

April 30, 2026



City of Glendale

FY 2026-27 PROPOSED BUDGET

STUDY SESSION 1

Fiscal Year (FY) 2026-27 Budget Adoption Calendar



FY 2025-26

Third Quarter Update & Year-End Projection

Based on March 31, 2026 Preliminary Data



General Fund Resources: Third Quarter

Category	FY 2023-24 Actuals as of Q3	FY 2024-25 Actuals as of Q3	FY 2025-26 Actuals as of Q3	\$ Change from Prior Year	% Change from Prior Year
Property Taxes	\$ 41,232,816	\$ 45,598,531	\$ 47,565,753	\$ 1,967,222	4.3%
Sales Taxes	51,252,336	50,515,597	51,150,267	634,670	1.3%
Utility Users Taxes	19,312,070	23,081,261	23,723,389	642,128	2.8%
Occupancy Taxes	6,651,512	7,026,846	6,263,590	(763,256)	(10.9%)
Licenses & Permits	6,834,696	8,060,328	9,697,916	1,637,587	20.3%
Revenue from Other Agencies	507,002	504,254	650,853	146,599	29.1%
Charges for Services	22,794,337	24,098,288	31,830,138	7,731,850	32.1%
Interfund Revenue	14,276,603	14,791,348	14,896,032	104,684	0.7%
Fines & Forfeitures	2,404,955	2,222,818	3,560,650	1,337,832	60.2%
Interest/Use of Money	3,493,577	3,260,939	3,459,164	198,225	6.1%
Misc. & Non-Operating	272,965	484,749	515,282	30,534	6.3%
Transfers from Other Funds	-	-	6,730,025	6,730,025	N/A
Total Revenues	\$ 169,032,869	\$ 179,644,959	\$ 200,043,058	\$ 20,398,100	11.4%
Revenues Year-to-Date Collection Rate	54.6%	56.1%	57.1%	-	-



General Fund Expenditures: Third Quarter

Category	FY 2023-24 Actuals as of Q3	FY 2024-25 Actuals as of Q3	FY 2025-26 Actuals as of Q3	\$ Change from Prior Year	% Change from Prior Year
Salaries & Benefits	\$ 157,952,462	\$ 177,069,996	\$ 183,052,794	\$ 5,982,798	3.4%
Maintenance & Operations	53,861,043	55,008,407	60,929,932	5,921,525	10.8%
Capital Outlay	412,933	49,998	218,870	168,872	337.8%
Transfers to Other Funds	15,848,987	11,526,842	2,151,423	(9,375,419)	(81.3%)
Total Expenditures	\$ 228,075,425	\$ 243,655,243	\$ 246,353,018	\$ 2,697,776	1.1%
Year-to-Date Budget Utilization Rate	67.4%	72.9%	68.9%	-	-



General Fund Expenditures by Department: Third Quarter

Department	FY 2025-26 Adopted	FY 2025-26 Revised	Actuals As of Q3	% Expensed
City Attorney	\$ 5,678,000	\$ 5,678,000	\$ 4,077,440	71.8%
City Clerk	1,713,217	2,343,581	1,020,460	43.5%
City Treasurer	1,071,304	1,071,304	758,487	70.8%
Community Development	22,143,402	23,340,377	15,740,836	67.4%
Community Services & Parks	24,671,679	25,033,079	16,282,194	65.0%
Finance	7,619,358	7,655,358	5,184,545	67.7%
Fire	88,179,571	89,298,941	64,536,388	72.3%
Human Resources	4,383,483	4,468,483	3,060,744	68.5%
Library, Arts & Culture	14,382,552	14,382,552	10,628,806	73.9%
Management Services	6,415,713	6,745,316	4,821,657	71.5%
Police	148,062,380	148,177,344	99,886,935	67.4%
Public Works	28,526,854	28,631,079	18,203,018	63.6%



FY 2025-26 General Fund Year-End Projection

(In Millions)

Year-End Projection – 2nd Quarter Update	\$ 6.3
Revenues	
Sales Tax	1.5
Interest Income	0.5
Property Tax	0.2
Occupancy Tax	(1.0)
Landfill Royalty Tipping Fees	(0.5)
Parking Enforcement	(1.5)
Expenditures	
Projected Salaries and Benefits	(1.0)
Projected Maintenance and Operations	(0.9)
Year-End Projection – 3rd Quarter Update	\$ 3.6



General Fund

Five-Year Forecast



Forecast at FY 2025-26 Budget Adoption (Last Year)

(In Millions)

	Projected FY 25-26	Projected FY 26-27	Projected FY 27-28	Projected FY 28-29	Projected FY 29-30
Resources and Expenditures					
Resources	\$ 348.5	\$ 345.8	\$ 359.8	\$ 366.9	\$ 373.7
Expenditures	(352.5)	(377.5)	(387.9)	(400.0)	(408.6)
Budgetary Surplus/(Deficit)	\$ (4.0)	\$ (31.7)	\$ (28.1)	\$ (33.1)	\$ (34.9)
Budgetary Fund Balance					
Projected Charter Reserve Requirement	\$ 44.0	\$ 45.0	\$ 46.6	\$ 48.3	\$ 50.0
Projected 25% of Expenditures	\$ 88.1	\$ 94.4	\$ 97.0	\$ 100.0	\$ 102.2
Projected Budgetary Fund Balance	\$ 119.5	\$ 87.8	\$ 59.7	\$ 26.6	\$ (8.3)
Reserve %	33.9%	23.3%	15.4%	6.7%	(2.0%)

Below Policy
Minimum

Below Policy
Minimum

Charter Violation

Charter Violation



FY 2026-27 General Fund

Projected Change in Fund Balance & Budget Balancing Strategies

(In Millions)

FY 2026-27 Change in Fund Balance (Prior Projection)	\$ (31.7)
1. Effects of Updated Forecast Assumptions	9.5
2. Cost Reductions	17.0
3. Revenue Enhancements	10.6
4. Service Level Increases	(7.6)
FY 2026-27 Change in Fund Balance (Current Projection)	\$ (2.2)



FY 2026-27 Five-Year General Fund Forecast

(In Millions)

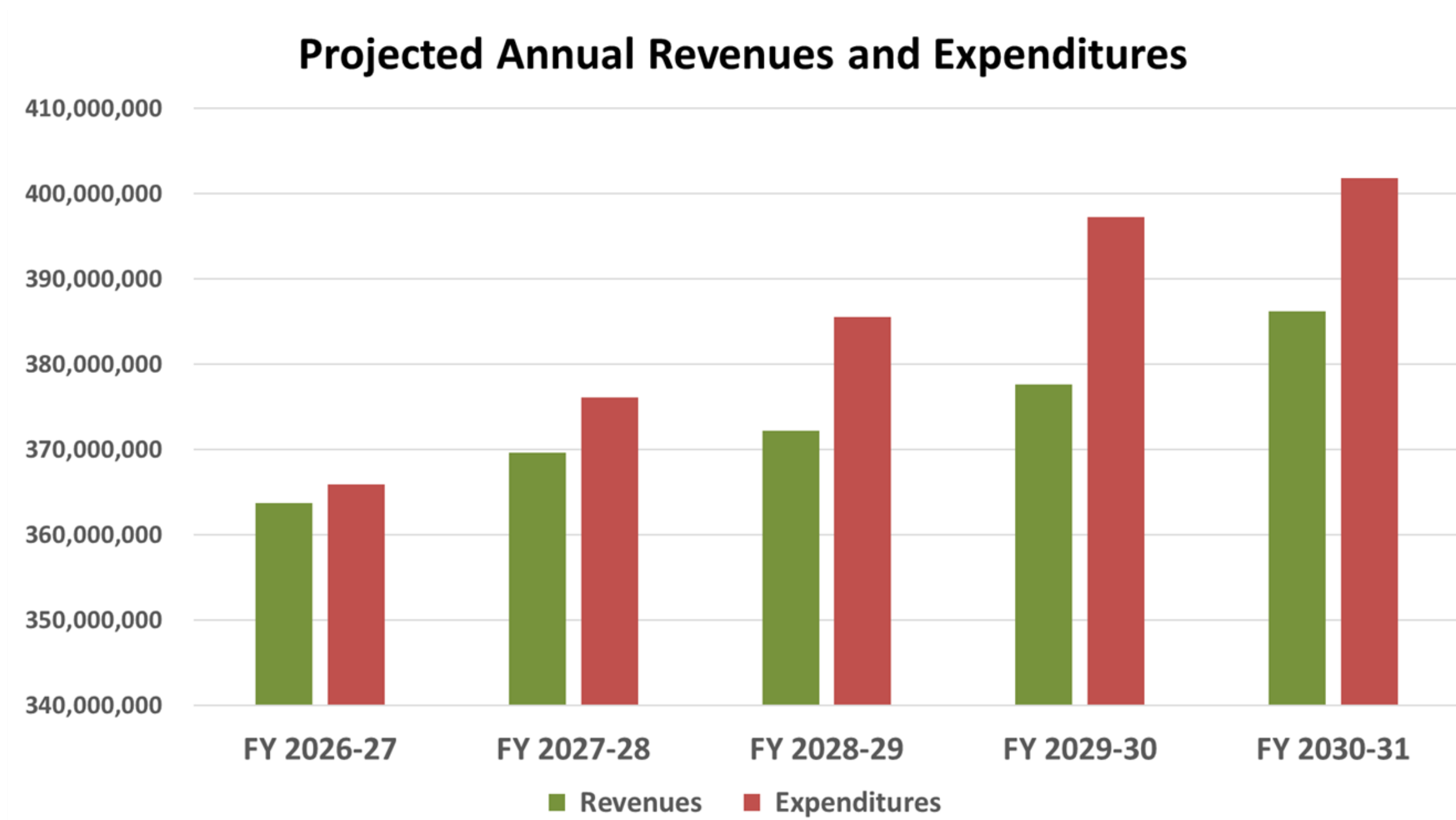
	Projected FY 25-26	Projected FY 26-27	Projected FY 27-28	Projected FY 28-29	Projected FY 29-30	Projected FY 30-31
Resources and Expenditures						
Resources	\$ 350.1	\$ 363.7	\$ 369.6	\$ 372.2	\$ 377.7	\$ 386.2
Expenditures	(346.5)	(365.9)	(376.1)	(385.6)	(397.3)	(401.8)
Budgetary Surplus/(Deficit)	\$ 3.6	\$ (2.2)	\$ (6.5)	\$ (13.4)	\$ (19.6)	\$ (15.6)
Budgetary Fund Balance						
Projected Charter Reserve Requirement	\$ 44.9	\$ 46.2	\$ 47.8	\$ 49.4	\$ 51.1	\$ 52.9
Projected 25% of Expenditures	\$ 88.1	\$ 93.3	\$ 95.9	\$ 98.4	\$ 101.3	\$ 102.5
Projected Budgetary Fund Balance	\$ 141.8	\$ 139.6	\$ 133.1	\$ 119.7	\$ 100.1	\$ 84.5
Reserve %	40.2%	37.4%	34.7%	30.4%	24.7%	20.6%

Below Policy
Minimum

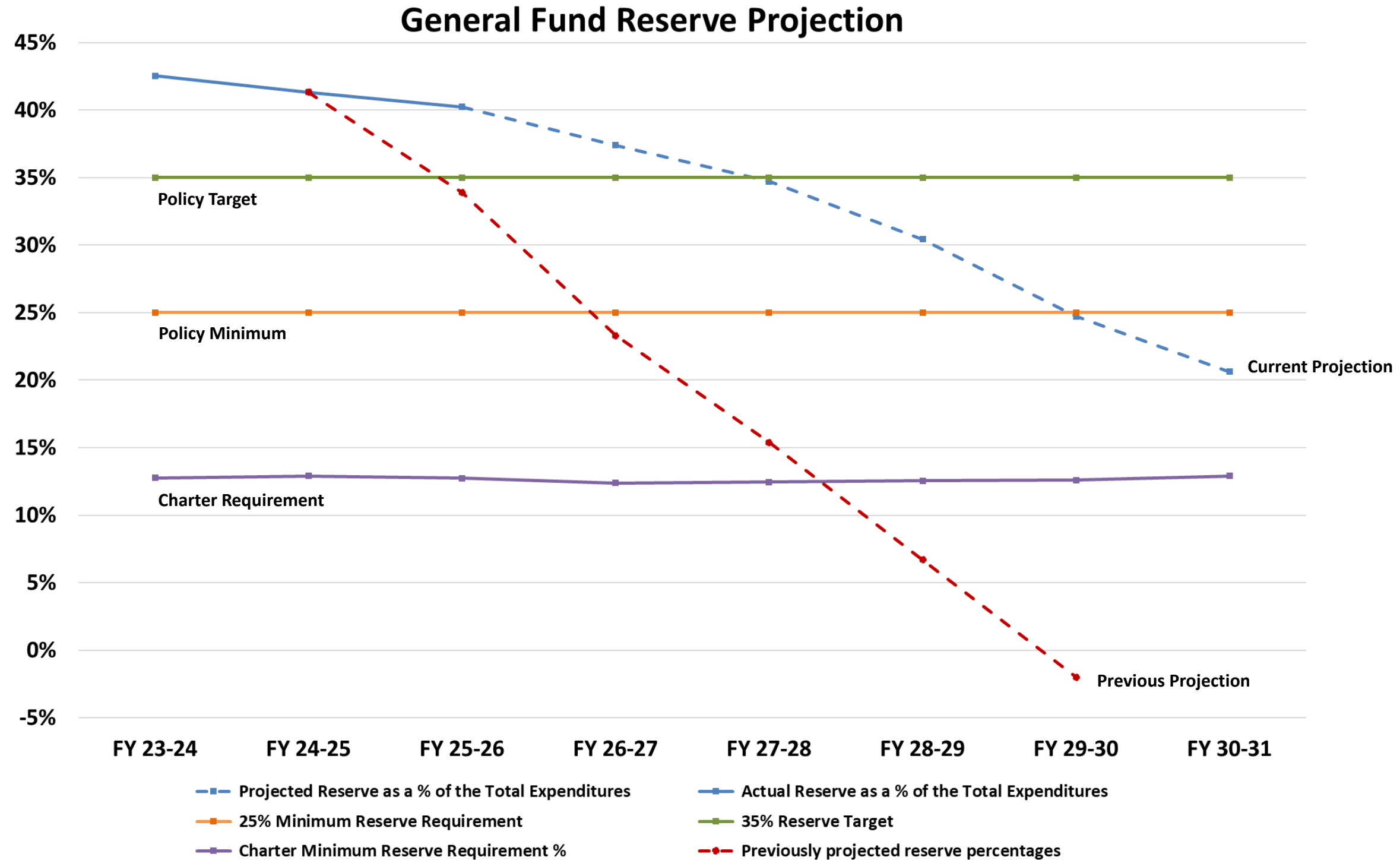
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FY 2026-27 General Fund Five-Year Forecast



FY 2026-27 General Fund Five-Year Forecast



FY 2026-27
General Fund Proposed Budget



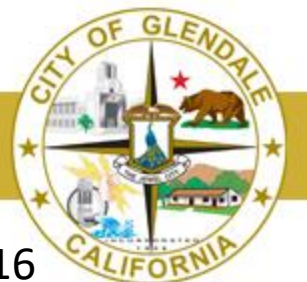
1. Effects of Updated Forecast Assumptions

Assumption Items	Amounts	% Change from FY 2025-26 Revised Budget
Revenues		
Property Tax	\$ 2.3 million	2.6%
Sales Tax	(\$ 2.8 million)	(3.3%)
Occupancy Tax	(\$ 1.4 million)	(13.7%)
Utility Users Tax	\$ 1.0 million	2.9%
Building/Planning/Street Permits	\$ 1.6 million	13.9%
Landfill Host Fees	(\$ 700,000)	(14.0%)
Cost Allocations Revenues	(\$ 2.0 million)	(10.0%)
Investment Earnings	\$ 865,000	28.0%
Transfer from Electric Fund	(\$ 1.2 million)	(3.8%)
Transfer from Capital Fund	\$ 4.0 million	N/A
Expenditures		
Building Maintenance Charge	\$ 627,000	9.5%
Fleet Charge	\$ 1.5 million	22.6%
Estimated Underspending and Other Adjustments	(\$ 10.0 million)	(2.8%)



2. Cost Reductions – Citywide

Items	Amounts
Evaluation and Reduction of Workers' Comp Rates	(\$ 2.9 million)
Evaluation and Reduction of Liability Insurance Rate	(\$ 820,000)
Lower than Anticipated Capital Improvement Projects	(\$ 2.4 million)
Elimination of Nonprofit Subsidies Program	(\$ 150,000)
Early Withdrawal From Section 115 Trust to Reduce Pension Costs	(\$ 5.0 million)



2. Cost Reductions – Departmental

Items	Amounts
City Clerk Reallocate Vacant Admin Associate to Office Service Specialist II	\$ 46,000
City Treasurer Eliminate Financial Subscription Contract (Reflected in ITD Applications Fund)	\$ 34,000
City Attorney Reduce Various M&O (Contractual Services, Travel, Training, Membership and Dues, Books, Office Supplies, Business Meetings, Misc.) Direct Charge Hourly Principal Assistant City Attorney to GWP Reallocate Vacant Legal Executive Secretary to Sr Office Services Specialist	\$ 33,000 \$ 92,000 \$ 45,000
Community Development Reduce Various M&O Eliminate Auto Allowance for Inspectors Using AQMD Vehicles	\$ 384,000 \$ 92,000



2. Cost Reductions – Departmental

Items	Amounts
Community Services & Parks	
Cruise Night 2027 Live Entertainment	\$ 22,000
Skate Park Staff – Hourly Wages	\$ 311,000
Reduce Aquatics Program Operation – Close Friday, Saturday, and Sunday from Nov-Apr	\$ 36,000
Eliminate Summer Concerts Series	\$ 78,000
Eliminate Fall Festival Event	\$ 10,000
Youth Case Management – Hourly Wages	\$ 20,000
Reduce Sparr Heights Camp (no Spring and Winter)	\$ 39,000
Reduce Get Fit Program – Hourly Wages	\$ 4,000
Reduce Various M&O	\$ 39,000
Finance	
Reduce Various M&O	\$ 132,000
Salary Charge-outs to Grants	\$ 50,000



2. Cost Reductions – Departmental

Items	Amounts
Fire	
Delay Replacement of Fire Apparatus (Reflected in Fleet Fund)	\$ 1.8 million
Human Resources	
Reduce Hourly Wages	\$ 86,000
Deliver Harassment Training Using NeoGov Learn	\$ 13,000
Reduce Leadership Training	\$ 18,000
Shift Workplace Violence Prevention Training to Workers Comp Fund	\$ 5,000
Library Arts & Culture	
Shift Various Contractual Services to Urban Art Fund	\$ 45,000
Net 19% Reduction in Library Hours across all locations (i.e. Central - Close Sundays / Brand, Grandview, Casa Verdugo - Close Fridays / MakerSpace & Teen Space hours reduced)	\$ 177,000
Reduce Digital Resources	\$ 50,000
Close Library Connection @ Adams Square by January 2027	\$ 60,000



2. Cost Reductions – Departmental

Items	Amounts
Management Services	
Realign Office of Sustainability with GWP to Enhance Clean Energy and Climate Initiatives	\$ 251,000
Public Works	
Shift School Crossing Guards Contract to Measure R Local Return Fund	\$ 699,000
Police	
Reduce Various M&O	\$ 482,000
Reduce Jail Medical Services Contract with New Contract	\$ 226,000
Sunset Parking Enforcement Contract	\$ 473,000
Reduce Police Air Support Budget	\$ 1.1 million
(2) Community Service Officer Positions on Hold	\$ 211,000
(1) Jail Administrator Position on Hold	\$ 197,000
(2) Police Communications Operator Trainee Positions on Hold	\$ 255,000



3. Revenue Enhancements

Initiatives	Amounts
Increase Emergency Medical Response Fees*	\$ 3.2 million
Transfer of Fairmont Property	\$ 2.4 million
Increase Existing Parking Fees	\$ 1.2 million
Increase Vegetation Management Fee*	\$ 1.1 million
New Concierge and Express Plan Check Fees	\$ 954,000
Increase Code Enforcement Fees	\$ 500,000
Increase Collection of Occupancy Taxes from Home Sharing*	\$ 500,000
Valuation of Landfill Gas Used to Produce Energy	\$ 400,000
Digital Kiosk Revenue Sharing	\$ 300,000

*Revenues that have additional cost implications as Service Level Increases



Other Revenue Enhancements (Not in FY 2026-27 Forecast Yet)

- ¼ Cent Sales Tax
- Parking Tax on Private Parking Lots
- EV Chargers in Public Right-of-Way
- Public Safety Impact Fees
- Increased UUT from Anticipated Growth in the Streaming Industry
- Transportation Impact Mitigation Fee
- Increasing Downtown Parking Meter Rates
- Fiber Optic Business Strategy
- Ground Leasing of City Property
- Public Facilities Naming Rights
- Transfer of City Development Rights
- Renegotiation of Existing Leases on City Owned Properties
- Ice Skating Rink
- Restaurants in the Park
- Transfer of Density Between Property Owners
- Digital Billboards
- Tourism Business Improvement District *

*New revenue initiative that has not been discussed by the City Council yet



4. Service Level Increases

Categories	Amounts
City Clerk	
Translation Services for City Council Meetings	\$ 50,000
Community Development	
GYA Support for Neighborhood Services and Planning	\$ 40,000
Graffiti Removal from Public Right-of-Way Increase	\$ 30,000
Completion of Drive Through Analysis	\$ 19,000
Community Services & Parks	
Fremont Park Professional Cleaning Services Contract Increase	\$ 20,000
Contract Classes - Theatre Camps at Fremont	\$ 23,000
Finance	
Contract for TOT Enforcement	\$ 27,000
Fire	
Increase in Public Provider Ground Emergency Medical Transport (PPGEMT) Payments	\$ 1.4 million
Increase in Quantity of Turnouts and Zoll X Series Monitors	\$ 89,000



4. Service Level Increases

Categories	Amounts
Library, Arts & Culture	
Consolidating Activities from Library Fund to General Fund	\$ 184,000
Management Services	
Legislative and Grant Services to Advance Council Priorities and Secure External Funding	\$ 180,000
Executive Level Strategic Communications	\$ 75,000
Community Events for Sister Cities Program	\$ 30,000
Police	
Contract for In-Car Video System & Body-Worn Cameras (Shift from ITD)	\$ 1.8 million
Public Works	
Contract Increase for Street Trees Planting and Maintenance	\$ 1.0 million
Personnel	
New Positions due to Revenue Measures or Operational Necessity	\$ 2.6 million



FY 2026-27 General Fund Proposed Budget: Expenditures

Category	(a) FY 2025-26 Adopted	(b) FY 2025-26 Revised	(c) FY 2026-27 Proposed	(c) - (b) Variance	% Change
Salaries	\$ 125,926,241	\$ 125,840,205	\$ 136,509,883	\$ 10,669,678	8.5%
Overtime	15,134,195	15,134,195	15,813,624	679,429	4.5%
Hourly Wages	10,342,604	10,397,261	9,765,420	(631,841)	(6.1%)
Benefits	46,573,536	46,566,421	45,011,092	(1,555,329)	(3.3%)
PERS	62,499,782	62,500,801	67,844,259	5,343,458	8.5%
Total Salaries & Benefits	\$ 260,476,358	\$ 260,438,883	\$ 274,944,278	\$ 14,505,395	5.6%
Maintenance & Operations	90,130,655	94,138,651	93,411,469	(727,182)	(0.8%)
Capital Outlay	240,500	247,881	329,920	82,039	33.1%
Transfers Out to Other Funds	1,632,983	2,559,669	8,931,165	6,371,496	248.9%
Total Appropriations	\$ 352,480,496	\$ 357,385,084	\$ 377,616,832	\$ 20,231,748	5.7%
Budget Utilization Rate Based on GF Forecast		97.0%	96.9%		
Expenditures Based on Forecast		\$ 346,550,819	\$ 365,861,498		
Change in Fund Balance Based on Forecast		\$ 3,560,372	\$ (2,161,857)		



FY 2026-27 General Fund Proposed Budget: Resources

Category	(a) FY 2025-26 Adopted	(b) FY 2025-26 Revised	(c) FY 2026-27 Proposed	(c) - (b) Variance	% Change
Property Taxes	\$ 87,928,057	\$ 89,797,589	\$ 92,379,752	\$ 2,582,163	2.9%
Sales Taxes	86,775,063	85,849,288	86,439,475	590,187	0.7%
Utility Users Taxes	34,244,506	34,244,506	35,048,593	804,087	2.3%
Occupancy Taxes	11,497,675	10,497,675	11,837,605	1,339,930	12.8%
Licenses & Permits	9,444,504	12,444,504	11,794,000	(650,504)	(5.2%)
Revenue from Other Agencies	460,000	652,114	418,665	(233,449)	(35.8%)
Charges for Services	43,040,519	43,903,848	51,055,702	7,151,854	16.3%
Interfund Revenue	19,861,374	19,861,374	18,310,864	(1,550,510)	(7.8%)
Fines & Forfeitures	7,470,000	5,510,000	7,350,000	1,840,000	33.4%
Interest/Use of Money	3,435,941	4,405,978	4,770,705	364,727	8.3%
Misc. & Non-Operating	1,146,300	1,373,663	1,227,800	(145,863)	(10.6%)
Transfers from Other Funds	41,570,653	41,570,653	43,066,480	1,495,827	3.6%
Total Revenues	\$ 346,874,592	\$ 350,111,192	\$ 363,699,641	\$ 13,588,449	3.9%
Budgeted Resources from Fund Balance	5,605,904	7,273,892	13,917,191	6,643,299	91.3%
Total Budgeted Resources	\$ 352,480,496	\$ 357,385,084	\$ 377,616,832	\$ 20,231,748	5.7%



Authorized Citywide Full-Time Positions

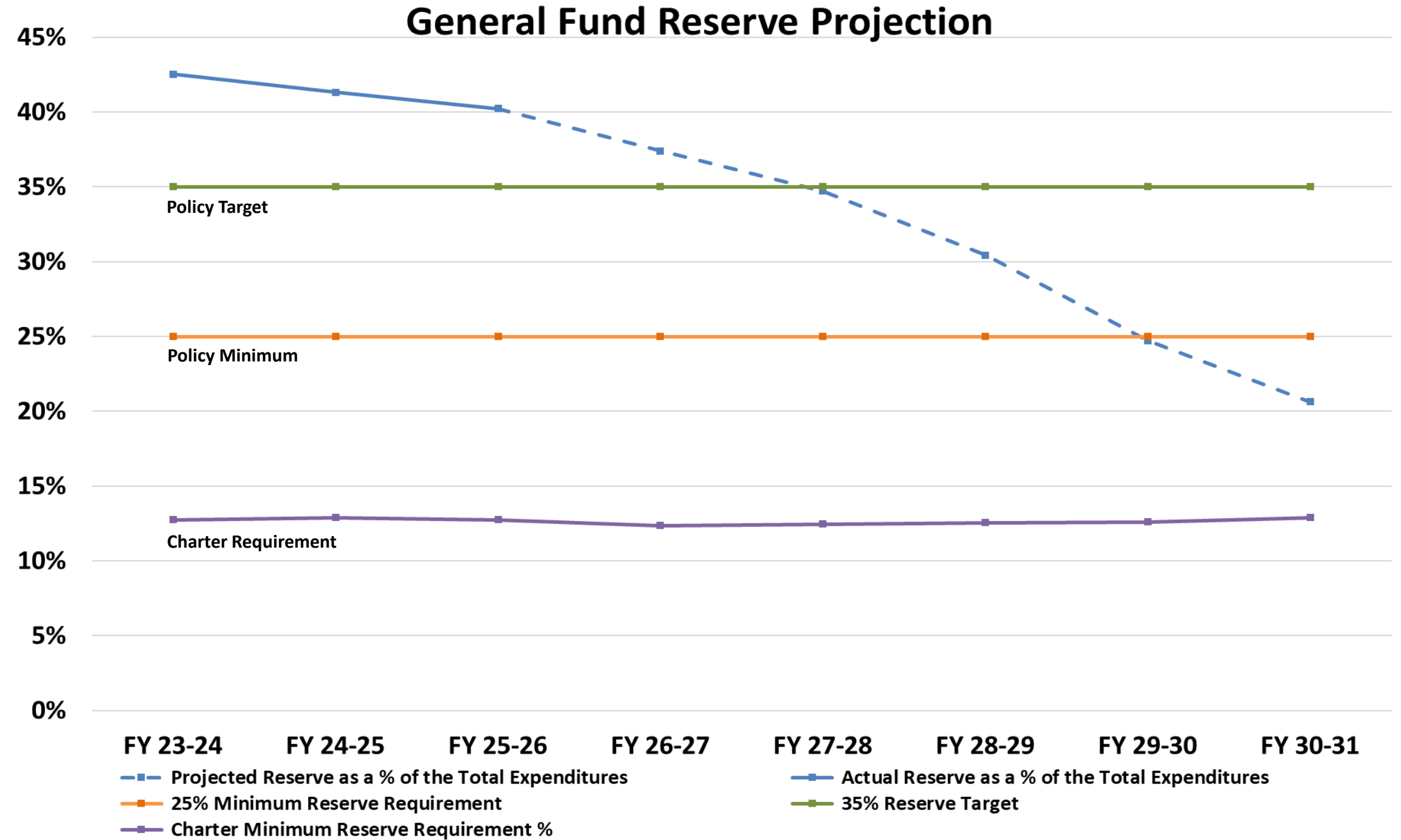
Adopted Fiscal Year	General Fund	Non-General Fund	Total Authorized Full-Time
2017-18	879.0	708.0	1,587
2018-19	893.8	694.2	1,588
2019-20	909.0	676.0	1,585
2020-21	906.5	677.5	1,584
2021-22	907.0	677.0	1,584
2022-23	918.7	682.3	1,601
2023-24	937.2	675.8	1,613
2024-25	943.3	676.7	1,620
2025-26	999.0	652.0	1,651
Proposed 2026-27	992.1*	658.9	1,651*

* Includes 23 Defunded Positions



Critical Strategies

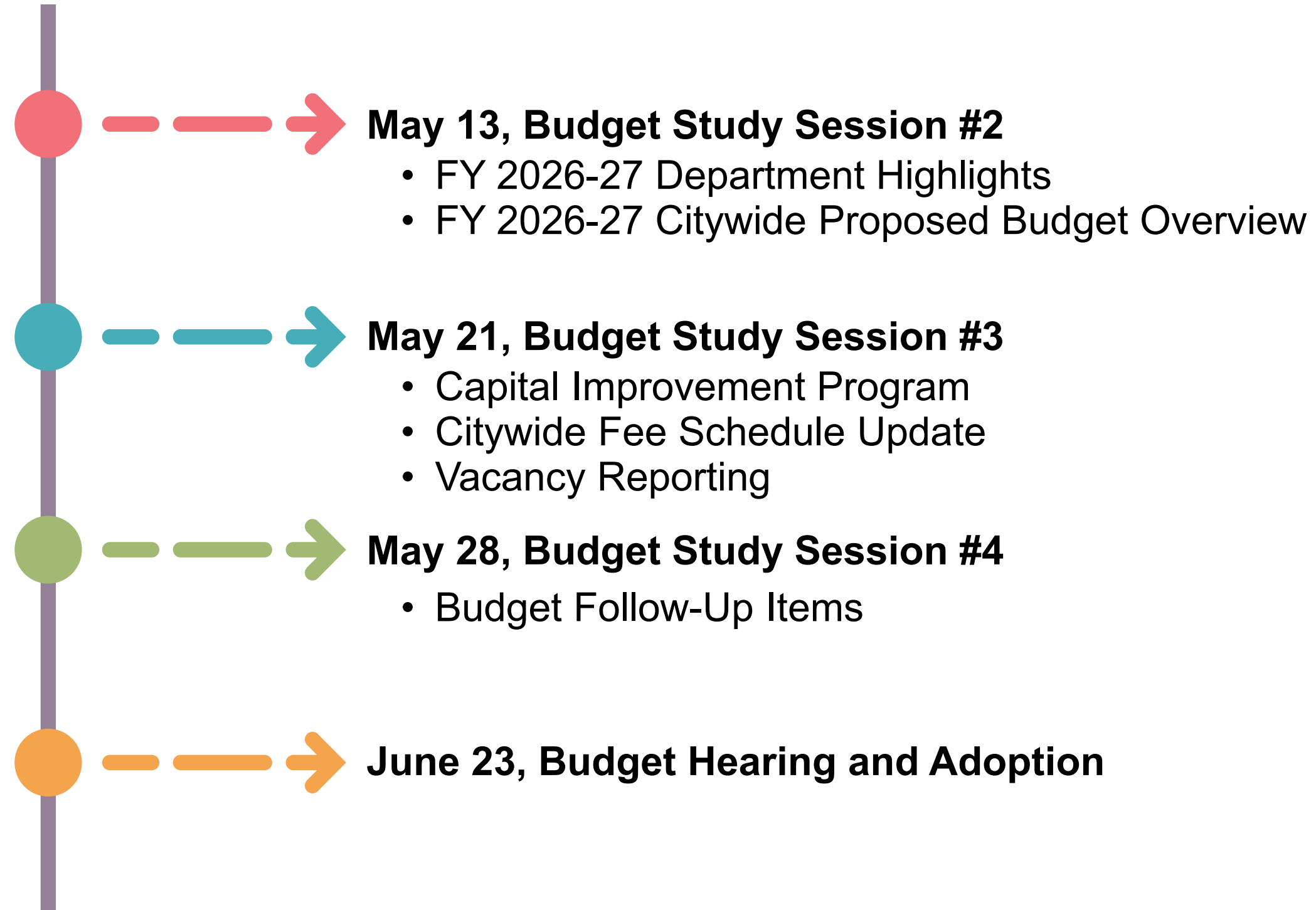
1. Approval and execution of the proposed Financial Strategies for FY 2026-27
 2. Additional 2% reduction in General Fund budget in FY 2027-28
 3. Refrain from adding additional General Fund positions or costs for the next 3-5 years
- ❖ Critically Needed – implementation of additional revenue initiatives that will provide \$10 - \$15 million increase in annual revenues



QUESTIONS & COMMENTS



FY 2026-27 Budget Adoption Calendar





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