ended June 30, 2024, the auditors concluded the following: (1) all significant transactions have been recognized in the financial statements in the proper period; (2) management's estimates impacting the financial statements are disclosed; (3) the financial statement disclosures are neutral, consistent and clear; (4) the auditors encountered no significant difficulties in dealing with management in performing and completing the audit; (5) the auditors had no disagreement with the management. The letter also presents the corrected journal entries recommended by the auditors and the uncorrected journal entries. The effects of the uncorrected journal entries are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Fiscal Year 2023-24 General Fund Year-End Results

General Fund Revenues

The final resources recorded as of June 30, 2024, were \$330.7 million (not including interest revenue recorded for the Section 115 Trust, which is unbudgeted and restricted), compared to the revised resource budget of \$328.3 million.

A major revenue category that received slightly less revenues than anticipated was Property Taxes by \$1.2 million, primarily due to an attribution of \$923 thousand in revenue to the prior fiscal year instead of current fiscal year, based on reports received from LA County.

The Sales Tax category recorded \$3.3 million less in revenues than the final General Fund budget, primarily due to declines in the autos and transportation industry. New car sales were heavily affected by high financing rates, elevated vehicle prices from recent inventory shortages, and rising auto insurance costs, making it challenging for consumers to purchase new autos. However, as an offset, the final Measure S balance that was shifted to the unassigned fund balance category was higher by \$3.8 million due to less spending on various programs and projects than anticipated.

Utility Users Taxes (UUT) revenues also came in slightly less than anticipated by \$1.8 million, mainly due to Electric and Gas UUT revenues. While the volatility and unprecedented price surges in natural gas during FY 2022-23 suggested a likely decrease in FY 2023-24, the magnitude of the decline was not anticipated.

The Charges for Services category ended the year with slightly less revenues received by \$1.2 million, mainly due to the Landfill Royalty Tipping fees and Host Assessment fees coming in lower than forecasted as well as some variances in other categories.

Offsetting some of the lower receipts in revenues is the variance in the Interest/Use of Money category of approximately \$6.5 million more than the final General Fund Budget. This is mainly due to the unrealized gains in interest revenue recorded in accordance with GASB 31 in the amount of \$5.8 million, which is unbudgeted. The following table reflects the General Fund revenues by major category as of June 30, 2024.

General Fund Resources
Budget to Actuals, June 30, 2024
(In Millions)

Category	Projected	Actuals	% Received
Property Taxes	\$81.4	\$80.2	98.5%
Sales Taxes	\$89.2	\$85.9	96.3%
Utility Users' Tax	\$30.7	\$28.9	94.1%
Occupancy Taxes	\$10.3	\$10.2	99.0%
Licenses & Permits	\$10.1	\$9.4	93.1%
Rev. from Other Agencies	\$0.6	\$0.9	150.0%
Charges for Services	\$35.4	\$34.2	96.6%
Interfund Revenue	\$19.0	\$19.0	100.0%
Fines & Forfeitures	\$3.2	\$3.2	100.0%
Interest/Use of Money*	\$4.4	\$10.9	247.7%
Misc. & Non-Operating	\$1.0	\$1.3	130.0%
Transfers	\$24.3	\$24.1	99.2%
Total Revenues	\$309.6	\$308.2	99.5%
One-time Measure S Balance	\$18.7	\$22.5	120.3%
Grand Total Resources	\$328.3	\$330.7	100.7%

*Does not include investment income recorded for the Section 115 Trust (\$4.2 million), which is restricted and unbudgeted.

General Fund Expenditures

The actual expenditures as of June 30, 2024, totaled \$321.0 million, or 100.3% of the total General Fund final projection. Compared to the FY 2023-24 projection, the actual expenditures were overspent by \$1.0 million. The main attribution to this variance is \$2.0 million in increased maintenance and operation expenditures, partially offset by \$900 thousand in salaries & benefits savings, in addition to the anticipated \$8.0 million in projected vacancy savings. The following table reflects the General Fund expenditures by major category as of June 30, 2024.

General Fund Expenditures
Budget to Actuals, June 30, 2024
(In Millions)

Category	Projected	Actuals	% Expensed
Salaries & Benefits	\$215.2	\$214.3	99.6%
Maintenance & Operations	\$73.3	\$75.3	102.7%
Capital Outlay	\$1.9	\$1.8	94.7%
Transfers Out	\$29.6	\$29.6	100.0%
Grand Total	\$320.0	\$321.0	100.3%

General Fund Ending Fund Balance, June 30, 2024

The City's beginning General Fund unassigned & charter reserve fund balance for FY 2023-24 was \$123.2 million. Factoring in the FY 2023-24 increase in unassigned fund balance and the budget carryover/other to assigned fund balance of \$4.5 million, results in a net surplus of \$5.2 million, with an ending unassigned & charter reserve fund balance of \$128.4 million, a reserve of 40.0%. The City Council's current General Fund Reserve policy is a minimum of 25% with a target of 35%. The following table displays the fund balance of the General Fund as of June 30, 2024.

General Fund
Ending Unassigned & Charter Reserve Fund Balance, June 30, 2024
(In Millions)

Category	Projected	Actuals
Resources	\$328.3	\$330.7
Expenditures	\$320.0	\$321.0
Subtotal	\$8.3	\$9.7
Budget Carryover/Other	(\$5.2)	(\$4.5)
Net Surplus/(Use)	\$3.1	\$5.2
Ending Reserve	\$126.3	\$128.4
Reserve %	39.5%	40.0%

FY 2024-25 First Quarter Financial Status Update

The City's FY 2024-25 budget was adopted by City Council on June 25, 2024. The budget is not a static guideline for city spending but rather a dynamic document subject to constant revision and adjustment. Since budget adoption, staff has continued to analyze the revenues and expenditures that have been received and recorded and has revisited the adopted budget for potential adjustments. The first quarter financial update presented in this report includes the revenues and expenditures recorded through September 30, 2024.

General Fund Revenues

Revenues received in FY 2024-25 through September 30, 2024, total approximately \$30.5 million, or 9.3% of the revenue budget. This level of tracking on revenues is generally typical around this time as revenues received in July and August are accrued back to the prior fiscal year in accordance with Generally Accepted Accounting Principles. In addition, some revenues are received after the quarter-end cut off, such as Property Taxes. As of 1st quarter, staff is not proposing any amendments to the revenue projection for the General Fund. In the following months, staff will continue to assess the General Fund revenues and bring back any amendments to Council with future financial update reports. The following table displays General Fund revenues as of September 30, 2024, by major category.

**General Fund Revenues
Budget to Actuals, September 30, 2024
(In Millions)**

Category	Projection	Actuals As of Sep 30	% Received
Property Taxes	\$84.0	\$1.1	1.3%
Sales Taxes	\$91.1	\$6.9	7.6%
Utility Users Taxes	\$32.7	\$6.6	20.2%
Occupancy Taxes	\$10.8	\$1.6	14.8%
Licenses & Permits	\$11.3	\$2.6	23.0%
Revenue from Other Agencies	\$0.4	\$0.0	0.0%
Charges for Services	\$39.0	\$4.7	12.1%
Interfund Revenue	\$19.7	\$4.9	24.9%
Fines & Forfeitures	\$3.3	\$0.7	21.2%
Interest/Use of Money	\$3.8	\$1.2	31.6%
Misc. & Non-Operating	\$1.2	\$0.2	16.7%
Transfers from Other Funds	\$29.0	\$0.0	0.0%
Total Revenues	\$326.3	\$30.5	9.3%
Carryovers	\$4.3	\$0.0	0.0%
Total Resources	\$330.6	\$30.5	9.2%

General Fund Expenditures

As of the first quarter, expenditures are tracking slightly lower than 25% of the budgeted amount, totaling to \$77.3 million or 23.3% of the total revised budget. Expenses can

fluctuate from the expected 25% mark for a variety of reasons including seasonal spending patterns and procurements that will occur later in the fiscal year.

The revised budget includes approximately \$1.6 million in Council approved budget adjustments made through September 30, 2024, to the General Fund as well as \$4.3 million in carryovers from the prior year for programs and activities that have not yet been completed. The following table reflects the General Fund expenditures by major category, as of September 30, 2024.

**General Fund Expenditures
Budget to Actuals, September 30, 2024
(In Millions)**

Category	24-25 Adopted	24-25 Revised	Actuals As of Sep 30	% Expensed
Salaries & Benefits	\$231.1	\$231.1	\$57.1	24.7%
Maintenance & Operations	\$80.0	\$84.5	\$16.6	19.6%
Capital Outlay	\$0.1	\$0.2	\$0.0	0.0%
Transfers Out	\$14.4	\$15.8	\$3.6	22.8%
Total Expenditures	\$325.7	\$331.6	\$77.3	23.3%

General Fund Projected Ending Fund Balance, June 30, 2025

Considering the FY 2024-25 projected resources and appropriations, the unassigned & charter reserve fund balance is forecasted to decrease by \$1.0 million. This brings the projected ending General Fund reserve to \$127.4 million, a reserve of 38.4% of the revised FY 2024-25 General Fund appropriation. The following table displays the projected fund balance of the City's General Fund as of June 30, 2025.

**General Fund
Projected Ending Unassigned & Charter Reserve Fund Balance, June 30, 2025
(In Millions)**

Category	Revised 2024-25
Resources	\$330.6
Expenditures	\$331.6
Net Surplus/(Use)	(\$1.0)
Ending Reserve	\$127.4
Reserve %	38.4%

General Fund Five Year Forecast

During the FY 2024-25 budget adoption process, City Council was presented with a five-year General Fund forecast based on multiple variables including historical patterns, economic forecasts, input of industry experts and consultants. Since staff is not proposing any adjustments to the revenue projection, the revenue forecast has remained the same as previously presented. On the appropriation side, staff has incorporated the Council approved adjustments as well as the estimated impact for the Classification & Compensation adjustments (discussed in the next section of this report) reoccurring for the outer years.

The following table displays the General Fund five-year forecast updated as of September 30, 2024.

General Fund Five Year Forecast (In Millions)

	Revised 24-25	Projected 25-26	Projected 26-27	Projected 27-28	Projected 28-29
Revenues	\$326.3	\$339.7	\$348.7	\$348.4	\$357.7
Carryovers	\$4.3	-	-	-	-
Section 115 Trust	-	-	-	\$5.0	\$5.0
Total Resources	\$330.6	\$339.7	\$348.7	\$353.4	\$362.7
 Total Appropriations	 \$331.6	 \$337.3	 \$350.2	 \$359.1	 \$371.7
Add/(Use of Fund Balance)	(\$1.0)	\$2.4	(\$1.5)	(\$5.7)	(\$9.0)
Ending Reserve	\$127.4	\$129.8	\$128.3	\$122.6	\$113.6
Reserve %*	38.4%	38.5%	36.6%	34.1%	30.6%

*Council Reserve Policy is a floor of 25% with a target of 35%

AMENDMENT OF CLASSIFICATION AND COMPENSATION RESOLUTIONS

Introduction

Departments regularly assess their organizational structures, leading to suggestions for modifications in job classifications and titles. These revisions often stem from inequity studies, market trends and recruitment or retention difficulties, necessitating adjustments in compensation. Amendments to the Classification and Compensation resolutions are required to implement these changes. The Human Resources Department and the City Manager's office conduct a review, and the City Manager endorses these proposals before they are presented to the Council.

The intention for the 2024-25 Fiscal Year, is to continue the process of bringing classifications throughout the City into alignment with their respective labor market counterparts as outlined below, with a concern for appropriate internal equity, and to establish several new classification titles. In total, nineteen classifications are proposed

for adjustment, nine of which are vacant, nineteen new classification titles are proposed, and 52 obsolete vacant classifications are recommended for deletion.

The proposed classification adjustments are detailed in the attached Resolutions. A summary of these adjustments and corresponding Resolution page numbers are provided below.

City Attorney's Office

Principal Assistant City Attorney – adjust by 6.26% (\$1,130.56) for a top monthly salary step of \$19,190.25.

Legal Executive Secretary - adjust by 3.59% (\$272.03) for a top monthly salary step of \$7,858.72.

City Treasurer's Office

Treasury Services Technician II – adjust by 11.30% (\$608.40) for a top monthly salary step of \$5,991.85.

Treasury & Investment Services Operations Specialist – Adjust by 3.90% (\$304.12) for a top monthly salary step of \$8,098.09.

Community Development Department

Senior Housing Advisor – adjust by 5.02% (\$408.58) for a top monthly salary step of \$8,554.27.

Housing Analyst – adjust by 8.85% (\$695.55) for a top monthly salary step of \$8,554.27.

Principal Housing Advisor – adjust by 8.14% (\$708.25) for a top monthly salary step of \$9,409.70.

Housing Coordinator – adjust by 8.13% (\$707.70) for a top monthly salary step of \$9,409.70.

Senior Housing Analyst - adjust by 8.13% (\$707.70) for a top monthly salary step of \$9,409.70.

Fire Department

New Classification

Currently, entry-level employees are hired at the level of Fire Communications Operator, serving a one-year probation. It is proposed that the **Fire Communications Operator Trainee** be established as an unclassified position to provide the Department with flexibility during the examination process.

Starting new hires in the classification of Fire Communications Operator Trainee allows them to work under close supervision in a stressful, fast-paced environment before they become Fire Communications Operators. It will provide them with additional training and support and afford them a better chance of being successful. Once the Fire Communications Operator Trainee completes the one-year unclassified probation during training, the individual will be promoted to Fire Communications Operator and serve an additional one-year probation in a classified status.

Based upon the duties of the position, the Fire Department proposes the creation of the Fire Communications Trainee position, with a suggested top salary step of \$7,707.87.

The Fire Department is also requesting the addition of one Emergency Services Coordinator position which will increase the full-time authorized salaried position count. The Fire Department intends to transition the current Fire Captain who performs several Emergency Services Coordinator functions to a civilian position to allow for continuity of operations without the disruption of frequent leadership rotations of sworn Fire personnel. A civilian Emergency Service Coordinator brings specialized knowledge and experience in emergency management, ensuring a focused approach to preparedness, response, and recovery. This expertise benefits the City during emergencies by creating a more effective and coordinated response, which enhances resilience Citywide. The costs associated with the addition of this position will be absorbed in the Fire Department's current FY 2024-25 budget.

Glendale Water & Power

Electrical Field Services Supervisor – adjust by 6.00% (\$847.44) for a top monthly salary step of \$14,971.45.

Electrical Superintendent – adjust by 2.64% (\$404.23) for a top monthly salary step of \$15,720.02.

Power Engineering Manager – adjust by 14.40 % (\$2,148.98) for a top monthly salary step of \$17,076.07.

New Classifications

The Glendale Water & Power (GWP) Department is proposing to add the classification of **Electrical Mechanic Supervisor I**. This classification will be responsible for providing leadership and supervision to a group of Electrical Mechanic Assistants. Both GWP Management and IBEW recognize the need for a dedicated crew supervisor to ensure efficient operations and high standards of work. This role is essential for maintaining the safety, productivity, and quality of electrical services. The suggested top salary step for this classification is \$9,677.04.

The introduction of the **Utility Environmental Program Specialist** classification will address the growing need for specialized knowledge in environmental programs within our utility operations. This new classification reflects the increasing complexity of regulatory compliance and environmental sustainability initiatives. The suggested top salary step for this classification is \$8,728.37.

The establishment of the **Utility Environmental Program Supervisor** classification will formalize the supervisory responsibilities required to oversee GWP's environmental programs effectively. This role will enable better coordination and management of environmental compliance and sustainability projects, enhancing our operational efficiency. The suggested top salary step for this classification is \$12,422.72.

Human Resources Department

Safety Administrator – adjust by 16.79% (\$1,735.99) for a top monthly salary step of \$12,073.85.

Assistant Director of Human Resources – adjust by 7.51% (\$1,252.75) for a top monthly salary step of \$17,942.39.

New Classification

Human Resources Manager – this classification will replace the existing Human Resources Administrator as it more appropriately represents the functions associated with the position. The suggested top salary step for this classification is \$13,020.72, which is the same salary as the Human Resources Administrator.

Information Technology Department

The IT Department is requesting the creation of a Cybersecurity job series and the expansion of the existing Network Engineer job series. Regarding the Cybersecurity series, currently information security responsibilities are spread across the System and Network Engineer job series. This approach can lead to inconsistencies, gaps in security coverage, and a lack of focused expertise. Establishing a dedicated **Information Cybersecurity Engineer** series, ranging from levels I through III, will address these challenges and significantly enhance our security posture. This dedicated structure allows for specialized skill development and promotes a culture of security awareness. The suggested top salary steps are as follows:

Cybersecurity Engineer I - \$9,698.19

Cybersecurity Engineer II - \$10,668.87

Cybersecurity Engineer III - \$11,735.31

For the Network Engineer series, creation of the **Network Engineer I and III** classifications offers several key advantages. First, it establishes a clear career path within the organization, allowing for entry-level talent (Network Engineer I) to develop skills and gain experience. Second, it provides a promotional opportunity for existing Network Engineer II staff to advance to a Network Engineer III role with increased responsibilities and leadership potential. This tiered structure fosters employee growth, improves retention, and ensures a pipeline of skilled network professionals to meet the organization's evolving needs.

The suggested top salary steps are as follows:

Network Engineer I - \$9,698.19

Network Engineer III - \$11,735.31

Lastly, the IT Department is requesting a salary grade adjustment for the Assistant Chief Information Officer position. Recruitment and retention in the Information Technology sector remain significant challenges, particularly for municipalities competing in a dynamic and competitive labor market. The proposed adjustment reflects the Assistant Chief Information Officer's span of control, the complexity of their job responsibilities, and prevailing market conditions. It's also a proactive measure to

retain top talent and ensuring organizational stability. The request is to adjust the salary of the Assistant Chief Information Officer by 8.38% (\$1,466.92) for a top monthly salary step of \$18,982.36.

Management Services Department

New Classification

The existing Graphics Illustrator classification no longer aligns with the current demands and evolving scope of work in visual communication and design. Over the years, graphic design has transformed significantly with advancements in technology, software, and communication platforms. A modern **Graphics Designer** job classification better reflects the professional standards, responsibilities, and skills required for the position today.

The proposed Graphic Designer role will encompass a broader range of tasks, including digital media design, social media content creation, and interactive presentations, in addition to traditional print design. By adding the Graphic Designer classification, the City can attract top-tier talent and effectively communicate our mission and services to the community through modern, impactful design. The suggested top salary step for this classification is \$7,568.00.

Police Department

Police Records Administrator – adjust by 12.29% (\$1,461.29) for a top monthly salary step of \$13,356.00 due to the addition of the Property Bureau to the scope of responsibilities.

Police Communications Administrator – adjust by 31.85% (\$3,226.31) for a top monthly salary step of \$13,356.00.

New Classifications

The Real Time Intelligence Center (R.T.I.C.) leverages emerging technologies to provide real-time, actionable intelligence to first responders. The R.T.I.C. integrates several cutting-edge technologies, including live-stream footage from various public cameras across Glendale, into a single, user-friendly system. The system uses robust analytical software to digest large amounts of information. That analysis generates actionable, real-time intelligence that investigators and patrol officers, supervisors, and managers can then use to deliver a safer and more efficient response to the community. The proposed classifications of **Real Time Intelligence Center Operator, Real Time Intelligence Center Specialist and Real Time Intelligence Center Supervisor** are intended to support the operations of the R.T.I.C. dedicated to delivering real-time intelligence to patrol officers.

The suggested top salary steps are as follows:

Real Time Intelligence Center Operator - \$7,793.00

Real Time Intelligence Center Specialist - \$8,374.00

Real Time Intelligence Center Supervisor - \$8,969.00

Moreover, in June 2024, the City Council sanctioned the creation of the new Police Parking Operations Administrator. The title should have been listed as Parking and Police Services Administrator, but it was overlooked. The revised title is included in the applicable Resolution.

Public Works Department

Assistant Public Works Director/City Engineer - adjust by 3.93% (\$746.01) for a top monthly salary step of \$19,728.37.

New Classifications

The Public Works Department has been assessing current job classifications of its positions in the Traffic Maintenance and Parking Meter operations and has found that the existing class specifications are antiquated and out of alignment when compared with the actual job functions employees in those positions are now performing. Employees who currently occupy the obsolete classifications will transition to the new titles after which the obsolete classifications will be eliminated.

The Department is seeking to create the classifications of **Parking Meter Technician and Senior Parking Meter Technician**. The classification of Parking Meter Technician will replace the current classification of Parking Meter Collector/Repairer. The new classification of Senior Parking Meter Technician will create opportunities for better succession planning within the Public Works Maintenance Services Division, bridges a salary disparity (24.6%) between the Parking Services Supervisor position and that crew supervisor's direct reports, and serves as a deterrence for attrition to other departments or outside agencies.

The proposed salary for the classification of Parking Meter Technician is \$6,233.55, which is the same as the classification it is replacing. The proposed salary for the new classification of Senior Parking Meter Technician is \$6,622.90.

The Department is also seeking to create the classifications of **Traffic Maintenance Technician and Senior Traffic Maintenance Technician**, which will result in title changes for the existing classifications of Traffic Painter and Senior Traffic Painter. The operational needs and technology for the Traffic Section have evolved extensively over the past two decades. The crew size for this operation has become smaller, but much more versatile and fluid over the years, and now utilizes a cache of computer based and new equipment technologies to perform the core duties and job functions of these operations. The proposed salaries for these classifications are \$6,052.84 and \$6,431.32 respectively, which are the same as the classifications they are replacing.

Additionally, the Department is seeking to create the new classification of **Assistant Fleet Compliance Manager**. The Fleet Services Division has, over the past four years, focused on the consolidation and designation of compliance responsibilities. Regulatory compliance for municipal fleets and fueling facilities has become increasingly complex in California and the designation of a compliance operation in this division positions the

city well to handle current and future regulations. In 2023, the classification of Fleet Compliance Manager was created. The proposed classification of Assistant Fleet Compliance Manager will create a better succession planning structure for this operation and will provide the support and redundancy needed to ensure responsible operation of the City's fleet. The suggested top salary step for this classification is \$7,595.04.

Executive Resolution

Included in this staff report as a separate item is a Resolution for Executive-level employees, who are unrepresented. In the absence of an MOU, the Classification and Compensation Resolution appointed Executives enumerates the salary and benefit items available for Executives.

Staff is proposing that the compensation for the classification of General Manager of GWP be adjusted by 10.49% (\$2,769.67) for a top monthly salary step of \$29,166.67, ensuring the City's compensation remains competitive with industry standards.

SUMMARY

The above actions are brought forth in the form of amended Classification and Compensation resolutions, which are set forth in this report individually by employee group, as follows:

- GCEA/Hourly/Confidential Classifications
- GMA and GMA Employee Relations Exempt Classifications
- IBEW, Local 18 Classifications
- Executives

The Resolutions also contain the new job classifications (identified by underlining), as well as the obsolete classifications proposed for elimination (identified by strikeout).

Proposed Adjustments

Classification	Resolution	Resolution Page #
Assistant Chief Information Officer	GMA and GMA Employee Relations Exempt Classifications	10
Assistant Director of Human Resources	GMA and GMA Employee Relations Exempt Classifications	10
Assistant Public Works Director/City Engineer	GMA and GMA Employee Relations Exempt Classifications	10
Electrical Field Services Supervisor	GMA and GMA Employee Relations Exempt Classifications	12
Electrical Superintendent	GMA and GMA Employee Relations Exempt Classifications	12
General Manager	Executives Classifications	3
Housing Analyst	GMA and GMA Employee Relations Exempt Classifications	7
Housing Coordinator	GMA and GMA Employee Relations Exempt Classifications	7
Legal Executive Secretary	GCEA/Hourly/Confidential Classifications	6
Police Communications Administrator	GMA and GMA Employee Relations Exempt Classifications	13
Police Records Administrator	GMA and GMA Employee Relations Exempt Classifications	13
Power Engineering Manager	GMA and GMA Employee Relations Exempt Classifications	13
Principal Assistant City Attorney	GMA and GMA Employee Relations Exempt Classifications	14
Principal Housing Advisor	GMA and GMA Employee Relations Exempt Classifications	14
Safety Administrator	GMA and GMA Employee Relations Exempt Classifications	14
Senior Housing Advisor	GMA and GMA Employee Relations Exempt Classifications	9
Senior Housing Analyst	GMA and GMA Employee Relations Exempt Classifications	9
Treasury & Investment Services Operations Specialist	GCEA/Hourly/Confidential Classifications	10
Treasury Services Technician II	GCEA/Hourly/Confidential Classifications	10

New Classifications

Classification	Resolution	Resolution Page #
Assistant Fleet Compliance Manager	GCEA/Hourly/Confidential Classifications	3
Cybersecurity Engineer I	GMA and GMA Employee Relations Exempt Classifications	7
Cybersecurity Engineer II	GMA and GMA Employee Relations Exempt Classifications	7
Cybersecurity Engineer III	GMA and GMA Employee Relations Exempt Classifications	7
Electrical Mechanic Supervisor I	IBEW, Local 18 Classifications	2
Fire Communications Operator Trainee	GCEA/Hourly/Confidential Classifications	5
Graphics Designer	GCEA/Hourly/Confidential Classifications	5
Human Resources Manager	GMA and GMA Employee Relations Exempt Classifications	12
Network Engineer I	GMA and GMA Employee Relations Exempt Classifications	8
Network Engineer III	GMA and GMA Employee Relations Exempt Classifications	8
Parking Meter Technician	GCEA/Hourly/Confidential Classifications	7
Real Time Intelligence Center Operator	GCEA/Hourly/Confidential Classifications	8
Real Time Intelligence Center Specialist	GCEA/Hourly/Confidential Classifications	8
Real Time Intelligence Center Supervisor	GCEA/Hourly/Confidential Classifications	8
Senior Parking Meter Technician	GCEA/Hourly/Confidential Classifications	9
Senior Traffic Maintenance Technician	GCEA/Hourly/Confidential Classifications	9
Traffic Maintenance Technician	GCEA/Hourly/Confidential Classifications	10
Utility Environmental Program Specialist	GCEA/Hourly/Confidential Classifications	10
Utility Environmental Program Supervisor	GMA and GMA Employee Relations Exempt Classifications	6

Obsolete Classifications to Delete

Classification	Classification
Accountant III	Literacy Services Coordinator
Asst GM Utility/Finance/Risk	Machinist
Business Account Rep	Mech Maint & Warehouse Admin
Carpenter	Meter Reader
Chief Asst Gnrl Mgr/Electric	Neighborhood Svcs Admin
Chief Asst Gnrl Mgr/Water	Neighborhood Svcs Field Rep
Collections Specialist	Neighborhood Svcs Field Tech
Community Beautification Coord	Neighborhood Svcs Inspector
Departmental HR Officer	Neighborhood Svcs Supervisor
Deputy Dir of Plng&Nbrhd Svcs	Painter
Dir of Fin/Information Tech	Power Line Supervisor II
DNA Laboratory Supervisor	Principal Accountant
DNA Specialist	Production Artist
Electrical Test Assistant	Public Education Coordinator
Equipment Painter/Body Repair	Real Property Agent
Forensic Specialist	Recycling Coordinator
Forensic Supervisor	Revenue Protection Coordinator
Gardener	Sign Painter
General Counsel	Sr DNA Specialist
Graphics Illustrator	Sr Forensic Specialist
Human Resources Administrator	Sr Gardener
Info Services Associate	Sr Graphics Illustrator
Info Services Project Manager	Sr Workers Comp Technician
Legal Fellow	Workers Comp Adjustor I
Library Arts & Culture Admin	Workers Comp Adjustor II
License Investigator	Workers Comp Technician

STAKEHOLDERS/OUTREACH

Not Applicable

FISCAL IMPACT

The total cost of the proposed classification and compensation adjustments, including the addition of one position in the Fire department, is approximately \$240,000 for the remainder of FY 2024-25, as outlined below. These adjustments can be absorbed within the respective departments' budgets for this fiscal year; therefore, no new appropriation is needed. The approval of the additional position will increase the authorized salaried full-time position count from 1,620 to 1,621.

General Fund	\$175,000
Non-General Fund	\$65,000
Total	\$240,000

ENVIRONMENTAL REVIEW (CEQA/NEPA)

This activity involves fiscal and administrative activities of the government related to the City's budget update, comprehensive financial reporting, and classification and compensation alignment and such internal administrative and fiscal activities have no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. As such, this action is not a "project" subject to the requirements of the California Environmental Quality Act (CEQA) 14 Cal. Code Regs § 15378.

CAMPAIGN DISCLOSURE

This item is exempt from campaign disclosure requirements.

ALTERNATIVES TO STAFF RECOMMENDATION

Alternative 1: Do not approve the resolutions for the Establishment of Classification Titles and Compensation for Employees of the City of Glendale, and the increase to the citywide authorized position count as recommended by staff. Doing so will not provide for a competitive salary with the labor market for these positions.

Alternative 2: Consider any other alternative not proposed by staff.

ADMINISTRATIVE ACTION

Submitted by:

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Paula Adams, Chief Human Resource Officer

Prepared by:

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Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS/ATTACHMENTS

- 1) City of Glendale Annual Comprehensive Financial Report
- 2) Report on Internal Control over Financial Reporting
- 3) Communication with Those Charged with Governance