

# City of Glendale Council Workshop Agenda

May 21, 2013 – 1:30 p.m.

## Welcome!

We are glad you have chosen to attend this City Council meeting. We welcome your interest and encourage you to attend again.

## Form of Government

The City of Glendale has a Council-Manager form of government. Policy is set by the elected Council and administered by the Council-appointed City Manager. The City Council consists of a Mayor and six Councilmembers. The Mayor is elected every four years by voters city-wide. Councilmembers hold four-year terms with three seats decided every two years. Each of the six Councilmembers represent one of six electoral districts and are elected by the voters of their respective districts (see map on back).

## Council Meeting and Workshop Schedule

Council meetings to take official action are held two times each month. These meetings are held on the second and fourth Tuesday of each month at 7:00 p.m. Council workshops are generally held two times each month. Workshops provide Council with an opportunity to hear a presentation by staff on topics that may come before Council for official action. These meetings are held on the first and third Tuesday of each month at 1:30 p.m. The City Council does not take official action during workshop sessions. All meetings are held in the Council Chambers, Glendale Municipal Office Complex, 5850 W. Glendale Avenue.

## Executive Session Schedule

Council may convene in "Executive Session" to receive legal advice and discuss land acquisitions, personnel issues, and appointments to boards and commissions. Executive Sessions will be held in Room B3 of the Council Chambers. As provided by state statute, this session is closed to the public.

*Regular City Council meetings are telecast live. Repeat broadcasts are telecast the second and fourth week of the month – Wednesday at 2:30 p.m., Thursday at 8:00 a.m., Friday at 8:00 a.m., Saturday at 2:00 p.m., Sunday at 9:00 a.m. and Monday at 1:30 p.m. on Glendale Channel 11.*

**If you have any questions about the agenda, please call the City Manager's Office at (623)930-2870. If you have a concern you would like to discuss with your District Councilmember, please call the City Council Office at (623)930-2249**



**For special accommodations or interpreter assistance, please contact the City Manager's Office at (623)930-2870 at least one business day prior to this meeting. TDD (623)930-2197.**

**Para acomodacion especial o traductor de español, por favor llame a la oficina del administador del ayuntamiento de Glendale, al (623) 930-2870 un día hábil antes de la fecha de la junta.**

## Meeting Agendas

Agendas may be obtained after 4:00 p.m. on the Friday before a Council meeting, at the City Clerk's Office in the Municipal Complex. The agenda and supporting documents are posted to the city's Internet web site, [www.glendaleaz.com](http://www.glendaleaz.com)

## Public Rules of Conduct

The presiding officer shall keep control of the meeting and require the speakers and audience to refrain from abusive or profane remarks, disruptive outbursts, applause, protests, or other conduct which disrupts or interferes with the orderly conduct of the business of the meeting. Personal attacks on Councilmembers, city staff, or members of the public are not allowed. It is inappropriate to utilize the public hearing or other agenda item for purposes of making political speeches, including threats of political action. Engaging in such conduct, and failing to cease such conduct upon request of the presiding officer will be grounds for ending a speaker's time at the podium or for removal of any disruptive person from the meeting room, at the direction of the presiding officer.

## How to Participate

**Council Meeting** - The Glendale City Council values citizen comments and input. If you wish to speak on a matter concerning Glendale city government that is not on the printed agenda, please fill out a blue Citizen Comments Card. Public hearings are also held on certain agenda items. If you wish to speak on a particular item listed on the agenda, please fill out a gold Public Hearing Speakers Card. Your name will be called when the Public Hearing on the item has been opened or Citizen Comments portion of the agenda is reached. **When speaking at the Podium**, please state your name and the city in which you reside. If you reside in the City of Glendale, please state the Council District you live in and present your comments in five minutes or less.

**Workshop Meeting** - There is no Citizen Comments portion on the workshop agenda.

*Regular Workshop meetings are telecast live. Repeat broadcasts are telecast the first and third week of the month – Wednesday at 3:00 p.m., Thursday at 1:00 p.m., Friday at 8:30 a.m., Saturday at 2:00 p.m., Sunday at 9:00 a.m. and Monday at 2:00 p.m. on Glendale Channel 11.*

### Councilmembers

Cactus District – Ian Hugh  
Cholla District – Manuel D. Martinez  
Ocotillo District – Norma S. Alvarez  
Sahuaro District – Gary D. Sherwood  
Yucca District – Samuel U. Chavira



**MAYOR JERRY P. WEIERS**

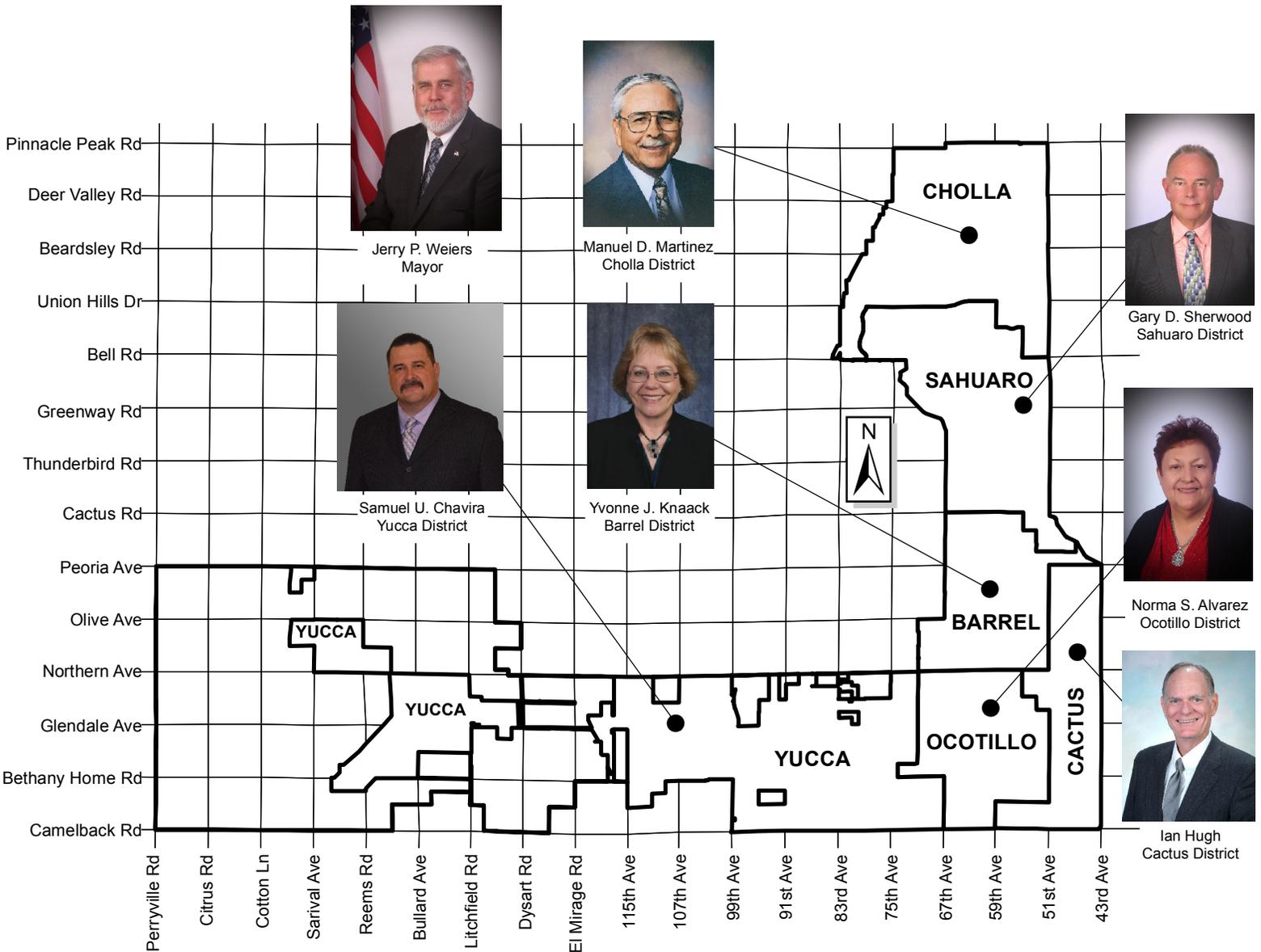
Vice Mayor Yvonne J. Knaack – Barrel District

### Appointed City Staff

Richard Bowers – Acting City Manager  
Nicholas DiPiazza – Acting City Attorney  
Pamela Hanna – City Clerk  
Elizabeth Finn – City Judge



# Council District Boundaries





**GLENDALE CITY COUNCIL WORKSHOP SESSION**

**Council Chambers  
5850 West Glendale Avenue**

**May 21, 2013**

**1:30 p.m.**

One or more members of the City Council may be unable to attend the Workshop or Executive Session Meeting in person and may participate telephonically, pursuant to A.R.S. § 38-431(4).

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**

**WORKSHOP SESSION**

1. COUNCIL ITEM OF SPECIAL INTEREST: CITY AUDITOR ORDINANCE  
PRESENTED BY: Candace MacLeod, City Auditor

**CITY MANAGER'S REPORT**

**This report allows the City Manager to update the City Council. The City Council may only acknowledge the contents to this report and is prohibited by state law from discussing or acting on any of the items presented by the City Manager since they are not itemized on the Council Workshop Agenda.**

**COUNCIL ITEMS OF SPECIAL INTEREST**

**Councilmembers may indicate topic(s) they would like to have discussed by the Council at a future Workshop and the reason for their interest. The Council does not discuss the new topics at the Workshop where they are introduced.**

**EXECUTIVE SESSION**

1. LEGAL MATTERS
  - A. The City Council will meet with Jose De Jesus Rivera, of Haralson, Miller, Pitt, Feldman & McAnally, P.L.C. for legal advice, discussion and consultation regarding the external audit. (A.R.S. § 38-431.03(A)(2)(3))

B. The City Council will meet with the City Attorney for legal advice, discussion and consultation regarding the city's position in pending or contemplated litigation, including settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. § 38-431.03(A)(3)(4))

2. LEGAL MATTERS – PROPERTY & CONTRACTS

A. Discussion and consultation with the City Attorney and City Manager to receive an update, consider its position and provide instruction and direction to the City Attorney and City Manager regarding Glendale's position in connection with agreements associated with arena management, the Arena and the Hockey Team, which are the subject of negotiations. (A.R.S. § 38-431.03(A)(3)(4)(7))

3. PERSONNEL MATTERS

A. The City Council will meet to discuss and consider the City Manager recruitment, to vet the initial field of applicants, and to provide guidance to the City's consultant, Bob Murray & Associates. (A.R.S. § 38-431.03(A)(1))

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) discussion or consideration of personnel matters (A.R.S. § 38-431.03(A)(1));
- (ii) discussion or consideration of records exempt by law from public inspection (A.R.S. § 38-431.03(A)(2));
- (iii) discussion or consultation for legal advice with the city's attorneys (A.R.S. § 38-431.03(A)(3));
- (iv) discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. § 38-431.03(A)(4));
- (v) discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. § 38-431.03(A)(5)); or
- (vi) discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. § 38-431.03(A)(7)).

**Confidentiality**

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. § 38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed \$500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless the City Council takes a legal action at a properly noticed open meeting to approve of such expenditure prior to incurring any such obligation or indebtedness. A.R.S. § 38-431.07(A)(B).

Items Respectfully Submitted,



Richard A. Bowers  
Acting City Manager



# CITY COUNCIL REPORT

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Meeting Date: **5/21/2013**  
Meeting Type: **Workshop**  
Title: **COUNCIL ITEM OF SPECIAL INTEREST: CITY AUDITOR ORDINANCE**  
Staff Contact: **Candace MacLeod, City Auditor**

## **Purpose and Policy Guidance**

The purpose of this City Council Report is to address City Council's request to draft an ordinance amending the reporting structure of the City Auditor's Office at the February 19, 2013 Council Workshop. This item was tabled at the March 19, 2013 Council Workshop pending review of the draft ordinance by the new Acting City Manager. Under the proposed structure, the City Auditor would report functionally to City Council and administratively to the City Manager.

## **Background Summary**

The reporting line for internal audit is the ultimate source of its independence. According to the professional standards that govern the practice of internal auditing, internal audit:

- Must be organizationally independent
- Must have authority to look at any department, function or transaction at any time
- Must have access to all systems, files, records and electronic data

The Institute of Internal Auditors states that the organizational independence of the internal audit function is achieved most effectively when the chief audit executive reports functionally to the board and administratively to the organization's chief executive officer. Examples of functional reporting to the board involve the board approving the internal audit ordinance and receiving audit reports and communications from the chief audit executive on internal audit's performance relative to its audit plan and other matters. Administrative reporting is the reporting relationship within the organization's management structure that facilitates the day-to-day operations of the internal audit activity. Administrative reporting typically includes budgeting and Human Resource administration, including personnel evaluations and compensation.

In the absence of a formal ordinance, the new Acting City Manager approved a City Auditor Administrative Policy on April 4, 2013, defining the responsibility and authority of the internal audit function.



# CITY COUNCIL REPORT

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## **Previous Related Council Action**

City Council requested information on internal auditor independence at the December 4, 2012 Council Workshop.

## **Analysis**

Local governments establish and maintain independent audit functions to enhance accountability, increase citizen confidence and respect for government, increase transparency of governmental operations and ensure compliance with laws, regulations, policies and procedures.

The professional standards that govern the practice of internal auditing recommend that the internal audit function:

- Be established formally by charter or ordinance
- Be organizationally independent and free from management control and interference
- Have access to those charged with governance
- Report audit results both to the head of the government entity and to those charged with governance

## **Budget and Financial Impacts**

There is no fiscal impact to the city.

## **Attachments**

Other

Ordinance



# Administrative Policy

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**SUBJECT:** City Auditor

**EFFECTIVE:** April 4, 2013

**Mission:** The City Auditor's Office assists the City of Glendale in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The City Auditor's Office provides independent and objective feedback on city programs, activities and functions and the audit work plan is designed to add value and improve operations. These audits are vital in maintaining public trust and confidence that city resources are used efficiently and effectively with adequate levels of oversight.

**Responsibility:** City management has primary responsibility for establishing and maintaining an effective system of internal controls. The City Auditor's Office evaluates the adequacy of the internal control and operating environment, related financial and operational policies and reports the results accordingly.

**Authority and Access:** While conducting audit work, the City Auditor's Office staff will have free and open access to all city property, records, information and personnel. Interference with staff from the City Auditor's Office in conducting their work is strictly prohibited.

**Independence:** The City Auditor's Office staff will have no direct responsibility for or authority over, any of the activities, functions, or tasks reviewed by the department. Accordingly, City Auditor's Office staff should not develop or write policies and procedures that they may later be called upon to evaluate.

**Audit Standards:** The City Auditor's Office will adhere to applicable industry standards and codes of ethics issued by authoritative sources such as the Institute of Internal Auditors and the U.S. General Accounting Office.

**Scope and Objectives:** The scope of the City Auditor's Office includes examining and evaluating the adequacy and effectiveness of the city's internal control structure and the city's ability to carry out assigned responsibilities. Audit objectives include:

- Accomplishment of goals and objectives
- Compliance with laws, regulations, policies and procedures
- Reliability of financial data
- Efficiency and effectiveness of operations
- Safeguarding of assets
- Adequacy of information systems

**Annual Audit Plan:**

Each year, an annual audit plan is developed by the City Auditor's Office in conjunction with management that identifies the city departments, programs, activities and contracts that will be audited. Additionally, the City Auditor may spontaneously initiate and conduct any other audit deemed necessary or as directed by the City Manager.

**Management Response:**

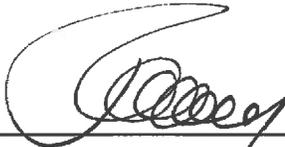
Each audit will result in a written report that will be communicated to the department under review and the City Manager. The department will then be required to provide a management response to the findings and recommendations indicating agreement or reasons for disagreement, plans for implementing solutions to the identified problems and a time table to complete such activities. The full text of the department response will be included in the audit report. The department response must be provided to the City Auditor's Office within fifteen (15) calendar days from the date of the department receipt of the final draft. Upon request of a department, the City Auditor may grant a one-time extension of the time to respond up to, but not exceeding, fifteen (15) calendar days.

**Reporting:**

The City Auditor shall be responsible for transmitting each audit report to the impacted departments, the City Manager, the City Council and posting them on the City Auditor's website for public viewing.

**Audit Follow-up:**

The City Auditor shall follow-up on audit recommendations and the related management action plans to determine if corrective action has been taken.

 4/4/2013  
Richard Bowers, Acting City Manager

ORDINANCE NO. \_\_\_\_\_ NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING GLENDALE CITY CODE CHAPTER 2, (ADMINISTRATION), ARTICLE III (OFFICERS AND EMPLOYEES), BY ADDING A NEW SECTION 2-54 RELATING TO THE OFFICE OF THE CITY AUDITOR; AND SETTING FORTH AN EFFECTIVE DATE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That Glendale City Code Chapter 2 (Administration), Article III (Officers and Employees), be amended by adding a new Section 2-54 to read as follows:

**SEC. 2-54. OFFICE OF THE CITY AUDITOR.**

THERE SHALL BE AN INDEPENDENT OFFICE OF THE CITY AUDITOR CHARGED WITH CONDUCTING FINANCIAL, CONTRACT COMPLIANCE, INTERNAL CONTROL, AND PERFORMANCE AUDITS OF ALL CITY DEPARTMENTS, PROGRAMS, ACTIVITIES, BOARDS, AND COMMISSIONS AND REPORT AUDIT FINDINGS AND RECOMMENDATIONS TO THE DIRECTORS OF THE AFFECTED DEPARTMENTS, THE CITY MANAGER AND CITY COUNCIL. THE OFFICE OF CITY AUDITOR SHALL BE UNDER THE INDEPENDENT CONTROL AND SUPERVISION OF THE CITY AUDITOR. THE CITY AUDITOR SHALL ORGANIZE AND ADMINISTER THE AUDITOR'S OFFICE TO OPERATE WITHOUT MANAGEMENT INTERFERENCE AND SHALL BE PROVIDED WITH FREE AND OPEN ACCESS, EXCEPT WHERE LIMITED BY LAW, TO ALL RECORDS, PERSONNEL, FACILITIES AND INFORMATION NECESSARY TO CARRY OUT THESE DUTIES. THE CITY AUDITOR AND STAFF OF THE OFFICE OF CITY AUDITOR SHALL BE MEMBERS OF THE MERIT SYSTEM AND ADHERE TO THE RULES AND DIRECTIVES APPLICABLE TO THE CLASSIFIED SERVICE.

SECTION 2. That the provisions of this ordinance shall become effective thirty (30) days after passage of this ordinance by the Glendale City Council.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this \_\_\_\_ day of \_\_\_\_\_, 2013.

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M A Y O R

ATTEST:

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City Clerk (SEAL)

APPROVED AS TO FORM:

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City Attorney

REVIEWED BY:

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Acting City Manager

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