

RESOLUTION NO. 2782

A RESOLUTION OF THE MAYOR AND COUNCIL OF PAYSON, ARIZONA, PAYING EMPLOYEES ONE HALF OF THE YEAR END PTO HOURS PAY OUT THAT HAS ACCRUED AS A RESULT OF THE TOWN DEFERRING PAYMENT DURING THE PAST FOUR BUDGET CYCLES AND DIRECTING THE SECOND HALF OF SUCH ACCRUAL TO CARRY FORWARD.

WHEREAS, Section 5.1.3 (Paid Time Off) of the Town of Payson Personnel Policy Manual credits regular employees with certain amounts of Paid Time Off (PTO) per pay period; and

WHEREAS, for employees hired before July 1, 2012, Section 5.1.3(D) provides for an annual pay out at half rate in December of each year for certain amounts of accrued, but unused PTO "the Annual Payout"). Employees hired after July 1, 2012 are not eligible for the Annual Payout; and

WHEREAS, because of financial constraints during the past four budget years, the Town has not made the Annual Payout, instead, the Town has rolled over the Annual Payout (See Resolutions 2555, 2598, 2666, 2716); and

WHEREAS, the rollover of the Annual Payout for the past four years has created a liability for the Town; and

WHEREAS, the Town desires to reduce the Town's liability by at least half by budgeting to pay off the first 192 hours of the Annual Payouts that have accrued; and

WHEREAS, the Town desires the remaining liability for the Annual Payout to be rolled forward,

**NOW, THEREFORE, THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO HEREBY RESOLVE AS FOLLOWS:**

- Section 1a. For general employees, in lieu of 96 hours, as referenced in first paragraph of Section 5.1.3(D) of the Personnel Policy Manual, 288 hours shall be used for the payout for the calendar year ending December 31, 2014 (the annual 96 hours plus one half of the hours potentially accrued over the past four years).
- Section 1b. For fire department shift employees, in lieu of 134.4 hours, as referenced in first paragraph of Section 5.1.3(D) of the Personnel Policy Manual, 403.2 hours shall be used for the payout for the calendar year ending December 31, 2014 (annual 134.4 hours plus one half of the hours potentially accrued over the past four years).

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- Section 2. Any unused PTO that would have been paid out at year end but for Resolutions 2555, 2598, 2666, 2716 and that is not paid out pursuant to paragraphs 1a and 1b above shall not be forfeited and shall remain in an employee's PTO account.
- Section 3a. For the calendar year ending December 31, 2014, the portion of Section 5.1.3(D) limiting the maximum carryover of PTO hours to 720 for general employees hired before July 1, 2012 shall be suspended and the maximum carry over PTO hours for such calendar year shall be 912.
- Section 3b. For the calendar year ending December 31, 2014, the portion of Section 5.1.3(D) limiting the maximum carryover of PTO hours to 1032 for fire department shift employees hired before July 1, 2012 shall be suspended and the maximum carry over PTO hours for such calendar year shall be 1300.8.
- Section 4a. For FY 2014-2015, the portion of Section 5.1.3(D) applicable to employees hired before July 1, 2012 providing that upon separation "All Paid Time Off between 241 and 816 will be paid out at half rate" upon separation for general employees shall be suspended; and upon separation, all PTO hours between 241 and 1008 will be paid out at half rate.
- Section 4b. For FY 2014-2015, the portion of Section 5.1.3(D) applicable to employees hired before July 1, 2012 providing that upon separation "All Paid Time Off hours between 360 and 1166.4 will be paid out at half rate" upon separation for fire department shift employees shall be suspended; and upon separation all PTO hours between 360 and 1435.2 will be paid out at half rate.
- Section 5a. For the calendar year ending December 31, 2015, the end of calendar year amount of unused PTO required to be paid out at half rate (pursuant to Section 5.1.3(D)) shall be the first 288 hours above 480 for general employees hired before July 1, 2012.
- Section 5b. For the calendar year ending December 31, 2015, the end of calendar year amount of unused PTO required to be paid out at half rate (pursuant to Section 5.1.3(D)) shall be the first 403.2 hours above 672 for fire department shift employees hired before July 1, 2012.
- Section 6. No part of this Resolution shall permanently amend the Town's Personnel Policy Manual.
- Section 7. The Town is hereby authorized to take such other and further actions as are necessary or appropriate to carrying out the provisions in this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this \_\_\_\_ day of June, 2014, by the following vote:

AYES \_\_\_\_\_ NOES \_\_\_\_\_ ABSTENTIONS \_\_\_\_\_ ABSENT \_\_\_\_\_

\_\_\_\_\_  
Kenny J. Evans, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Silvia Smith, Town Clerk

  
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Timothy M. Wright, Town Attorney