



**TOWN COUNCIL MEETING**  
**6401 E. LINCOLN DRIVE**  
**PARADISE VALLEY, ARIZONA 85253**  
**SUMMARIZED MINUTES**

**December 1, 2011**

**CALL TO ORDER**

Mayor LeMarr called to order the Town Council meeting of the Town of Paradise Valley, Arizona, held at Town Hall 6401 E. Lincoln Drive, on Thursday, December 1, 2011 at 4:00 PM.

**COUNCIL MEMBERS PRESENT**

Mayor Scott P. LeMarr  
Vice Mayor Mary Hamway  
Council Member Michael Collins  
Council Member Paul E. Dembow  
Council Member Pam Kirby  
Council Member Vernon B. Parker  
Council Member Lisa Trueblood

**STAFF MEMBERS PRESENT**

Town Manager James C. Bacon, Jr.  
Town Attorney Andrew Miller  
Town Clerk Duncan Miller  
Community Development Director Eva Cutro  
Planner George Burton  
Human Resources Manager Jinnett Hancock  
Police Chief John Bennett  
Public Works Director Andrew Cooper  
Municipal Court Director Jeanette Weisenhoffer

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**Presentation on Pension Fund**

Town Manager Jim Bacon introduced Alan McGuire, who, until recently, was the employer's representative on the Arizona Public Safety Retirement System Board of Directors. He said this topic matters to the Town because the Town's cost to fund Public Safety retirement costs is a significant number and keeps increasing. It is estimated that by 2016 pension costs will be greater than healthcare costs.

Mr. McGuire briefed Council on the Arizona State Retirement System, the Public Safety Personnel Retirement System, and recent legislative reforms. He noted that the funds are managed by independent boards but are governed by state law. A number of small changes were made in the last legislative session including increasing the employee contribution rates, changing the minimum age at which retirees may draw benefits, and eliminating the PSPRS DROP program. This will significantly improve the funds stability in future years.

Responding to a question from Council, Mr. Maguire stated that individual city and town council can have an impact on decisions made by ASRS and PSPRS by attending the meetings and putting pressure on the boards and lawmakers to make responsible changes to ensure the long term sustainability of the funds.

### **Discussion of Salary and Classification Plan**

Mr. Bacon explained that earlier this year, staff was asked to collect salary information from sixteen organizations for comparison with selected town positions.

He briefed Council on the Town's pay plan is designed and managed. He said the plan's goals are to recruit, retain, and financially reward employee performance. It is designed to be externally competitive and internally equitable with pay grades and ranges used as the foundation. He said in July 2000 Council adopted a new pay plan based on a Fox Lawson & Associates classification and compensation study. Between 2001 and 2007, pay ranges were revised annually based on market data. Employees received both market adjustments and merit increases based on performance. In March 2007, Council approved recommendations by Fox Lawson to reclassify directors, positions that changed in complexity, and hard to fill positions.

He described the Town's organizational structure and said pay grades reflect the complexity of a position and its place in the organization's structure. Pay ranges establish the minimum and maximum base salary for each position; all salary movements within the range are performance based.

Until 2008, employees received salary adjustments equal to average increases in pay by comparable cities as well as a performance based adjustment. This system is still used by most valley cities and all of the comparable cities. Since 2008, employees have not received pay range adjustments or salary increases. He stated that he has not budgeted for salary increases in 2012 or 2013.

He said changes in the past three years have reduced the number of employees and the annual cost without changing the pay plan design. As an example, Finance Department staffing was reduced from five positions to three positions reducing salary costs by \$116,127.

He stated that the Town defines its comparable market as: Chandler, Gilbert, Glendale, Mesa, Peoria, Phoenix, Scottsdale, and Tempe. One reason for defining this as the market is the fact

that 80% of employees live in the eight market cities. Salary ranges should be based on the mid-point of ranges in these cities. Market changes are measured annually based on changes actually made in prior fiscal year. Market changes to not result in automatic salary increases, but rather based on performance.

He said changing the list of market cities can affect the pay plan but may not necessarily produce a different pay plan. He provided examples of alternative comparable list of cities.

Council then reviewed the data collected for selected salaried positions. He noted that not all 16 municipalities surveyed had comparable positions for comparison purposes. The data suggest that the Town's pay ranges continue to meet pay plan objectives.

Council asked for a recommendation on a plan to identify "external comparable" alternatives and determine "position" within the comparables. This will be discussed again on January 26, 2012.

### **Discussion of Non-Conforming Property Sign Code Amendments**

Mr. Bacon explained that this item is being discussed because the owner of PV Design Center on Lincoln Drive was sent a violation notice because his illuminated business sign is in violation of the sign code for non-conforming properties. The remedy under the code is to appeal the decision of the zoning administrator to the Board of Adjustment, for which there is a \$2,300 application fee. Councilmember Dembow contacted the Town Attorney and asked if there was another way to resolve the matter. The Town Attorney suggested that the Council could amend the Town Code to give the zoning administrator the authority to grant administrative variances of up to 10%.

Town Attorney Miller stated that there are two non-conforming properties in Town: PV Design Center and Applewood Pet Resort. He said section 2311(A) of the Zoning Code specifically regulates signs on non-conforming properties. He stated that the Town aggressively enforces the non-conforming sign code. He advised that the only remedy in the Code is to appeal to the Board of Adjustment. The other option is to amend Section 2-5-3(E) regarding administrative relief. This would allow staff to grant relief of up to a 10% increase in the amount of non-conforming sign area on a property that has non-conforming sign area on a property that has non-conforming use, subject to the following requirements:

- Application submitted by property owner
- Notice to adjacent property owners via first class mail as prescribed by Community Development Director
- Proposed relief shall not be detrimental to any Town property
- Relief granted is minimum required to meet needs of the proposed improvement

If approved, PV Design Center would be allowed to keep the two-sided sign on Lincoln Drive but would not be allowed to display A-frame signs.

There was no Council consensus on the proposed change. Council encouraged the Town Manager not to take any enforcement action against PV Design Center until the Council meets again to discuss alternative proposals.

**Discussion of Major Special Use Permit Review Process**

Mr. Bacon stated that discussion of the Intermediate Special Use Permit (SUP) process will be discussed in two weeks. The Major SUP amendment process will be discussed on February 23, 2012. Vice Mayor Hamway and Councilmembers Collins and Trueblood will give feedback to staff on a framework for the process.

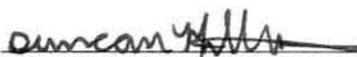
**ADJOURNMENT**

**Motion and vote** –Councilmember Kirby moved to adjourn. Councilmember Trueblood seconded the motion which passed by a vote of 7 - 0.

Mayor LeMarr adjourned the meeting at 6:36 p.m.

  
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Scott P. LeMarr, Mayor

ATTEST:

  
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Duncan Miller, Town Clerk