

RESOLUTION NUMBER 2022-17

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PARADISE VALLEY, ARIZONA AMENDING THE FISCAL YEAR 2021/22 ADOPTED BUDGET.

WHEREAS, the Mayor and Council of the Town of Paradise Valley (the “Town Council”) adopted the Fiscal Year 2021/22 Budget (the “Adopted Budget”) for the Town of Paradise Valley (the “Town”) by Resolution 2021-12 on June 24, 2021; and

WHEREAS, the Adopted Budget incorporated a tiered plan to monitor revenues and priorities to be flexible and adaptive to fluidly transition operations as revenues rebound or demands shift; and

WHEREAS, Priority One and Priority Two expenditures represent the base budget for primary services with spending authority effective July 1; Priority Three program expenditures were held in contingency until certain conditions for approval had been met; and

WHEREAS, budget amendments are consistent with Generally Accepted Accounting Principles (GAAP) and recommended budgeted practices; and

WHEREAS, adjustments do not increase the total budget or enable the Town Council to increase spending in excess of the Adopted Budget or the limitations on the Town’s prescribed in Article IX, Section 20 of the Arizona Constitution; and

WHEREAS, the Town Council desires to record various amendments to the Adopted Budget in accordance with the Town’s Financial Management Policies and applicable law.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Paradise Valley, Arizona, as follows:

Section 1. The recitals above are hereby incorporated as if fully set forth herein.

Section 2. The Adopted Budget is hereby amended as set forth in Exhibit A, attached hereto and incorporated by this reference.

Section 3. The Mayor, the Town Manager, the Town Chief Financial Officer, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

Section 4. If any section, subsection, sentence, clause, phrase, or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

[Signatures on following page.]

PASSED, ADOPTED AND APPROVED by the Town Council of the Town of Paradise Valley this 9th day of June, 2022.

Jerry Bien-Willner, Mayor

ATTEST:

Duncan Miller, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney

EXHIBIT A
TO
RESOLUTION 2022-17

[FY 21/22 Budget Adjustments]

See following pages.

Operating Contingency for Previously Approved Contracts

Throughout the fiscal year, Council approved certain contracts related to changes for the Town operations. This action accommodates the budget amendments to support the previously approved contracts utilizing either legal contingency or operating contingency.

Department/Use	Council Meeting	Agenda Item	Amount
Community Development			
3 rd party plan review/inspection (5 Star)	1/27/2022	22-044	200,000
Finance			
Interim Chief Financial Officer (CFO)	1/27/2022	21-367	100,000
Information Technology			
Microsoft licensing	5/26/2022	22-179	141,373
Budget software	1/19/2022	22-062	115,000
Interim Chief Information Officer (CIO)	1/27/2022	21-373	80,000
Tourism			
Resort sound equipment	4/14/2022	22-131	25,000
Town Attorney			
Legal/expert witness service: EPCOR rate case	12/2/2021	21-392	50,000
Town attorney services	3/10/2022	22-114	100,000
Town Manager			
Public communications	10/28/2021	21-338	33,200
Resort sound equipment: 4 resorts in FY2022	4/14/2022	22-131	20,400
Total			864,973

Priority Three

Due to the on-going Covid-19 pandemic, the Town's FY2021 and FY2022 budgets were adopted based on a three-tiered priority system to ensure revenues were sufficient to meet Town obligations before authorizing certain expenditures. The FY2022 Priority Three programs were held in a contingency account until specific criteria were realized and service demands materialized. The Town Manager and the Chief Financial Officer were authorized to determine when the conditions for approval had been met and to proceed with the related programming. State statutes require Town Council approval for use of contingency. This action formalizes the amendments below supporting Priority Three expenditures.

Department/Use	Amount
Community Development	
New position: Hillside support	84,427
New position: Administrative support	67,698
New position: Planner I	11,283
Cell phone coverage	25,000
Council	
Recognition event	10,000
Finance	
State tax code: cost recovery	30,000
Procurement additional hours	10,400
Information Technology	
Training	12,710
Public Works	
Street preservation	955,173
Town Manager	
Tuition reimbursement	20,000
Software: short-term rentals	15,000
Public relations	10,000
Special performance award	2,500
Office supplies	2,500
Total	1,256,691

Priority Three

A number of amendments are required to align budget with the uses in each department as detailed below.

- Town-wide personnel costs were budgeted in contingency and allocated to departments as needed.
- The adopted Court budget and the Paradise Valley Mountain Preserve Trust budget were insufficient to address certain operating costs known at the time of the budget. This technical amendment ensures each are within budget at the end of the fiscal year.
- The contractual agreement with Experience Scottsdale obligates payment based on a percentage of hospitality taxes collected by the Town. Due to the current economic climate, collections of hospitality taxes, and thus distributions to Experience Scottsdale are greater than the adopted budget.
- The compensation and classification study was budgeted in a prior fiscal year and had not been carried forward when the Town proceeded with the contract with the consultant.
- The Town Attorney recruitment costs were previously unbudgeted.

Department/Use	Amount
Town-wide	
Merit increases	399,054
Sick leave benefit	80,946
Court	
Building utilities	12,000
Liability insurance	12,500
Personnel costs	13,332
Paradise Valley Mountain Preserve Trust	
Tax filings	1,050
Web services	2,500
Tourism	
Experience Scottsdale	935,000
Town Manager	
Compensation and classification study	30,000
Town attorney recruitment	24,500
Total	1,510,882