

*CORPORATE STRATEGIC  
PLAN*



*Fiscal Years 2009/10-2012/13*

*TOWN OF PAYSON, ARIZONA*



Mayor Kenny Evans, Vice Mayor Michael Hughes, Councilmember John Wilson, Councilmember Rick Croy, Councilmember Ed Blair, Councilmember Su Connell, Councilmember Fred Carpenter

### TOWN ADMINISTRATION

Debra A Galbraith – Town Manager

Tim Wright – Town Attorney

Silvia Smith – Town Clerk

Hope Cribb – Finance Manager

Terry Morris – Library Director

Don Engler – Police Chief

Marty DeMasi – Fire Chief

LaRon Garrett – Public Works Director

Cameron Davis – Recreation, Tourism and Economic Vitality Director

**ADOPTED JUNE 3, 2010**

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# *Introduction*

All organizations must plan in order to successfully prepare for future challenges and opportunities. Successful organizations also establish performance measures to ensure that they are continually moving toward their goals. These performance measures are also used to monitor when a shift in goals may be needed due to the nature of the challenges and opportunities that have arisen. The Corporate Strategic Plan process is the cornerstone of our business model. It is the foundation upon which the Business Plan and the Annual Budget are based.

We believe that before we can allocate our available resources, we must first understand the needs and desires of the residents of Payson and the environmental factors that will be necessary to provide them.

The Town of Payson began producing an annual Corporate Strategic Plan (CSP) to highlight the Town's overall direction and priorities in 1995. The last CSP to be published in this form was the Fiscal Year 2006-2007 edition. For the fiscal years of 2006-2007 through 2008-2009, a different approach was used. During that time the name of the plan was changed to the Payson Goal Plan (PGP) and public input was sought. The plan became more focused on capital needs and wants, and operational details rather than the all encompassing key result areas (KRA) of the previous plans. Meetings were held in March 2009 to bring together the past PGP and CSP plans to create the current CSP. Beginning with Fiscal Year 2009-2010, the Town returned to the original format of the CSP. This edition is the 16<sup>th</sup> of the CSP.

## **Our Strategic Planning Process**

The CSP Workshop begins with revisiting our mission. The Town Council determines what vital strategic priorities are most critical to our future. If changes are necessary, the Council makes them based on the data that has been gathered by staff and input from the public.

Once the priorities are set, the Council defines each priority with both a general strategy and directional statements. The final piece of the strategic planning process produces directional statements to further explain what the Town should be focusing on in each area. Once the CSP is established, it guides the direction of the entire organization, and only then do we begin to allocate available resources.

The Business Plan flows directly from the CSP and the budget, with Business Plan Initiatives supporting the CSP priorities and the directional statements, as budget allows. In this way, we assure that the efforts we engage in are purposefully designed to meet the strategic needs of the Town.

## How this Document is Organized

The first four major sections set out the mission, core values, Key Result Areas (KRA), and strategic priorities that the Council has set for three fiscal years, 2010/11, 2011/12, and 2012/13. The directional statements are listed after the objective, with last year actual and a three-year goal identified for each.

Following the priorities are the elements of the situational analysis that were provided to the Council prior to the March 15, 2010 CSP Workshop. It consists of data accrued from many internal and external sources, resident surveys, customer requirements and performance analysis. This part of the CSP is organized into four sections: Financial Health, Environmental Scan, Customer Requirements and Performance Analysis. A Special Meeting was held March 15, 2011 to update the CSP. More information can be found in the Business Plan for each fiscal year.



## *Organizational Mission*

**The Town of Payson is dedicated to enhancing the quality of life for our citizens by providing a superior level of service in the most effective and efficient manner while exercising fiscal responsibility. To do this, we.....**

**Value open communication;**

**Encourage citizen participation;**

**Operate honestly and fairly;**

**Conduct ourselves through unity and teamwork;**

**Respect our differences;**

**Treasure our natural resources and unique environment**

## *Strategic Priorities for 2010, 2012, 2013*

1. External Communication
2. Water Resource Management
3. Environmental Protection
4. Community Development
5. Transportation and Drainage
6. Recreation
7. Fire Protection and Emergency Services
8. Police and 911 Services
9. Organizational Development
10. Airport
11. Library
12. Economic Development
13. Tourism & Economic Vitality
14. Parks & Open Space

# Core Values

## Customer Focus

- Demonstrate a passion for customer service.
- Care about employees, so they will be more likely to care about customers.
- Measure organizational and employee success based on customer satisfaction.
- Solicit and listen intently to customer requirements and expectations.
- Maximize the positive impact of customers' first impression.
- Collect customer feedback continuously and use it to improve quality.
- Achieve customer satisfaction by assessing the specific needs and expectations of each individual customer.

## Empowered Employees

- Empower the people closest to the customer, working individually or in teams, to continuously improve the organization's quality and services.
- Commit the entire organization to achieving total customer satisfaction.
- Empower people to make decisions based on their experience, skill, training and capability, rather than their position.
- Share decision-making and allow people to take authority and responsibility for the organization's mission.
- Encourage use of individual judgment to do what needs to be done.
- Empower employees to contribute to customer satisfaction regardless of organizational level.

## Leadership

- Establish an inspiring vision that creates a government that works better and costs less.
- Create an atmosphere of innovation, risk-taking, and tolerance for mistakes.
- Recognize failure as the price paid for improvement.
- Lead by example, by involvement, and demonstrate commitment to quality, service, and customers – “walk the talk”.
- Create a system of guidelines, not rules.
- Remove “red tape” to achieve the organization's mission.
- Practice a “can do” attitude.
- Solicit and listen intently to employees' requirements and expectations.
- Recognize and reward quality and customer service initiatives.
- Recognize change is a given, not government as usual.

## Continuous Improvement

- Commit “every day, in every way, to getting better and better”.
- Plan for quality
- Make quality a never ending effort.
- Have customers define quality.
- Let customer feedback drive quality improvements.
- Focus on process improvements to increase quality.
- Create a culture in which the right things are done the first time and every time.

# *External Communication*

Develop innovative ways to make participation in local government activities possible for all residents and foster a sense of engagement among the citizenry by effectively communicating a common identity, actively seeking insight into the needs of the community, aligning Town services with customer expectations, and continuing to strive for excellence.

Key Result Areas: KRA 1

## **Objective 1: External Communication Plan**

- A. All Departments that have significant contact with the public shall have an external communications program
- B. Maintain and improve programming on TV4
- C. Improve and enhance e-government systems
- D. Diversify the methods of communicating with citizens to provide information on Town news and issues to the widest possible audience

## **Objective 2: Develop and Implement an Inter-Governmental Communications Program**

## **Objective 3: Foster Public Awareness**

- A. Track everywhere Payson is mentioned in the media
- B. Create a “push” program with Tourism

## **Objective 4: Make Governmental Processes More Transparent**

- A. Align Town services with customer needs & expectations
- B. Enhance transparency in governmental actions
- C. Maximize opportunities for staff to directly meet customer needs
- D. Improve and enhance e-government systems

## **Objective 5: Promote Department Solicitation of Public Input**

- A. Invite and promote citizen volunteerism
- B. Enhance public participation in Town government processes



## Intended Outcomes – KRA 1 – External Communication

Outcome	FY 2009/10 ACTUAL	FY 2010/11 Goal	FY 2010/11 Projected	FY 2011/12 Goal	FY 2012/13 Goal
Visits to Government (G) and Tourism (T) websites	G = 202,606 T = 128,706	G = 300,000 T = 170,000	G = 106,884 T = 118,500	G=250,000 T=140,000	G=300,000 T=175,000
Times Payson appeared in out of area publications	35	100	39	150	200
Articles and press releases in local newspapers	G = 50 T = 54	G = 100 T = 100	G = 85 T = 84	G = 115 T = 120	G = 140 T = 140
Public email distribution list	G = 800 T = 4,243	G = 960 T = 10,000	G = 1,128 T = 5,200	G = 1,200 T = 10,000	G = 1,200 T = 12,000
Public information meetings/TOP Talk Programs	Meetings = 20 TOP Talk = 22	Meetings = 50 TOP Talk = 22	Meetings = 38 TOP Talk = 22	Meetings = 50 TOP Talk = 22	Meetings = 60 TOP Talk = 22
Public speaking engagements/Radio Appearances	Public Spkg = 80 Radio = 60	Public Spkg = 95 Radio = 60	Public Spkg = 17 Radio = 58	Public Spkg = 95 Radio = 60	Public Spkg = 95 Radio = 60
New video programs on TV 4	1	1	0	1	1
Enhance process transparency	10%	50%	10%	50%	100%
E-Gov availability for all departments	Research ability and cost to increase Town-wide usage	Implementation in progress	0%	Research ability and cost to increase Town-wide usage	50%
Number of projects citizens are involved in.	1	20	3	12	12

Legend:

G = Government

T = Tourism

# *Water Resource Management*

Continue to enhance the high level of water quality, conservation and sustainability.

Key Result Areas: KRA 2

## **Objective 1: Secure Assured and Sustainable Sources of Water Supply.**

- A. Develop and implement a water infrastructure plan

## **Objective 2: Promote Water Conservation**

- A. Review progress of water conservation in reducing consumption
- B. Develop financial incentives to reduce consumption
- C. Maintain water usage levels as measured in gallons per day in the range of 80-90
- D. Educate elementary school students in water conservation
- E. Encourage installation of water saving devices
- F. Review and revise growth management policies as needed

## **Objective 3: If Requested, Assist Payson Neighboring Communities in Developing a Water Resource Management Program**

## **Objective 4: Construct C.C. Cragin Project**

- A. Construct pipeline water treatment plant per project schedule
- B. Purchase water treatment plant site using the Town-site purchase process

## **Objective 5: Secure C.C. Cragin Project Funding**

- A. Pursue WIFA/BOR funding
- B. Implement approved multi-year rate schedule

## Intended Outcomes – KRA 2 – Water Resource Management

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
Water rights process	Sever & Transfer agreement approved	Sever & Transfer agreement approved	Complete	N/A	N/A
Infrastructure plan completed	95%	100%	100%	N/A	N/A
Usage gallon per day	80 gpcd	80-90 gpcd	79 gpcd	80-90 gpcd	80-90 gpcd
Water saving devices installed	20 Residential 35 Commercial	12 Residential 30 Commercial	13 Residential 7 Commercial	12 Residential 30 Commercial	20 Residential 50 Commercial
Students in school programs presented	300 students	300 students	203 students	300 students	300 students
C.C. Cragin Project	N/A	Repair of current pipe complete	Completed	10%	20%



# Environmental Protection

Provide support to neighborhood groups and individual homeowners and business owners in maintaining and improving the environmental cleanliness and safety throughout the Town. Lead by example in the stewardship of natural resources by maintaining and preserving existing natural resources.

Key Result Areas: KRA 3

## Objective 1: Explore Additional Solid Waste Collection/Recycling Opportunities

## Objective 2: Encourage and Promote Development of Fire Wise Communities

- A. Promote the Fire Wise program
- B. Work with neighborhoods to achieve Fire Wise status

## Objective 3: Actively Work to Eliminate Noxious and Invasive Weed Species

- A. Work with the Forest Service and homeowners/business owners to aggressively reduce noxious and invasive weeds

## Objective 4: Work to Minimize Vehicle Congestion and Pollution

- A. Encourage walk-ability and bike-ability in order to provide safe alternatives to using automobiles in Town.

## Intended Outcomes – KRA 3 Environmental Protection

Outcome	FY 2009/10 Actual	FY 2010/11 Goal	FY 2010/11 Projected	FY 2011/12 Goal	FY 2012/13 Goal
Fire Wise education programs	1	4	4	4	4
Number of Fire Wise Communities	2	2	0	1	1
Number of Fire Wise assessments/acres treated utilizing grants	20/NA	100	158	100 and 50 acres	100 and 50 acres
Acres cleared of noxious weeds	20	35	0	35	35
Recycling opportunities	1	Expand program to include additional recyclable materials	Expand program to include additional recyclable materials	Expand program to include additional recyclable materials	Expand program to include additional recyclable materials
Users of trails and bike paths	2,500 est	750	800	900	1,000

# Community Development

Provide support to neighborhood groups and individual homeowners and business owners in maintaining and improving property values, aesthetics and safety throughout the Town.

Key Result Areas: KRA 4

**Objective 1: Reduce the Number of Unsightly Properties**

- A. Reduce the number of unsightly conditions that are Unified Development Code violations
- B. Solicit assistance from volunteer groups

**Objective 2: Increase Availability of Workforce Housing**

- A. Review and revise the plan to increase workforce housing stock
- B. Solicit assistance from others

**Objective 3: Implement Town of Payson Beautification Plan, Including Signage, Town Scape and Highway 87 & 260 Right-of-Way Beautification**

- A. Implement Town of Payson Beautification Plan

Intended Outcomes – KRA 4 – Community Development

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
Number of unsightly properties investigated	158	175	132	200	200
Number of unsightly property investigations closed	162	180	142	200	200
Number of developers planning to have workforce housing	7	10	4	10	10
Percent of Beautification Plan implemented	0	10%	2%	10%	20%

# *Transportation and Drainage*

Promote best practices and effective technology to improve safe mobility and encourage convenient and accessible modes of transportation.

Key Result Areas: KRA 5

## **Objective 1: Improve Streets**

- A. Upgrade streets to handle current and projected traffic volumes
- B. Implement intersection traffic control devices to ensure smooth traffic movement

## **Objective 2: Improve Storm Drainage**

- A. Upgrade storm drainage to handle storm runoff

## **Objective 3: Implement the Improvement Priorities Identified in the Traffic Study Provided by ADOT**

- A. Implement the traffic study findings

## **Objective 4: Implement Sign Replacement Program Based on Federal Reflectivity Requirements and the Town's Sign Inventory**

## **Objective 5: Maintain Existing Streets in As Good of Condition as Practical**

- A. Continue to provide as much preventative maintenance as possible to the streets to deter deterioration
- B. Continue to provide many multi-modal transportation opportunities as practical

## **Intended Outcomes – KRA 5 – Transportation and Drainage**

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
Street linear feet improved	224	5,000	50	100	100
Number of neighborhood drainage sites improved	1	3	3	4	5
Percent implementation of Traffic Study priorities	N/A	0%	0%	10%	10%
Percent implementation of sign replacement program	N/A	N/A	N/A	1,500	1,500
Street preventative maintenance	0 miles	10 miles	5 miles	15 miles	15 miles



# Recreation

To provide sports-based programs available for all ages that build, activates, and unites the community.

Key Result Areas: KRA 6

## Objective 1: Improve Athletic Programs and Activities

- A. Locally increase the level of awareness about available recreation events and programs
- B. Increase registrations and participation in recreation programs

## Intended Outcomes – KRA – 6 –Recreation

Outcome	FY 2009/10 ACTUAL	FY 2010/11 Goal	FY 2010/11 Projected	FY 2011/12 Goal	FY 2012/13 Goal
Number of programs offered to the public	N/A	N/A	65	70	75
Number of registrations for programs	N/A	N/A	3,233	3,700	3,900





# *Fire Protection and Emergency Services*

Assist the public in the protection of life and property by minimizing the impact of fires, medical emergencies and other potential disasters or events that affect the community and environment.

Key Result Areas: KRA 7

## **Objective 1: Upgrade Fire and Emergency Medical Services**

- A. Update 1997 Public Safety Master Plan
- B. Improve the Insurance Services Office (ISO) insurance rating from Class Four to Class Three
- C. Complete Fire Station #11 remodeling project
- D. Implement a fire hydrant installation plan for areas with new water supply
- E. Update the Emergency Operations Plan
- F. Staff Fire Station #13
- G. Work with the Water Division to ensure adequate water pressure is available in all areas of Town

## **Objective 2: Improve Wildland/Urban Interface Fire Conditions Effecting the Town**

- A. Leverage wildland fire public information by collaborating with other agencies and efforts
- B. Enhance code enforcement capabilities by implementing a Fire Prevention Specialist certification program for personnel
- C. Support fire suppression capabilities by implementing vehicle replacement and staffing plans
- D. Comply with standards and codes for all Town properties. Ensure fire code enforcement including all Town properties
- E. Integrate proposed actions with existing and future plans
- F. Present Wildland/Urban Interface (WUI) fire code to Council for potential adoption

## **Objective 3: Develop a Joint Police/Fire Training Facility**

## **Intended Outcomes – KRA 7 – Fire Protection and Emergency Services**

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Goal</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
% Master Plan completed	0	30%	30%	75%	100%
ISO rating	Class 4	Class 4	Class 4*	Class 3	Class 3
% Joint Fire Facility completed	In discussion	20%	15%	30%	50%
FS 11 remodel completed	0	0	0	Dependant of funding	Dependant of funding
Town funded hydrants installed	5	3	3	3	3
Number of hydrants maintained	400	400	436	450	450
Emergency Operations Plan completed	100%	100%	100%	Review/Update Plan	N/A
Percent of Fire hydrant plan complete	N/A	N/A	N/A	100%	N/A
Percent of Fire Prevention Specialist certification plan complete	N/A	N/A	N/A	20%	100%
Percent of Vehicle replacement plan complete	N/A	N/A	N/A	75%	100%
Percent of Staffing Plan complete	N/A	N/A	N/A	75%	100%
Fire Station #13 fully staffed	N/A	N/A	N/A	33%	66%
WUI fire code presented	N/A	N/A	N/A	0%	100%

\*Won't retest until 2011, but will be working toward the 2011 testing and implementing necessary items to obtain Class 3.



# *Police and 911 Services*

Provide professional, high quality and effective police service in partnership with the community.

Key Result Areas: KRA 8

## **Objective 1: Continue to Develop and Improve Police and 911 Services**

- A. Update 1997 Public Safety Master Plan
- B. Implement a plan to address pending staff vacancies
- C. Implement a plan to become and remain competitive in compensation

## **Objective 2: Develop Enhanced Technology and Training**

- A. Develop a joint Police/Fire training facility
- B. Develop and implement an inter-operability technology plan

## **Objective 3: Develop a Plan to Construct an Addition to the Police Building**

### **Intended Outcomes – KRA 8 – Police and 911 Services**

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
Percent of Master Plan completed	0%	30%	30%	75%	100%
Percent of joint Police/Fire training facility completed	In discussion	20%	15%	30%	50%
Percent of building addition construction plan completed	N/A	N/A	0%	10%	20%

# Organizational Development

Create systems to monitor and empower Town departments to anticipate and meet customer expectations and carry out Town Council policy initiatives.

Key Result Areas: KRA 9

## **Objective 1: Evaluate Organizational Effectiveness and Efficiency**

- A. Develop performance management program
- B. Develop departmental business plans pursuant to the adopted Corporate Strategic Plan

## **Objective 2: Continue to Improve and Implement Financial Stability Policies**

- A. Create sound financial policies

## **Objective 3: Create an Employee Training Program**

- A. Create employee training program and opportunities

## **Objective 4: Create Employee Cross-Functional “Power Teams” for Process Change**

- A. Create employee involvement team structure

## **Intended Outcomes – KRA 9 Organizational Development**

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
Percent of Performance measurement plan complete	0%	75%	0%	25%	50%
Percent of Business Plan complete	100%	100%	100%	100%	100%
Admin/Financial Policies implemented	0	0	0	5	5
Percent of Timely financial reports presented	95%	100%	95%	100%	100%
Create employee training program	0%	0%	0%	25%	50%
Create employee teams	0	1	1	5	5

# Airport

Owned by the Town and operated by the Payson Regional Airport Authority (PRAA), the airport provides recreational and cargo opportunities.

Key Result Areas: KRA 10

**Objective 1: Monitor Activities of the Payson Regional Airport Authority (PRAA) to Ensure Compliance with the Lease.**

**Objective 2: Enhance Operations of the Airport**

- A. Enhance the economic ability of the airport
- B. Implement the 2009 Airport Master Plan

**Objective 3: Meet the Federal Aviation Agency (FAA) Requirements of a B-II Airport**

- A. Continue to upgrade the airport as FAA and ADOT grant funding is available to be compliant with the B-II standards

## **Intended Outcomes – KRA 10 - Airport**

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
Percent of Lease compliance	90%	100%	95%	100%	100%
Percent of Master Plan completed	100%	N/A	N/A	N/A	N/A
Percent of Master Plan implemented	0%	10%	2%	5%	10%
Number of B-II compliance issues resolved	N/A	N/A	1	1	2

\* Implementation of the Master Plan is dependent on the amount of available funding



# Library

Provide excellent customer service and information in a variety of formats. Its collection affords the opportunity to educate, inform, enrich, entertain, and inspire.

Key Result Areas: KRA 11

**Objective 1: Implement Library Expansion Plan**

A. Update the expansion plan

**Objective 2: Secure Technological Advancements**

A. Explore and implement new technologies and upgrade current technology

**Intended Outcomes – KRA 11 - Library**

Outcome	FY 2009/10 ACTUAL	FY 2010/11 Goal	FY 2010/11 Projection	FY 2011/12 Goal	FY 2012/13 Goal
Percent of expansion plans updated	0%	0%	0%	0%	20%
New Technology acquired	0	Add 10 laptops	10 laptops added	Add 1laptop	Replace 3 computers
Technology upgraded	WI-FI enhanced	WI-FI enhancement	0% WI-FI 12 internet computers upgraded	100% WIFI Upgrade circulation database	Upgrade T1 line Upgrade internet software





# Economic Development

To invest in economic development activities that will expand the local economy and thereby enhance our community's well-being.

Key Result Areas: KRA 12

**Objective 1: Retain Current Businesses by Focusing Efforts on Preventing Companies from Leaving or From Going Out of Business**

A. Create a business friendly culture in Town government

**Objective 2: Help Existing Businesses Grow While Encouraging Them to Remain in the Community**

A. Create a business friendly culture in Town government

**Objective 3: Influence the Location of Private Industry to Payson Thereby Providing an Immediate Impact of Job Creation, and Adding New Property or Businesses to the Tax Rolls.**

A. Develop and implement an economic development marketing plan

**Intended Outcomes – KRA 12 Economic Development**

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 201/12 Goal</b>
ED partnerships at area/regional/state level	N/A	5	10	10
Educated/informed community on benefits of ED (client/prospect meetings)	N/A	200	200+	300
Percent of ED Marketing Plan completed	N/A	100%	0%	100%
Increased employment in Payson (percent or number)	N/A	300	200	300
Number of new business contacts	N/A	20	100+	50

The Town had not yet established the Economic Development function in FY2009/10.

# Tourism & Economic Vitality

Enrich the economic and cultural fabric of the Town through the support of tourism and entertainment by fostering events and cultural arts programming.

Key Result Areas: KRA 13

## **Objective 1: Make Payson the Destination of “Choice”**

- A. Implement a Tourism Master Plan
- B. Position the Town’s slogan “Arizona’s Cool Mountain Town” and increase the identity and visibility of the Town locally, regionally, and most importantly in the Valley
- C. Use special events to increase “heads to beds”, and boost sales and bed tax revenues
- D. Eliminate the barriers between government entities for government sponsored events
- E. Establish [www.paysonrimcountry.com](http://www.paysonrimcountry.com) as the “Source” for all things tourism related in and surrounding Payson & Rim Country
- F. Establish a working network with local hotel/motels that fosters tourism
- G. Attract large special events like softball and basketball tournaments and other sporting events
- H. Increase the number of events and spectators in Town
- I. Use the Tourism website, email marketing, and social media to promote and build the Town brand

## **Objective 2: Enhance the Town’s Economic Performance Using Promotional Tools and Events**

## **Objective 3: Develop and Enhance the 41 Acre Multi-Purpose Complex**

- A. Seek funding for improvements
- B. Promote and encourage a larger clientele pool for the Complex

## **Intended Outcomes – KRA – 13 – Tourism & Economic Vitality**

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
Number of new events introduced	2	N/A	1	2	2
Number of events held and promoted	106	110	85	86	87
Tourism Master Plan	0%	0%	0%	10%	25%
Increased Bed Tax revenue	N/A	10%	10%	10%	10%
Number of events held at the Multi-Purpose Complex	19	25	29	33	38

# Parks and Open Space

Provide and enhance the safe, functional and enjoyable environment that exists for passive and active recreation and to support the quality of life infrastructure through application of modern technical concepts and applicable industry standards.

Key Result Areas: KRA 14

**Objective 1: Meet the Open Space and Recreational Facility Needs and Challenges of a Growing Community**

- A. Update the parks Master Plan in conjunction with the Recreation Master Plan

**Objective 2: Enhance the Functionality and Aesthetics of the Existing Physical Structure**

- A. Revisit past facility development plans and commit to prioritizing and funding completion

**Objective 3: Improve Accessibility of Parks and Open Space to More Geographic Areas Within the Town Limits**

- A. Explore opportunities to develop park open space in population centers that are currently without such facilities

**Intended Outcomes – KRA – 14 – Parks and Open Space**

<b>Outcome</b>	<b>FY 2009/10 ACTUAL</b>	<b>FY 2010/11 Goal</b>	<b>FY 2010/11 Projected</b>	<b>FY 2011/12 Goal</b>	<b>FY 2012/13 Goal</b>
Percent of Parks Master Plan updated	N/A	N/A	N/A	25%	100%
Number of new neighborhood park sites	0	N/A	N/A	1	1
Number of Park projects completed	2	N/A	6	5	7
Number of Park users	N/A	95,000	102,000	105,000	108,000

# Key Result Areas Summary

## **KRA 1: Communication**

### **Objective 1: External Communications Plan**

1. All departments that have significant contact with the public shall have an external communications program.
2. Diversify the methods of communicating with citizens to provide information on Town news and issues to the widest possible audience.
3. Maintain and improve programming on TV 4.
4. Improve and enhance e-government systems

### **Objective 2: Develop and Implement an Inter-governmental Communications Program**

### **Objective 3: Foster Public Awareness**

1. Track everywhere Payson is mentioned in the Media.
2. Create a “push” program with Tourism.

### **Objective 4: Make Governmental Processes More Transparent**

1. Align Town Services with customer needs and expectations.
2. Enhance transparency in governmental actions.
3. Maximize opportunities for staff to directly meet customer needs.
4. Improve and enhance e-government systems.

### **Objective 5: Promote Department Solicitation of Public Input**

1. Invite and promote citizen volunteerism.
2. Enhance public participation in Town government processes.

## **KRA 2: Water Resource Management**

### **Objective 1: Secure Assured and Sustainable Sources of Water Supply**

1. Develop and implement a water infrastructure plan.

### **Objective 2: Promote Water Conservation**

1. Review progress of water conservation in reducing consumption.
2. Develop financial incentives to reduce consumption.
3. Maintain water usage levels as measured in gallons per day in the range of 80-90.
4. Educate elementary school students in water conservation.
5. Encourage installation of water saving devices.
6. Review and revise growth management policies as needed.

**Objective 3: If requested, Assist Payson Neighboring Communities in Developing a Water Resource Management Program**

**Objective 4: Construct C. C. Cragin Project**

1. Construct pipeline water treatment plant per project schedule
2. Purchase water treatment plant site using the Town-site purchase process

**Objective 5: Secure C.C. Cragin Project Funding**

1. Pursue WIFA/BOR funding
2. Implement approved multi-year rate schedule

**KRA 3: Environmental Protection**

**Objective 1: Explore Additional Solid Waste Collection/Recycling Opportunities**

**Objective 2: Encourage and Promote Development of Fire Wise Communities**

1. Promote the Fire Wise program.
2. Work with neighborhoods to achieve Fire Wise status.

**Objective 3: Actively Work to Eliminate Noxious and Invasive Weed Species**

1. Work with the Forest Service and homeowners/business owners to aggressively reduce noxious and invasive weeds.

**Objective 4: Work to Minimize Vehicle Congestion and Pollution**

1. Encourage walk-ability and bike-ability in order to provide safe and pleasing alternatives to using automobiles in Town.

**KRA 4: Community Development**

**Objective 1: Reduce the Number of Unsightly Properties**

1. Reduce the number of unsightly conditions that are Unified Development Code violations.
2. Solicit assistance from volunteer groups

**Objective 2: Increase Availability of Workforce Housing**

1. Review and revise the plan to increase workforce housing stock.
2. Solicit assistance from others

**Objective 3: Implement Town of Payson Beautification Plan, Including Signage, Town Scape and Highway 87 & 260 Right-of-Way Beautification**

1. Implement Town of Payson Beautification Plan.

## **KRA 5: Transportation and Drainage**

### **Objective 1: Improve Streets**

1. Upgrade streets to handle current and projected traffic volumes.
2. Implement intersection traffic control devices to ensure smooth traffic movement

### **Objective 2: Improve Storm Drainage**

1. Upgrade drainage to handle storm water runoff.

### **Objective 3: Implement the Improvement Priorities Identified in the Traffic Study Provided by ADOT**

1. Implement the traffic study findings

### **Objective 4: Implement Sign Replacement Program based on Federal Reflectivity Requirements and the Town's Sign Inventory**

### **Objective 5: Maintain Existing Streets in As Good of Conditions as Practical**

1. Continue to provide as much preventative maintenance as possible to the streets to deter deterioration
2. Continue to provide many multi-modal transportation opportunities as practical

## **KRA 6: Recreation**

### **Objective 1: Improve Athletic Programs and Activities**

1. Locally increase the level of awareness about available recreation events and programs
2. Increase registrations and participation in recreation programs

## **KRA 7: Fire Protection and Emergency Medical Services**

### **Objective 1: Upgrade Fire and Emergency Medical Services**

1. Update 1997 Public Safety Master Plan.
2. Improve ISO rating from Class Four to Class Three.
3. Complete Fire Station 11 remodeling project.
4. Implement a fire hydrant installation plan for areas with new water supply
5. Update Emergency Operations Plan.
6. Staff Fire Station #13.
7. Work with the Water Division to ensure adequate water pressure is available on all areas of Town

### **Objective 2: Improve Wildland/Urban Interface Fire Conditions Effecting the Town**

1. Leverage wildland fire public information by collaborating with other agencies and efforts

2. Enhance code enforcement capabilities by implementing a Fire Prevention Specialist certification program for personnel
3. Support fire suppression capabilities by implementing vehicle replacement and staffing plans
4. Comply with standards and codes for all Town properties. Ensure fire code enforcement including all Town properties.
5. Integrate proposed actions with existing and future plans.
6. Present Wildland/Urban Interface (WUI) fire code to Council for potential adoption

**Objective 3: Develop a Joint Police/Fire Training Facility**

**KRA 8: Police and 911 Services**

**Objective 1: Continue to Develop and Improve Police and 911 Services**

1. Update 1997 Public Safety Master Plan.
2. Implement a plan to address pending staff vacancies.
3. Implement a plan to become and remain competitive in compensation.

**Objective 2: Develop Enhanced Technology and Training**

1. Develop a joint Police/Fire training facility.
2. Develop and implement an inter-operability technology plan

**Objective 3: Develop a Plan to Construct an Addition to the Police Building**

**KRA 9: Organizational Development**

**Objective 1: Evaluate Organizational Effectiveness and Efficiency**

1. Develop performance management program.
2. Develop departmental business plans pursuant to the adopted Corporate Strategic Plan.

**Objective 2: Continue to Improve and Implement Financial Stability Policies**

1. Create sound financial policies.

**Objective 3: Create an Employee Training Program**

1. Create employee training programs and opportunities.

**Objective 4: Create Employee Cross-Functional “Power Teams” for Process Change**

1. Create employee involvement team structure.

**KRA 10: Airport**

**Objective 1: Monitor Activities of the Payson Regional Airport Authority (PRAA) to Ensure Compliance with the Lease.**

**Objective 2: Enhance Operations of the Airport**

1. Enhance the economic ability of the airport
2. Implement 2009 Airport Master Plan.

**Objective 3: Meet the Federal Aviation Agency (FAA) Requirements of a B-II Airport**

1. Continue to upgrade the airport as FAA and ADOT grant funding is available to be compliant with the B-II standards

**KRA 11: Library Services**

**Objective 1: Implement Library Expansion Plan**

1. Update the expansion plan.

**Objective 2: Secure Technological Advancements**

1. Explore and implement new technologies and upgrade current technology.

**KRA 12: Economic Development**

**Objective 1: Retain current businesses by focusing efforts on preventing companies from leaving Payson or from going out of business**

1. Create a business-friendly culture in Town government.

**Objective 2: Help existing businesses grow, while encouraging them to remain in the community**

1. Create a business-friendly culture in Town.

**Objective 3: Influence the location of private industry to Payson thereby providing an immediate impact of job creation, and adding new property or businesses to the tax rolls.**

1. Develop and implement an economic development marketing plan.

**KRA13: Tourism & Economic Vitality**

**Objective 1: Make Payson the destination of “choice”**

1. Implement a Tourism Master Plan.
2. Position the Town’s slogan “Arizona’s Cool Mountain Town” and increase the identity and visibility of the Town locally, regionally, and most importantly in the Valley.
3. Use special events to increase “heads in beds”, and boost sales and bed tax revenues.
4. Eliminate barriers between government entities for government sponsored events.
5. Establish [www.paysonrimcountry.com](http://www.paysonrimcountry.com) as the “Source” for all things tourism related in and surrounding Payson and Rim Country.



6. Establish a working network with local hotels/motels that fosters tourism.
7. Attract large special events like softball and basketball tournaments and other sporting events
8. Increase the number of events and spectators in Town
9. Use the Tourism website, email marketing, and social media to promote and build the Town brand

**Objective 3: Develop and enhance the 41 Acre Multi-Purpose Complex**

1. Seek funding for improvements
2. Promote and encourage a larger clientele pool for the Complex

**KRA14: Parks & Open Space**

**Objective 1: Meet the Open Space and Recreational Facility Needs and Challenges of a Growing Community**

1. Update the Parks Master Plan in conjunction with the Recreation Master Plan

**Objective 2: Enhance the Functionality and Aesthetics of the Existing Physical Structure**

1. Revisit past facility development plans and commit to prioritizing and funding completion

**Objective 3: Improve Accessibility of Parks and Open space to More Geographic Areas Within the Town Limits**

1. Explore opportunities to develop park open space in population centers that are currently without such facilities



## *Financial Health*

The economic down-turn bit the Town hard during the 2008-2009 fiscal year. Recovery since that time has been minimal. The Town did not have financial policies in place that would have created an emergency financial reserve that would have allowed us to weather this financial storm as we should have. Financial policies for the budget process, financial reporting, investments, fiscal stability, procurement, capital improvements, and debt management were adopted by Council in 2009. However, due to continued declines in revenues and the need for spending plans, the Town has been unable to comply with some of those policies. A policy does not create the reserves that are not all ready there. Building a reserve will take time and will require the return of a more favorable economy.

Our challenge still remains to create an emergency reserve, maintain services and catch up on the obligations, such as street maintenance, that have been allowed to lapse due to the major decline in revenues. The Town's plan, over the next several years, is to address these areas. We will look for ways to allocate additional resources, as they become available, in such ways as to allow for following the policies to build the emergency reserves and rebuild the foundation infrastructure that has begun to decline in these revenue deficient years. We will budget revenues conservatively; restrict spending as much as possible; use restricted funds to offset appropriate expenditures; and budget for emergency reserves when possible.

In general, our focus will be to continue a strong emphasis on cost containment, generate new revenue sources and increase productivity whenever possible. It will be extremely important to scrutinize new

expenditures or services that have long-term consequences.

### **Financial Trend Monitoring System**

Each year, Financial Services prepares a Financial Trend Analysis. The analysis is updated after the year end financial statements are completed. This analysis comprises 27 key financial/ economic indicators that help us measure over several years the financial/economic health of the Town. Due the lateness of the completion of the audit for fiscal year 2010-2011, the trend analysis has not been updated at the time this report was created.

Many of these financial/economic indicators are ratios that are commonly used to assess financial condition, giving us a basis for comparison to other towns or organizations. Indicators fall into several general categories including:

- Debt Structure
- Unfunded Liabilities
- Operating Position
- Per Capita Revenue & Expenditures

In addition, several Non-Financial Community Needs and Resources Indicators balance the above financial indicators.

### *Direct Net Long - Term Debt Per Capita*

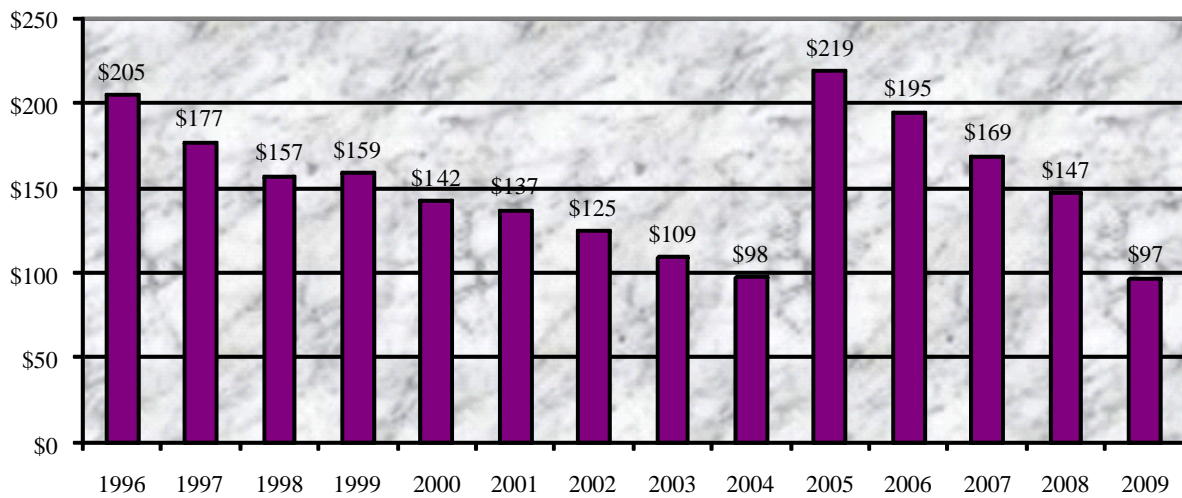
Direct Net Long-Term Debt Per Capita is an important element of the Trend Monitoring System. This is a ratio that identifies the amount of long-term general obligation and variable rate debt that the Town carries on its books (excluding enterprise funds such as the Water funds) expressed in dollars-per-resident.

Direct Net Long-Term Debt Per Capita had decreased from 1996 (\$205) to 2004 (\$98) and increased in 2005 (\$219) due to the issuance of Public Safety Bonds. As of June 2009 the per capita debt was \$97 per resident. Standard & Poor’s have rated the debt as A+/stable.

or refunding the Town’s most expensive debt when market conditions make this option attractive. The policy also adopts a “pay-as-you-go” philosophy in financing capital equipment replacement.

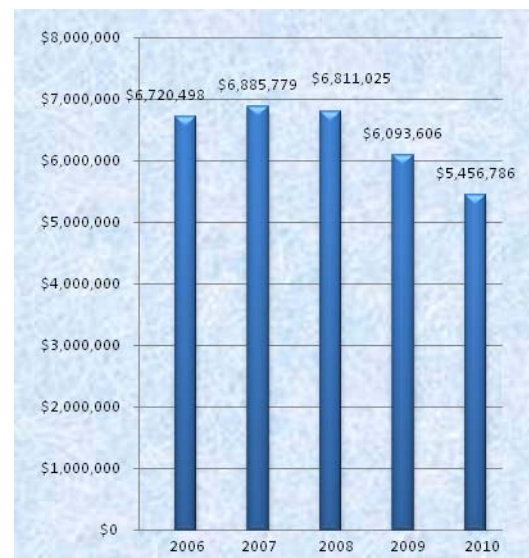
The Debt Management Policy allows us to maintain and improve this rating by retiring

**Direct Net Debt Per Capita**



**Local Sales Tax**

The largest revenue source for the Town is local sales tax. This tax is collected from purchases made by residents and visitors. As a recreational community, local sales tax numbers are higher in the summer months. We have recently increased the number of year round festivals and events which should help even out the local sales tax revenue through-out the year.



### Overall Results

From the Trend Analysis the Town has three indicators that are “red-flagged” based on the June 2007 data. The red-flagged indicators are:

- Revenue Per Capita
- User Charge Coverage
- Expenditure By Function – Public Safety

These indicators are still within acceptable limits, but they will be monitored closely as they are moving in unfavorable direction. Once we input the June 2010 data if these trends seem unfavorable we will determine possible causes and look at policies that might need to be changed or implemented to change the direction for these trends. Any new or change to an existing policy will be presented to the Town Council for adoption.

The current economic downturn should affect most of the indicators unfavorably in the next edition of the Trend Analysis. This anomaly will make future trend analysis more difficult for several years in the future.

### *Conclusion*

As of June 2009, the Financial Trends were stable or positive. We will update the Analysis with June 2010 data and monitor any trends showing an unfavorable direction and take steps to correct them as needed.

# Environmental Scan

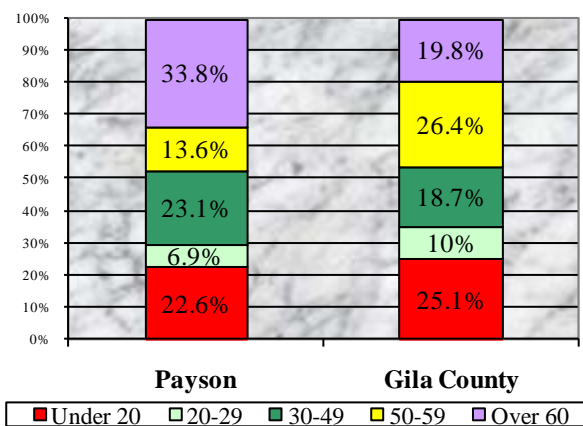
## Demographic Trends

A resident survey was conducted in the fall of 2008 to help determine some of the following information from residents rather than getting the information from public sites that use calculated estimates to arrive at their final numbers. However, less than 1% of the population completed the survey. The information below comes from the public sites.

### Population

The Town of Payson is located in Gila County. While the detail data from the 2010 Census is not yet available, that Census puts the population of Payson at 15,301. This is up 12% over the 2000 Census number of 13,620. The 2010 U.S. Census shows the population for Gila County at 53,597, an increase of 4% since the last Census. We will have more detailed information once the 2010 U.S. Census analysis is completed.

The median age is 48 years. The most populated age group for males and females is 60-69 years. 66% of the population falls between 0 and 60 years, with 17% over 69 years old.



### Educational Attainment

84% of Payson residents have graduated from high school and 17% hold a bachelor's degree or higher. In comparison, according to the 2000 U.S. Census, 78% of the people in the county had graduated from high school and 14% held a bachelor's degree or higher.

### Income

Median income for Payson is estimated to be \$32,699; for Gila County it is estimated at \$34,761. In Payson, 19% of the household income falls between \$15,000 - \$24,999. 18% is below \$15,000 and 63% is above \$24,999. Of all families in Payson, 11% had incomes below the poverty level.

### Housing

Due to lack of response from the Residential Survey, information for this section comes from a recently conducted Housing Needs Assessment and Strategy Plan. The data presented below is from 2000.

The occupancy rate in Payson in 2000 was 82% occupied and 18% vacant. The majority of vacant housing units (68%) were seasonal units. Of the non-seasonal vacancies, 11% were for rent, 13% were for sale and 5% were classified as "other".

According to this Study (information obtained from the 2000 U.S. Census), the occupied units consisted of 77% owned by residents and 23% that were rented.

### Conclusion

The population of Payson continues to grow. The median age and the majority of the group fall into the 'employed' category. Job

opportunities are somewhat lacking and affordable housing is also an issue for Payson. The Town will continue to face these issues as the economic downturn continues. In the future, the Town will need to be looking

for ways to help relieve these challenges for our citizens.

(Sources: 2000 U.S. Census, 2010 U.S. Census draft, ZipSkinny.com, and the Payson Housing Needs Assessment and Strategy Plan)



## *Economic Analysis*

The economic downturn began to hit the Town during the 2008-2009 fiscal-year. In 2007 the federal funds rate was 5.26%. As of May 2011 the federal rate was between zero and 0.25%. The federal funds rate is the interest rate banks charge each other for overnight loans and is the first stage in the setting of interest rates across the board, short term and long term. In a stable economy, the Federal Reserve increases rates to slow down the expansion of the economy, avoiding the untenable situation where too much money is chasing too few goods, resulting in undesirable price increases that can harm economic expansion. However, around August 2007, the economy fell. Since then the Federal Reserve has continually lowered the federal funds rate in an effort to stimulate the economy back towards stability.

A November 2008 Brookings Institute report states that economic problems began ‘...in an asset price bubble that interacted with new kinds of financial innovations that masked risk; with companies that failed to follow their own risk management procedures; and with regulators and supervisors that failed to restrain excessive risk taking’. The result has been the severe problems within the mortgage industry, banks and investment companies failing, people losing money in various ventures and saving money rather than spending. These factors have led to job losses and talk of a new economic ‘depression’ era.

### *Payson’s Economy*

The Town has seen the closure of some businesses, loss of employment for some residents and decreased local spending. Sales tax revenue, the major funding source for the Town, has begun to increase, based on the past couple of years both locally as well as state-wide.

The amount of the increase has been about 2%. The Town, like the residents, has had to make major cuts in expenditures to maintain a balanced budget in light of the reduced revenues.

### *Payson Outlook*

The Town’s local sales tax revenues seem to have not decreased as much as could be expected due to the many public events held in town. Payson is located 90 miles from the Phoenix area and is the gateway to northern Arizona. Because of our mild four-season climate we have been able to attract people from the Phoenix area for a less expensive ‘get-away’ than they may have usually taken, due to the uncertainty of the economy.

In creating the fiscal year 2011-2012 budget, we were fortunate to not have had another reduction in state shared revenues coming to the Town, as has been the case for the past several budgets. There was a slight reduction in Highway Users Revenue Tax (HURF) funds that come from the State. While the economy appears to be recovering on a very minute basis, we continue to budget conservatively. For fiscal year 2011-2012, the pavement preservation was reduced from the proposed \$300,000 to \$50,000 and the loan repayment to the Water Division was reduced to interest only. Employees were spared from any budgetary actions this year, however.

## **Land Development Trends**

Construction related revenues have always been a major source of income for the Town. In fiscal year 2008-2009, construction all but stopped. We expect that trend to continue. As of April 2011 (Fiscal Year 2010/11), 16 single-family residential permits were issued

and five multi-family permits were issued. Commercial permits totaled three. In the upcoming fiscal year, we estimate 30 single-family, 50 multi-family and 5 commercial permits to be issued.

It is possible that the educational campus project be begin in fiscal year 2011-2012. This would increase the number of permits to be issued for the campus structure and possibly for housing and other commercial structures. The fiscal year 2011-2012 budget does include a revenue estimate for this scenario.

Affordable housing units are still needed, but the challenging economy has made it difficult for builders to build and for buyers to buy.

## **Technology**

Technological trends continue to increase; the velocity of business; the volume of enterprise data; and the business risk related to malicious internet threats. Consequently, the effective deployment of technology-based solutions that minimize negative unintended consequences is becoming more challenging.

Dramatic growth in the use of voice, data and spatial assets outside the office and outside of business hours are key drivers in increasing the velocity of business. Smart phones, devices that provide voice and data services with real time access to e-mail, voice mail, calendars, internet/intranet content, and business applications, serve as a primary example. Wi-fi hot spots are another example,

especially since free public availability is becoming the norm rather than the exception.

The glut of data and information being stored by the Town is the result of using converged voice, data, and image technologies, along

with the exponential growth of internet content. Not surprisingly, the management and effective use of data and information represents another growing enterprise-wide challenge. The Town's goals of expanding programming on TV 4, implementing inter-operability capabilities between various public safety organizations and enhancing the technology abilities of the Library are dependent on financial resources.

## **Legislative Issues**

Unfunded mandates, which may appear in the form of requiring additional services or additional benefits to employees, without a corresponding funding source; and state legislation that reduce the Town's revenue sources with no provision for replacement funding are two issues that face all local governments. Payson is no exception.

Due to severe state budget problems, the state has cut some areas of the state shared revenue that is given to local governments. Effective fiscal year 2010/2011 local municipalities will no longer receive local transportation assistance funding (LTAF). The loss of LTAF funding will impact the Town by approximately \$70,000 and the Senior Center who provides transportation services to seniors by approximately \$30,000. However, the Arizona League of Cities and Towns has done a good job protecting other key state shared revenues for local municipalities.

In May 2010, Arizona voters passed Prop 100 implementing a temporary State Sales Tax increase of 1%. The passage of this proposition was instrumental in protecting state shared revenues for local municipalities. This 1% increase is not shared with municipalities.

During the legislative session of 2011, some new issues arose that will affect the Town of



Payson budget. As of May 2011, we are aware of the following:

- To help balance the State budget municipalities saw a reduction in State Shared HURF revenue and an additional cost to help fund the State Department of Water Resources. These actions cost us \$173,286 and \$21,325, respectively.
- Changes to Impact Fee legislation. The building industry has pushed for changes at the State level regarding impact fees for several years. In this last session, some changes were made. We are in the process of analyzing the effect these changes will have on Payson in the future.

Economic and legislative issues reflect the challenges from other levels of government and regulatory agencies that require constant attention by Town staff and clear Council direction to Staff through the strategic and business plans.