



COUNCIL- MANAGER GOVERNMENT IN ARIZONA

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INTRODUCTION

Local government advocates consistently proclaim that cities and towns are the level of government that is “closest to the people” and “most responsive to the people.” Does the municipal form of government have anything to do with validating those truisms? The likely answer is, “yes.”

Those claims may be consistent with the emergence of the council-manager form of government: a system in which political leadership and professional leadership are blended and public policy decisions are made by elected officials on the basis of professional recommendations and advice using the objective standards of cost, efficiency, measurable outcomes and optimum service to the citizens rather than because of political influence, cronyism, nepotism, favoritism, or dishonesty.

Today, the council-manager system is the most prevalent form of local government in the United States (existing in more than 3,500 cities and towns and more than 370 counties), but it is not the only one. Other models, generally created many years ago and unchanged over time, still exist.

Across the country, the issue of the local form of government emerges as a subject of debate from time to time. In the majority of cases, there is an effort to adopt the council-manager form, but occasionally there are proposals to move away from council-manager to another governmental model. On the whole, however, the trend is toward more adoption of the council-manager form.

Some of the motivation to use this form comes from frustration with the practices observed in the current system which the public finds distasteful and offensive: cronyism, influence peddling, graft, secret arrangements, partisan decision making and hiring based on connections rather than objective qualifications. The council-manager form addresses the issues generally found to be the most distasteful to the public.

The system is not perfect, but it is designed specifically to make sure professional municipal employees are responsive to the public and that government resources are spent in the most efficient, objective manner possible, while elected officials set the policy direction and priorities of the city.

Why is it then that the public seems to be generally unaware of the council-manager form, and sees the position of Mayor as the “boss of the city?” Perhaps because chief executives at the state and national level do have a higher profile management role, or because a colorful, flamboyant stereotypical Mayor makes a more appealing character for movies or novels, and that the strong mayor form still remains more common in the eastern part of the country and in many of the nation’s largest cities.

VARIOUS FORMS OF CITY MANAGEMENT

Incorporated communities in early America conducted business primarily through the **Town Meeting** system in which every member of the community was a voting delegate at a large public meeting. There are still remnants of this system today in some New England states where annual Town meetings are required to conduct some kinds of municipal business.

As local governments developed, a small number of individuals were elected as “Selectmen” to provide for fulfillment of the directives approved by citizens at the Town Hall. Today, some states still retain the title of Selectman for members of their city councils.

As cities grew and the need arose to provide a greater level of urban services, more and more people were needed to administer them. This led to the “long ballot” election in which a large number of candidates vied for the right to run certain city departments.

A movement emerged advocating a “short ballot” so that voters could be more informed about the various candidates for local office. Over time, some cities adopted a ward system to elect members of a common council. The voters in each ward would have fewer decisions to make, but there were still a large number of people elected to the city council. Chicago, for example, has council members elected from 50 separate wards.

The **Weak Mayor** system is found primarily in small towns that do not have the organizational structure for a manager. In this system council members handle both the policy and administrative operations of various city departments, while the Mayor presides at meetings and is the ceremonial face of city government. The collective council has relatively limited influence since the individual council members have management authority for their scope of responsibility.

In the **Strong Mayor** form, the roles are essentially reversed. The elected Mayor has management authority for all operations of the city while the council has only limited authority. This system is highly dependent on the management skills of the person in the Mayor’s office. Depending on the administrative qualities of the Mayor, this system can either function smoothly or be a virtual train wreck. And, it changes each time someone new comes into the office. Under the strong mayor form, the government can be no more effective than the individual that currently occupies the office.

The **Commission** form offers yet another variation. In this system, individual council members are elected to direct the operations of various city departments as “commissioners.” In a few commission cities, the mayor assigns council members to head various city bureaus. Depending on a council member’s relationship with the Mayor, they may either get a desirable assignment such as the Police, Fire or Parks Bureaus, or they may be assigned less glamorous functions such as the Sewer or Solid Waste Departments.

A common weakness among all these forms of municipal government is that the quality of leadership and management is highly dependent on the skills of those elected to office. These systems also are highly susceptible to political and financial influence. One's relationship to the Mayor or to various groups such as developers, financiers and unions can be extremely influential in determining assignments rather than an objective evaluation of one's operational skills.

These systems also fail to separate the important functions of policymaking from administration. The Mayor and council are put in the position of developing policy positions and also being responsible for operational implementation. It is rare to find elected officials who have the training and experience to handle the administrative tasks of local government.

COUNCIL-MANAGER FORM

The **Council-Manager** form of local government (cities, towns and counties) creates a bright line between the adoption of municipal policy and the administrative or operational functions of city staff. Under the council-manager form, elected officials on the council are ultimately responsible for making the policy decisions about city functions, budgets, tax rates, planning and zoning, general plans, long- and short-range city goals, contract approvals, etc. They receive information and recommendations from the city manager and generally oversee the performance of city government. They also are the link between citizens in the community and their local government. All governmental authority resides with the council as a body of elected officials.

The council works with a professionally-trained manager or administrator to develop policy positions, and then delegates to the manager the responsibility to carry out their decisions. The manager does not set or make policy decisions, but is the person primarily responsible for making policy recommendations and for carrying out the decisions of the council.

The manager and his or her management team have responsibility for hiring and firing personnel, for managing city operations within the council-approved budget and for implementing the various day-to-day services of the city. The manager and his or her staff do the background research on various topics in order to present the council with objective pros and cons on policy alternatives. He or she serves at the pleasure of the council and can be dismissed at any time with the vote of a majority of its members.

The council-manager form of government is unique to the local level in government but it is similar to the Board/Chairman/CEO structure common in private corporations as well as school districts, hospitals and non-profit organizations.

For those who question whether "non-elected bureaucrats" should be in charge of the operations of a unit of government, the council-manager system has generally been shown to be more financially accountable and more efficient operationally than governments in which the elected officials are also the people in charge of directly managing government services and supervising

staff. The system is designed to maximize the strengths of elected officials and local government professionals. It allows elected officials to spend more of their time listening to the concerns of constituents, and provides structure to the staff to be able to know that their job duties will be consistent and based on professional standards rather than subject to differing political whims.

The system also diffuses political power among all elected officials so that no one individual—Mayor or council member—can dictate policies of the city, hire or fire personnel or make changes in the governmental structure. While Mayors can be visionary leaders who help the goals for the city through their personality and “bully pulpit,” the Mayor and council’s strength is exercised through the will of the voting majority. Any individual council member has very little actual authority.

The impact of an elected official lies in persuading his or her colleagues of the validity of his position, being willing to compromise in order to gather support, and being able to deliver a majority vote. In that way, all council members share in decision-making, bringing their unique background and experience to the group. In American political spheres the majority rules, individuals do not.

HISTORY OF COUNCIL-MANAGER GOVERNMENT

The council-manager structure is one of the products of the Progressive Movement in the United States during the late 19th and early 20th centuries. In general, the movement was a reaction against dominant political bosses and machines, corporate corruption and monopolies, “robber barons” and oppressive working conditions.

Reformers were successful in making a series of changes to social and corporate institutions as well as introducing a number of concepts to make government more accountable to the people rather than special interests. Some of the political changes include citizen initiatives, referendum and recall, women’s suffrage, direct election of U.S. Senators and the council-manager form of government.

It is generally accepted that the first city manager position was created in Staunton, Virginia, in 1908, although a number of other communities were also moving in that direction. Today, the council-manager form is the most dominant system of local government, appearing in more than 3,500 U.S. cities and 144 of the 247 largest cities. It is also used in nearly 400 county governments. The City of Phoenix, Arizona, generally believed to be the largest U.S. city with the council-manager form of government, was also one of the first in the nation to adopt the system. It was included as part of the city charter approved by voters by a margin of nearly two-to-one in October 1913.

The council-manager form has gained widespread acceptance for its attributes of efficiency, professionalism and predictability for city employees as well as residents. In contrast to the strong mayor system, which has the perception of inviting corruption, the council-manager

system separates policymaking from operational processes, and encourages hiring and contracting practices based on objective, measurable standards rather than cronyism and friendship. The city management profession is also set apart by the strong commitment of its members to a uniform code of ethical behavior.

In a December 6, 2009, story in the *Baltimore Sun* headlined, “City’s governmental structure encourages official corruption,” reporter David B. Levy writes:

“It is clear that developers and other interest groups perceive—probably correctly—that the best method to gain decisions in their favor is to ‘grease’ the pathway. Sometimes that grease is pure corruption. More frequently, it is some version of interest peddling that does not quite rise to the level of outright corruption. Either way, it bends governmental decisions away from the public interest and toward the private interest of those doing the greasing.” He goes on to say, “The best-managed and cleanest local governments in the United States are not strong-mayor governments; they are council-manager governments.”

Today, cities, towns and counties across the U.S. are continuing to evaluate their local governmental structure. Where there has been limited or no experience with the council-manager form, vigorous public debates usually occur when a proposal to adopt that form is brought to the public or council for a vote. It is not uncommon for those who have no experience with the council-manager form to reject it in favor of the status quo. It is far more unusual for cities that have had the council-manager form to reject it in favor of others.

LOCAL GOVERNMENT IN ARIZONA

Cities and towns in Arizona are authorized by the state Constitution in Article 13; Counties are authorized in Article 12. Both units of local government are subject to statutes enacted by the State Legislature and, as such, are considered political subdivisions of the state.

Cities and towns are voluntary units of government, created by the people who live in the same geographic area and who decide to incorporate. To incorporate as a town in Arizona requires a minimum population of 1,500; a city requires 3,000.¹ Cities may adopt a charter, similar to a local constitution, which specifies structural and organizational procedures for the city. Charters are adopted by a vote of the people and any amendments must also be voted on by the people.²

There are 19 charter cities in Arizona; all the rest are considered “general law” cities and towns and operate under the authority of the Arizona Revised Statutes. Among other things, charter provisions may: specify the city governmental structure, impose council and mayoral term limits,

¹ For a more complete discussion of incorporation procedures, see the League publication, “Municipal Incorporation in Arizona.”

² For a more complete discussion of city charters, see the League publication “Charter Government Provisions in Arizona Cities.”

prescribe how various administrative departments are to be organized, or whether voter approval is required to impose certain taxes. The Arizona Constitution describes a charter as being the “organic law” of the city. There are specific procedures for developing and adopting a charter in Article 13, Section 2. In some ways the charter may have the effect of limiting the city government’s authority while general law cities and towns may have greater flexibility in implementing some decisions.

ARS 9-303 authorizes cities and towns to adopt the council-manager form of government in local ordinances, and specifies that the manager serves at the pleasure of the majority of the council.

Cities in Arizona also have the option of adopting a system of geographic districts called “wards.” In this arrangement, voters in a ward select a council member to represent them rather than having all council members elected at large by all voters. In the ward system, only the Mayor is selected at large. In Arizona, all municipal governments except for the City of Tucson are officially non-partisan; candidates for Mayor and council do not run on political party tickets or serve as members of a political party and the council does not formally organize itself into a political majority and minority.

Unlike cities and towns, everyone living in Arizona also resides in one of the 15 counties. County government functions as a delivery system for many state government services such as elections, jails, property tax assessment and collection, courts and healthcare among other items. Counties are restricted in the administrative flexibility they have locally. Counties can exercise only the authority granted to them by statute, whereas cities, under the general laws of the state, can engage in a broad range of activities unless specifically prohibited by statute.

The line between local and state authority is one that is the subject of much dispute, particularly at the State Legislature. Some legislators believe that as political subdivisions of the state, the legislature has the authority to regulate any local matter they choose to be involved in. They see their role as having preeminence over local officials in virtually every matter, and claim the ability to override any and all local decisions.

This kind of thinking dates back to the establishment of “Dillon’s Rule” from a ruling by Judge John F. Dillon of Iowa in 1868. Judge Dillon’s opinion introduced the parent-child concept and said the authority of local officials is limited only to that which has been officially granted to them by the Legislature or which are indispensable to local operations. His opinion reads in part: “Municipal corporations owe their origin to, and derive their powers and rights wholly from, the Legislature. It breathes into them the breath of life, without which they cannot exist. As it creates, so may it destroy. If it may destroy, it may abridge and control.”³

A subsequent publication by Dillon argued that states have unlimited power except for those items specifically articulated as being federal responsibilities (see 10th Amendment to the U.S.

³ *Clinton v Cedar Rapids and the Missouri River Railroad*, (24 Iowa 455; 1868).

Constitution), but that municipal governments have only power expressly granted to them by the state government. This principle has been reinforced over time by court decisions in a variety of states.

It has been speculated that Dillon may have been influenced in his decision by the fact that there was widespread corruption in late 19th century American local government (as well as state government, it should be noted) and that this opinion may have been his way of bringing some degree of reform to city government. An opposing local government philosophy was expressed by Michigan Supreme Court Judge Thomas M. Cooley in 1871 when he wrote: “[L]ocal government is a matter of absolute right; and the state cannot take it away.”⁴

A few decades later in 1912, when the Progressive Movement was at its peak, Arizona became a state and its Constitution, adopted in 1911, became effective. As noted earlier, a number of components of the Progressive Movement platform, such as initiative, referendum and recall, were included in the Arizona Constitution, which raises a question. Does the Arizona Constitution follow the line of thinking of Dillon’s Rule or is it more influenced by the line of thinking that authorizes more local decision making authority?

That question does not have a definitive answer. While some believe the language in the Arizona Constitution leans toward greater flexibility on the part of city governments, Arizona court decisions, like those in other states, tend to tip the scales toward the state Legislature as having preeminence in authority.

However, a 2012 decision by the Arizona Supreme Court in the case of *Tucson v. Arizona* contains the following language regarding the relationship of the state government to city charter governments: “Nineteenth century case law and legal commentary generally viewed cities and towns as entirely subordinate to and dependent on the state’s legislature for any governmental Authority...The framers of Arizona’s Constitution, however, rejected that view, valuing local autonomy.”⁵

CITY MANAGEMENT AS A PROFESSIONAL DISCIPLINE

In 1914 the International City Management Association (ICMA) was created to serve as a vehicle for promoting and advancing the council-manager form of government and to serve as a resource for people entering the field of city management. Since then, ICMA has provided a continuing program of technical information, management resources and educational programs to its members. Today, ICMA has more than 9,000 members serving cities, towns and counties across the U.S. and around the world.

⁴ *People v. Hurlbut*, (24 Mich 44, 95; 1871).

⁵ *City of Tucson v. State* (229 Ariz. 172, 273 P.3d 624; 2012)

One of ICMA's principal products is its Code of Ethics for municipal managers. The 12-point code was originally developed in 1924. As a condition of ICMA membership, applicants must agree to abide by the ethical tenets and submit to a peer-to-peer review process for any suspected violations. The tenets emphasize the professional, objective standards of city management, prohibit political activities by members, emphasize the ultimate authority of elected officials and warn about any appearance of impropriety or conflict of interest as a breach of the public trust.⁶

Most states also have an affiliate organization of the ICMA. In Arizona, that organization is the Arizona City-County Management Association (ACMA).⁷ The ACMA holds two major conferences annually as well as hosting other special meetings and an electronic listserv where members can post questions and receive advice from their Arizona colleagues. ACMA provides valuable information and networking resource for managers, helping them learn the latest and best practices of the city management profession and avoid "reinventing the wheel."

As a general rule, people entering the city management profession today have completed a Master of Public Administration (M.P.A.) degree program or a closely related field, and many have also completed internships at various local governments prior to seeking full-time employment.

One of the most respected institutions of higher education in the city management field is located right here in Arizona at Arizona State University (ASU). In 2009, the ASU M.P.A. program was listed as one of the best in the nation by *U.S. News and World Report*, with the ASU School of Public Affairs ranking 25th overall nationally. Based on a survey of more than 250 programs nationwide, ASU ranked sixth in City Management & Urban Policy and eighth in Public Management.

As with many professional disciplines, practitioners often get their start as a chief administrative officer in small or medium size communities, or as a department manager in a larger city. In general, the career track of a city manager progresses from smaller communities to larger urban ones, although many people find professional fulfillment with the lifestyle of a smaller community and prefer to spend their careers in those areas.

The typical city manager has an average tenure with any one community of approximately seven years. Of course, there are instances where managers have been with one city for 20 years or more and others where managers are terminated after only one year.

Because of the high profile nature of the manager position, they are often the lightning rod for structural problems with city administration that may or may not have been directly attributable to their position. Since city managers can be dismissed at any time, with or without cause, on the vote of a simple majority of the city or town council, they typically negotiate employment contracts that include severance terms. These contract provisions help terminated managers

⁶ The text of the latest edition of the Code of Ethics with Guidelines is found in the Appendix. For more information on the ICMA, visit their website at: <http://icma.org/main/sc.asp>

⁷ <http://www.azmanagement.org/>

bridge the income gap until they are hired at another local government. It can frequently take several months to secure a new position, and terminations are usually effective immediately.

Managers are sometimes fired due to a change in political administration and the desire to make a new start in the city's management structure. Due to the volatility in the profession, it is generally not considered a stigma to have been terminated by a community. However, if an individual has a pattern of repeated terminations after relatively short periods of employment, it may indicate an inability to adapt to the delicate relationship of managing a city and staff while still reporting to a body of elected leaders.

To aid communities in identifying people who have a combination of professional training and real world experience, and to recognize city managers who have excelled in their chosen field, ICMA has developed a credentialing program. The program uses a combination of factors to evaluate candidates on their education, experience, commitment to integrity and ethics, and lifelong learning. Applicants are evaluated through a peer-review process with the title of Credentialed Manager being awarded only by the ICMA Executive Board. There are currently about 1,200 Credentialed Managers in the U.S.

Successful city managers tend to have a wide variety of skills encompassing professional disciplines such as finance & budgeting, personnel/labor management, contracting, planning, project management and forecasting, among others. They also must be excellent communicators with their staffs, community leaders and the public, and be able to articulate the vision they have for their city. They must be adept at time management and in quickly comprehending situations and making wise decisions. Additionally, they must be skilled diplomatically in dealing with a sometimes-changing and often volatile mix of personalities on the council, and be able to maintain positive relationships with them all. Successful managers tend to avoid the limelight of public attention and give credit to the elected officials for successes of the city.

City management can be a highly rewarding yet also frustrating career. Those who master the job can take great pride in bringing a high quality of life to the communities in which they serve, and in leaving the world a better place than what they found.

FUTURE CHALLENGES

Local government in Arizona is being severely tested by the conflicting pressures of providing an increasing level of effective public services while financial resources are becoming tighter. Revenues from state and local taxes declined sharply starting in the recession of 2006-2007 but citizens continue to demand rapid response times for public safety services, smooth and fully-functioning streets and transit systems, trouble-free utilities, and excellence in customer service.

In order to continue to fulfill their obligations to the residents of cities and towns, municipal leaders introduced innovations such as more electronic and Web-based services, extended service hours during four-day work weeks and reassignment of personnel to high-demand

services. In response to diminishing revenues, local governments have instituted hiring freezes, wage freezes or reductions, mandatory furlough days and even layoffs. Government at all levels is being challenged to continue to deliver the full menu of public services even as the resources to provide those services are in serious decline.

While local revenues have begun to recover with the economy, they are still a long way from the high levels of the early 2000s. This is the environment in which today's city, town or county manager are required to function.

As with generations before who faced unique and daunting challenges, today's managers are required to develop innovative, efficient solutions to continue to carry out their mandate of providing first-rate public services. Combined with a general resistance of the public to support increased taxation, this requires a high degree of creativity, innovation and courage to forge a new way of doing business.

Today's financial environment may lead to the emergence of practices that will become standard in the future. These may include more privatization of services, consolidation and cooperation between communities or even the elimination of some items. The State Legislature continues to pass unfunded mandates and greater regulations while at the same time some members call for reducing local revenues. City managers are regularly forced to confront all the forces that affect city revenue and operational capabilities and still develop policy recommendations that continue to preserve our municipal mission within available resources.

As the council-manager form of local government begins its second century of practice, it will remain a model of governmental efficiency, planning, integrity and service. As long as honest, skilled and self-sacrificial people choose to make it their profession, the future of our cities is in good hands.

NOTES

Based in part on the booklet, "The Council-Manager Form of Government in Arizona" by the Arizona City Management Association; published by the Morrison Institute for Public Policy and the School of Public Affairs, Arizona State University, 1986.

APPENDIX

ICMA Code of Ethics

The ICMA Code of Ethics was adopted by the ICMA membership in 1924, and most recently amended by the membership in May 1998.

The mission of ICMA is to create excellence in local governance by developing and fostering professional local government management worldwide. To further this mission, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

Tenet 1

Be dedicated to the concepts of effective and democratic local government by responsible elected officials and believe that professional general management is essential to the achievement of this objective.

Tenet 2

Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward local government affairs and a deep sense of social responsibility as a trusted public servant.

Tenet 3

Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.

Tenet 4

Recognize that the chief function of local government at all times is to serve the best interests of all people.

Tenet 5

Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.

Tenet 6

Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.

Tenet 7

Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.

Tenet 8

Make it a duty continually to improve the member's professional ability and to develop the competence of associates in the use of management techniques.

Tenet 9

Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.

Tenet 10

Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.

Tenet 11

Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's decisions, pertaining to appointments, pay adjustments, promotions, and discipline.

Tenet 12

Seek no favor; believe that personal aggrandizement or profit secured by confidential information or by misuse of public time is dishonest.

Source: ICMA Website:

<http://icma.org/main/bc.asp?bcid=40&hsid=1&ssid1=2530&ssid2=2531>