



"Accountability"
The Government Watchdog

Budget Hearing June 15, 2010 6 PM at City Hall

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SPECIAL EDITION – THE BUDGET – GLENDALE CA

Vanguardians Purpose: To Inform, Educate, & Motivate for Involvement, Engagement & Advocacy



The cornerstone of a democracy can't be laid with your vote alone.
It requires your active involvement.

BUDGET HEARING: The City has scheduled a [public hearing](#) on the July 1, 2010 budget.

Have you seen the Council's 'vision'? The Council's vision is to:

Increase payroll and benefits \$10 Million and Increase Employee Medical Insurance by \$9 Million;

Increase Fire by \$4 Million and Police by \$2 Million

While cutting Capital Improvements by \$16 Million and cutting \$6 Million in Community Redevelopment and Housing

**IF YOU'RE NOT
OUTRAGED
YOU'RE NOT PAYING
ATTENTION**

City employees will pick up \$25 Million while the taxpayers lose \$22 Million. A further review shows the city management is overly optimistic about the increases in revenue estimates and has, as usual, understated expenses.

Your presence and participation are urged at the Budget Hearing.

The Glendale City Charter requires the City Manager to deliver the proposed budget to the City Council on or before June 1st. A violation of the Charter is subject to a penalty of \$1,000 which is at the discretion of the City Attorney

Herbert Molano's letter to City Attorney Howard:

Mr. Scott Howard, City Attorney

There are many problems with this year's public disclosure about the 2010-2011 budget process. The budget abstract made available to the public is insufficient public disclosure. I have a copy.

1. Study sessions did not show or discuss full departmental expenditures
2. Four study sessions did not show the full scope of the city's needs and deficiencies
3. Errors and omissions: Police Augmentation s/b in General fund. No response from council
4. Increases in HR expenditures for benefits not allocated to departments
5. Number of employees or number of employee equivalent for 2011 not disclosed
6. Trends in the city's debt not disclosed
7. 5% projection increase in sales tax revenue as displayed in summary not properly supported
8. Salaries and benefits by department not conveyed.
9. Proper debate and discussion not followed from questions posed to council.
10. Unfunded Capital Improvement needs not disclosed
11. No performance measures included for any department
12. Fire and Police budget are largest governmental funds, yet only partial expenditures discussed
13. Increases in Pay and benefits not properly vetted in public.
14. Trends in pension expenses of the city not disclosed
15. Unfunded obligations for post-employment benefits not discussed
16. Questions posed at study sessions left unanswered

17. Reserves may be insufficient to fulfill charter requirements if police augmentation and internal service funds are properly allocated to the departments. In my opinion, if the General Fund is under-reported then so would the city's reserve requirements.

I could go on. This process is not exemplary of transparency or public engagement. This is possibly the worst and least transparent budget process I've ever experienced.

If the budget process and public disclosure are insufficient does the process violate any laws?
If the reserves are insufficiently set aside does it violate the city charter?

These issues should be discussed in public before the budget is formally introduced at city council on Tuesday. Herbert Molano

This City has not disclosed the liabilities involved in the illegal transfer of water profits (Prop. 218) to the General Fund; or
the cost of continuing litigation involving the lawsuits brought by police officers and other outstanding suits; or
the cost of pollution mitigation for Rockhaven required under GASB 49; or
the cost of ADA and Title 24 compliance; or
the cost of borrowed money

References: Glendale City Charter

Art. XI Sec. 6. Fiscal year; proposed budgets and estimates of revenues and expenditures generally.

The fiscal year of the city shall begin on the first day of July. On or before the first day of June of each year, the city manager shall submit to the council a proposed budget for the department of Glendale Water and Power and a proposed budget for all other departments to be known as the general budget. Said budgets shall include estimates of the revenues and expenditures of the city departments for the ensuing year. These estimates shall be compiled from detailed information obtained from the several departments on blanks to be furnished by the city manager. The classification of the estimates of expenditures shall be as nearly uniform as possible for all departments, and shall give the following information:

1. A detailed estimate of the expenses of each department;
2. Expenditures for corresponding items for the last and for the current fiscal years, including adjustments due to transfers between appropriations plus an estimate of expenditures necessary to complete the current fiscal year;
3. Such information as may be required by the council or as the manager may deem advisable to submit;
4. The recommendation of the manager as to the amounts to be appropriated, with reasons therefor, in such detail as the council may direct. Sufficient copies of such proposed budgets shall be prepared and submitted, that there may be copies on file in the office of the clerk for the inspection by the public and one (1) copy of each budget furnished each member of the council. The council shall have power to revise, correct or modify proposed budgets in any particular.

Sec. 7. Hearing on proposed budgets; modification and adoption of budgets.

After considering said proposed budgets, the council shall fix a time for holding a public hearing upon the same and shall publish a notice of the time fixed for said hearing once in a newspaper of general circulation at least ten (10) days before the time for the hearing. After said hearing the council may further correct or modify said proposed budget and shall by resolution, adopt a Glendale Water and Power budget and a general budget. Such resolution shall operate as an appropriation of funds to the amounts and for the purposes set forth in the budgets so adopted.

Art 23 Sec. 27. Penalties, violation of ordinances.

The violation of the Charter or ordinance of the city shall be a misdemeanor except that notwithstanding any other provision of this Charter or by ordinance, any such violation constituting a misdemeanor may, in the discretion of the city attorney, be charged and prosecuted as an infraction. Fines and penalties shall be set by the council, but the maximum fine or penalty for any such violation shall be the sum of one thousand dollars (\$1,000.00), or a term of imprisonment for a period not exceeding six (6) months, or both such fine

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