

RESOLUTION NO. 1671

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, A MUNICIPAL CORPORATION OF ARIZONA, REVISING TOWN POLICIES NO. 2-04 "COMPENSATION", NO. 2-08 "GENERAL LEAVE", NO. 2-10 "OTHER SHORT-TERM ABSENCES" AND NO. 2-22 "TERMINATION OF EMPLOYMENT" IN THE PRESCOTT VALLEY POLICIES AND PROCEDURES MANUAL TO CLARIFY THAT GENERAL SALARY OR SIMILAR COMPENSATION ADJUSTMENTS MAY BE APPLIED DURING THE FISCAL YEAR IN RESPONSE TO CHANGED ECONOMIC CONDITIONS, AND HOW ANY REDUCTIONS IN FORCE MIGHT BE ADMINISTERED; PROVIDING A UNIFORM EFFECTIVE DATE FOR THE GENERAL SALARY OR SIMILAR COMPENSATION ADJUSTMENT OFFERED BY THE TOWN MANAGER, TOWN MAGISTRATE, TOWN ATTORNEY AND TOWN CLERK; DELEGATING TO THE TOWN MANAGER AUTHORITY TO IMPLEMENT ONE OR MORE GENERAL SALARY OR SIMILAR COMPENSATION ADJUSTMENTS IN THE COMPENSATION PLAN FOR FY 2009-2010; DECLARING THE INTENT OF THE MAYOR AND INDIVIDUAL COUNCIL MEMBERS TO VOLUNTARILY APPLY TO THEMSELVES ANY GENERAL SALARY OR SIMILAR COMPENSATION ADJUSTMENT; PROVIDING THAT IF ANY PROVISION OF THIS RESOLUTION IS HELD INVALID BY A COURT OF COMPETENT JURISDICTION, THE REMAINING PROVISIONS SHALL NOT BE AFFECTED BUT SHALL CONTINUE IN FULL FORCE AND EFFECT; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, ARS §§9-237 and 9-239 authorize the common council of every town to appoint certain town officers as provided by ordinance, and to prescribe their duties and compensation; and

WHEREAS, Prescott Valley Town Code §§3-01-010 and 10-06-020 authorize the Town Council to directly appoint a Town Manager, Town Attorney, Town Clerk, Town Engineer, Town Magistrate, and one or more Hearing Officers; and

WHEREAS, Town Code §§3-01-030 and 3-02-010(E)(1) delegate to the Town Manager the appointment of other Town officers and employees; and

WHEREAS, Town Code §3-02-010(E) provides that the Town Council shall enact wages and salaries for Town officers and employees, in conjunction with a standard schedule of pay recommended by the Town Manager and the annual budget process and on-going financial reports of the Manager; and

WHEREAS, Town Code Article 3-03 provides that the Town Council shall adopt and modify a Personnel Policy Manual, administered by the Town Manager, which specifies conditions of employment such as compensation for Town officers and employees (subject to the Council directly fixing compensation under the Manual for the officers appointed by it, and potentially entering into contracts with officers appointed by it which may supersede one or more provisions of the Manual) [Town Code §§3-01-010(B); 3-02-010(C); 3-02-050; 3-02-060; and 3-03-010]; and

WHEREAS, ARS §9-232.01 provides that the common council may, by ordinance, prescribe a daily compensation or salary for the mayor and council members for performance of official duties (which compensation may not be increased or decreased during their current term of office according to Arizona Constitution Art. IV, Pt. 2, §17); and

WHEREAS, Town Code §2-01-050 fixes the current compensation for the Mayor and other Town Council members; and

WHEREAS, the Prescott Valley Policies and Procedures Manual, adopted by Resolution No. 1029 (July 26, 2001) and subsequently amended, provides in §§2 and 14 of Policy No. 2-04 "Compensation" that the Town Council shall review and adopt a compensation plan during the annual budget process, after recommendation from the Town Manager and after considering (among other things) a possible general salary increase according to the Town's financial capabilities; and

WHEREAS, it is necessary that Policy No. 2-04 be clarified to provide for on-going review of the compensation plan during the budget year and allow for possible general salary decreases or similar compensation adjustments either at the time of budget adoption or during the budget year if revenue projections and collections indicate a need therefor; and

WHEREAS, Policy No. 2-08 “General Leave” provides that the general leave bank must typically be exhausted prior to requesting leave without pay; and

WHEREAS, it is necessary that Policy No. 2-08 be clarified to provide that the salary plan may be modified to require leave without pay without employees first exhausting their general leave bank; and

WHEREAS, Policy No. 2-10 “Other Short-Term Absences” provides that leave without pay may be authorized when all accrued leave benefits have been used; and

WHEREAS, it is necessary that Policy No. 2-10 be clarified to provide that the Town Manager may require leave without pay as part of a reduction in salary or other compensation plan; and

WHEREAS, Policy No. 2-22 “Termination of Employment” in the Policies and Procedures Manual provides for reductions in force when necessary due to lack of funds, lack of work, or reorganization; and

WHEREAS, it is necessary that Policy No. 2-22 be clarified to provide that any reductions in force do not involve the hearing processes otherwise provided as part of terminations; and

WHEREAS, in accordance with Section 2.1 of Policy No. 2-36 “Personnel Board” the Personnel Board has reviewed these proposed amendments to the Personnel Policies & Procedures on October 6, 2009, and has recommended approval to the Town Council; and

WHEREAS, this Resolution has been discussed by the Town Council at its work/study session on October 15, 2009; and

WHEREAS, at the conclusion of the annual review of the Town Attorney on September 24, 2009, the Town Council voted to accept the offer of the Town Attorney to receive a 5% salary reduction, and indicated to the public that the Town Manager, Town Attorney, Town Clerk, and Town Magistrate had collectively made this offer in light of current economic conditions; and

WHEREAS, the Town Council desires to accept this offer of the Town Manager, Town Attorney, Town Clerk and Town Magistrate, and to apply a general salary decrease or similar compensation adjustment to these officers in the same manner as the general salary reduction or similar compensation adjustment described in this Resolution to be applied to other Town officers and employees with the same classification under the Fair Labor Standards Act, effective November 1, 2009; and

WHEREAS, the Town Manager has informed the Town Council that revenue collections for the first two months of fiscal year 2009-2010 have been approximately 15% below the conservative estimates made during the budget process, and he is recommending that the Council consider a general salary reduction or similar compensation adjustment not previously provided in the budget in order to help address these lower-than-expected collections; and

WHEREAS, the Town Council desires to delegate to the Town Manager authority to implement one or more general salary reductions or similar compensation adjustments during the fiscal year which he determines are needed to help address any on-going shortfalls in revenue collections during the fiscal year, while taking into account the need to retain essential public services, retain an effective work force, and comply with applicable state and federal laws (including, but not limited to, the Fair Labor Standards Act); and

WHEREAS, the individual members of the Town Council desire to share in this general salary reduction or similar compensation adjustment (notwithstanding the limitations of the Arizona Constitution regarding timing of Council compensation reductions) by voluntarily returning a

corresponding portion of their individual salaries as donations towards public needs and services within the Town, at their individual discretion;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Prescott Valley, Arizona, as follows:

1. That Policy No. 2-04 "Compensation" of the "Town of Prescott Valley Policies and Procedures Manual" be hereby amended to read as indicated in Exhibit "A" attached hereto and incorporated herein by this reference.
2. That Policy No. 2-08 "General Leave" of the "Town of Prescott Valley Policies and Procedures Manual" be hereby amended to read as indicated in Exhibit "B" attached hereto and incorporated herein by this reference.
3. That Policy No. 2-10 "Other Short-Term Absences" of the "Town of Prescott Valley Policies and Procedures Manual" be hereby amended to read as indicated in Exhibit "C" attached hereto and incorporated herein by this reference.
4. That Policy No. 2-22 "Termination of Employment" of the "Town of Prescott Valley Policies and Procedures Manual" be hereby amended to read as indicated in Exhibit "D" attached hereto and incorporated herein by this reference.
5. That the Town Manager, Town Attorney, Town Clerk and Town Magistrate receive the same general salary reduction or similar compensation adjustment(s) applied by the Town Manager in accordance with Section 4 of this Resolution, in the same manner as may be applied to other Town officers and employees with the same classification under the Fair Labor Standards Act, November 1, 2009 (notwithstanding their individual anniversary dates).
6. That the Town Manager be hereby expressly delegated authority to implement one or more general salary reductions or similar compensation adjustments during fiscal year 2009-2010 which he determines are needed to help address any on-going shortfalls in revenue collections during the fiscal year. The Manager is expressly authorized to modify the compensation plan as needed to provide for general salary reductions or similar compensation adjustments (including, but not limited to, employee furlough days), or any combination thereof, and to revise employee work schedules and operations hours in coordination with department directors and in accordance with the Policies and Procedures Manual and other applicable Town and department policies. In so doing, the Manager shall take into account the need to retain essential public services, retain an effective work force, and comply with applicable state and federal laws (including, but not limited to, the Fair Labor Standards Act). The first general salary reduction or similar compensation adjustment shall be implemented no later than November 1, 2009.

The Manager shall consult with the Management Services Director and the Human Resources Director in his establishment of one or more general salary reductions or similar compensation adjustments as set forth above, and shall inform the Council of such actions during a work/study session prior to their implementation. Nothing herein shall preclude the Manager from establishing ad hoc committees of Town officers and employees to advise him as to actions needed to best implement any such general salary reductions or similar compensation adjustments. However, final decisions shall be made by the Manager after Council approval.

7. That the Mayor and other members of the Town Council hereby commit, to the extent permitted by law and at their individual discretion, to make such voluntary personal donations towards public needs and services within the Town as generally correspond to the general salary reduction(s) or similar compensation adjustment(s) provided for in Section 4 above, in relation to the Mayor and Council member salaries provided in Town Code §2-01-050.

8. That, if any provision in this Resolution is held invalid by a Court of competent jurisdiction, the remaining provisions shall not be affected but shall continue in full force and effect.
9. That this Resolution shall be effective after its passage and approval according to law.

RESOLVED by the Mayor and Common Council of the Town of Prescott Valley, Arizona, this 22nd day of October, 2009.

Harvey C. Skoog, Mayor

ATTEST:

Diane Russell, Town Clerk

APPROVED AS TO FORM:

Ivan Legler, Town Attorney

EXHIBIT "A"

Town Policy No. 2-04 "Compensation"

Exhibit "B"

Town Policy No. 2-08 "General Leave"

Exhibit “C”

Town Policy No. 2-10 “Other Short-Term Absences”

EXHIBIT “D”

Town Policy No. 2-22 “Termination of Employment”