

# **ATTACHMENT A**

## **RESOLUTION NUMBER 2020-20**

### **A RESOLUTION OF THE TOWN OF PARADISE VALLEY, ARIZONA ADOPTING AMENDMENTS TO PERSONNEL AND FINANCIAL MANAGEMENT POLICIES.**

**WHEREAS**, the Town of Paradise Valley has a longstanding tradition of fiscal prudence and maintaining essential policies to serve as the foundation and framework for continuity in financial planning and budgeting; and,

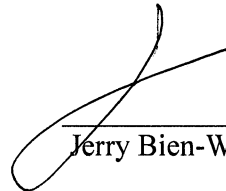
**WHEREAS**, the Government Finance Officers Association (GFOA) recommends maintaining financial policies as a best practice that is central to a strategic and long-term approach to financial management; and,

**WHEREAS**, along with a comprehensive review of all of the Town's Financial Management Policies Town management and the Mayor and Town Council have reviewed policy amendments in Exhibit A on April 9, 2020 and May 28, 2020; and the amendment in Exhibit B on May 28, 2020; and,

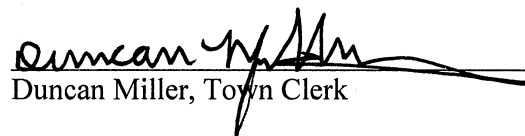
**WHEREAS**, the policy amendments in Exhibit A and B are integral components to the Town's FY2021 budget to promote health and safety for town personnel and residents they interact with and give flexibility and clarity for fiscal strategies; and

**NOW THEREFORE, BE IT RESOLVED**, that the policy amendments attached hereto as Exhibits A and B are hereby adopted.


**PASSED AND ADOPTED** by the affirmative vote of the Paradise Valley Town  
Council this 11<sup>th</sup> day of June 2020.

  
\_\_\_\_\_  
Jerry Bien-Willner, Mayor

ATTEST:

  
\_\_\_\_\_  
Duncan Miller, Town Clerk

APPROVED AS TO FORM

  
\_\_\_\_\_  
Andrew M. Miller, Town Attorney

**EXHIBIT A**  
**Town of Paradise Valley**  
**Financial Management Policy Amendments**  
**Fiscal Year 2020/21**

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**OPERATING BUDGET POLICIES**

13. ~~Construction sales tax in excess of \$0.5 million will be transferred from the operating budget to the CIP fund to provide a dedicated CIP funding.~~

**CAPITAL BUDGET POLICIES**

7. ~~Construction sales tax in excess of \$0.5 million will be transferred from the operating budget to the CIP fund to provide a dedicated CIP funding.~~ assigned to fund the Capital Improvement Plan including capital improvement projects and capital improvement debt obligations.

**CONTINGENCY AND RESERVE POLICIES**

2. A reserve no less than ~~equal to at least 90%, but not more than 110%,~~ of the annual operating budget (General and HURF funds) operating expenditures will be maintained. The amount will be calculated using the budgeted expenses for the following year. The reserve is to be used for unforeseen emergencies, such as a significant loss of revenues or catastrophic impacts on the Town. At the time the Town Council approves the use of the reserve below 90%, it will also identify the time period over which the reserve will be replenished.

**EXHIBIT B**  
**Town of Paradise Valley**  
**Personnel Policy Amendments**  
**Fiscal Year 2020/21**

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**SECTION 904**

J. Sick leave accumulated in excess of 480 hours must be converted on the 15th of December each year to either vacation time or cash value. If converted to vacation time, the conversion shall be one hour of vacation for every two (2) hours of accumulated sick leave in excess of 480 hours. If converted to cash value the conversion rate shall be made at 50% of the employee's current hourly wage multiplied by the number of hours in excess of 480 hours.

**NOTE:**

To encourage sick employees to stay home, Section 904 (J) is temporarily suspended.

As a transition, any sick leave hours accumulated over 480 hours as of the last full pay period ending in June 2020, may be converted to 1 hour of vacation for every 2 hours of sick or paid out at 50% of the cash value.

Sick leave will continue to be earned but not paid out until the suspension is lifted and / or a new policy is put into place.