

**FOUNTAIN HILLS
STRATEGIC PLAN**



**Our Town. Our Choices.
A Road Map to the Future**

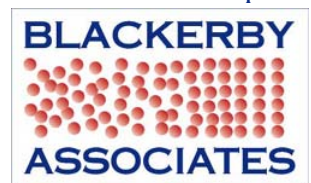
Implementing the *Strategic Plan*

**Town Council and Senior Staff
Planning Retreats 2008**

Town Council Planning Retreat • February 1, 2008
Senior Staff Planning Retreat • February 29, 2008

Final Report • April 17, 2008

Facilitation and Report:



Transforming Organizations

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**TOWN OF FOUNTAIN HILLS
COUNCIL AND SENIOR STAFF
PLANNING RETREATS 2008**



Table of Contents

	<u>Page</u>
Introduction.....	1
Executive Summary: Action Plan for Fiscal Year 2008-09.....	2
Mission Statement.....	3
Goals and Objectives, Fiscal Year 2008-09.....	4
Financial implementation plan for strategic priorities.....	4
Revenue shortfall.....	4
Strategic Priorities, 1-2 Years.....	4
Strategic Priorities, 3-5 Years.....	5
Commercial vitality and business development.....	7
Strategic Planning Advisory Commission.....	7
Other.....	7
Teambuilding: Town Council Retreat.....	8
Teambuilding: Senior Staff Retreat.....	9
Next Steps: Town Council Retreat.....	11
Next Steps: Senior Staff Retreat.....	11
Recap: Senior Staff Retreat.....	11
Process Check: Town Council Retreat.....	12
Process Check: Senior Staff Retreat.....	12

TOWN OF FOUNTAIN HILLS COUNCIL AND SENIOR STAFF PLANNING RETREATS 2008



Introduction

The Fountain Hills Town Council and Interim Town Manager met on February 1, 2008, to consider goals and objectives for the 2008-09 budget year, July 1, 2008 through June 30, 2009. The Town's senior staff met on February 29 to consider how to implement the Town Council's goals. These two one-day retreats are elements of the Town's annual planning process. The Town Council retreat was posted as a public meeting, though no decisions were made and no formal votes were taken. Town Council retreat participants included:

- Vice-Mayor Ginny Dickey
- Council Member Ed Kehe
- Council Member Keith McMahan
- Council Member Mike Archambault
- Council Member Henry Leger
- Council Member Jay Schlum
- Interim Town Manager Kate Zanon

Mayor Wally Nichols was absent due to a medical condition and expressed disappointment at not being able to participate. Town Council Members and the Interim Town Manager participated in the discussions; senior staff and others responded to questions. Observers included several senior staff, five Town Council candidates, two members of the public and one press representative.

Senior staff retreat participants included:

- Samantha Coffman, Community Center/Senior Services Director
- Don Clark, Parks Supervisor
- Katie Decker, Public Information Officer
- Kelley Fonville, Senior Services Supervisor
- Julie Ghatti, Finance Director
- Bryan Hughes, Recreation Supervisor
- Captain John Kleinheinz, MCSO
- Ken Kurth, Streets Supervisor
- Mary Martin, Accounting Supervisor
- Mark Mayer, Parks and Recreation Director
- Joan McIntosh, Human Resources Administrator/Risk Manager
- Randy Roberts, Asst. Fire Chief/Fire Marshall, Fountain Hills Rural/Metro
- Bob Rodgers, Senior Planner
- Tom Ward, Public Works Director
- Shauna Williams, Executive Assistant
- Interim Town Manager Kate Zanon

The facilitator for both retreats was Phillip Blackerby of Blackerby Associates.

This document summarizes the results of both retreats. The primary products of the Town Council retreat include eight goals that the Town Council wants to achieve during the 2008-2009 budget year. The Town Council also wrote objectives that describe how it intends to achieve its goals. The senior staff fleshed out the objectives consistent with the Town Council's intent.

Later, the Town senior staff will develop internal operating plans to identify and sequence tasks and staff assignments to implement the adopted goals and objectives. Senior staff will report periodically to the Town Council on progress in achieving the goals and objectives.

TOWN OF FOUNTAIN HILLS COUNCIL AND SENIOR STAFF PLANNING RETREATS 2008



Executive Summary: Action Plan for Fiscal Year 2008-09

At its retreat, the Town Council identified goals for Fiscal Year 2008-09 (July 1, 2008 to June 30, 2009), as guidance to the Town Staff. The goals are shown below under headings from the Town's *Strategic Plan 2006-2010*, adopted December 1, 2005, which lists Strategic Priorities for years 1-2 of the planning period, 2006-2007, and for years 3-5, 2008-2010.

The Town Council selected eight topics for goal development. In interviews with the facilitator prior to the retreat, Council Members identified topics they thought the Council should address in the next year. The facilitator consolidated those topics into a single list, arrayed against the *Strategic Plan*. In the retreat, Council Members added several topics to the list. Council Members used seven "stars" to indicate their choices for goal development topics. Topics receiving at least four stars were selected for goal development.

The eight topics the Council selected for developing goals for Fiscal Year 2008-09, in random order, are:

- Relationships with business community
- Continue work on finances;
- Ellman development agreement (State Trust Land);
- Strengthen small town identity, by working with community partners and neighbors;
- Continue dialog with schools;
- Environmental policy implementation;
- Evaluate pavement improvement management plan
- Improve communications with stakeholders.

The Town Council wrote eight goals under these eight topics. In addition, the Council drafted at least one, and as many as three SMART¹ objectives under each goal. These objectives provided senior staff guidance on how the Town Council wants to achieve its goals during the next year.

Starting with the Town Council goals, the senior staff developed objectives that describe how it could achieve the goals. In some cases, the senior staff left the Town Council's draft objectives as they were; in other cases, the senior staff modified the objectives or added new objectives to describe the implementation process more accurately and realistically.

¹ SMART: Specific, Measurable, Actionable, Realistic and Time-bound.

Mission Statement

In both retreats, participants reviewed the following Town of Fountain Hills mission statement:

The Town of Fountain Hills' purpose is
to serve the best interests of the community by:
providing for its safety and well-being;
respecting its special, small-town character and quality of life;
providing superior public services;
sustaining the public trust through open and responsive government; and
maintaining the stewardship and preservation of its financial and natural resources.
In four words, serve, respect, trust, stewardship.

Town Council discussion about this mission statement included the following comments:

- Outstanding – sums it up
- Subject to interpretation
- Aligns with the strategic plan – maintain character of the town
- Preservation of financial resources – providing superior services – don't run out of money
- Internal vs. external factors – change in response to changes
- Stewardship of natural resources – inviting quality of (the town's) natural resources
- Environmental policy -/- budget
- Balance lots of stuff

Senior staff discussion about this mission statement included the following comments:

- (It is posted on) bulletin boards (as) 4X6 cards
- Screen saver on PC's
- (Developed by) Benefits Committee for Paul Nordin (in) 1991 or 1992
- Last sentence (was) added by Tim (Pickering)
- Staff takes it seriously; hard to get criticism from public, candidates
- Pretty good; simple, priorities pointed out
- Needs to be updated: ethics of leadership; Council and staff ethics
- Ethics (are) implied (as) parts of other elements, but "ethics" should be there
- Guidelines for providing quality of life
- Significant words: "superior," "stewardship," not only (of) environment, but also finances

Goals and Objectives, Fiscal Year 2008-09

Financial implementation plan for strategic priorities.

Goal 1. To restructure financial policies for fiscal efficiency, for the benefit of taxpayers.

- Objective 1.1. To identify sources of revenue for the rainy day fund, by October 31, 2008.
- Objective 1.2. To present to Council a rainy day fund policy, by December 15, 2008.
- Objective 1.3. To create an action plan for preparing for economic downturns, by February 28, 2009.

Revenue shortfall

The Council noted that it has set a ballot issue for May 2008 related to adoption of a primary property tax. The Council also adopted an ordinance to reduce sales taxes if the property tax passes, an a resolution dedicating the funds to public safety services if the property tax passes.

Strategic Priorities, 1-2 Years

Work with local schools

The Council noted that it will continue ongoing activities working with the Fountain Hills Unified School District the next year, including development of joint-use parks on District lands over the next few years.

Goal 2. To enhance and nurture the relationships with local schools for the benefit of the community.

- Objective 2.1. To continue the Town Council joint meetings with the Fountain Hills Unified School District Board at least two times per year.
- Objective 2.2. To have Schools and Town senior staffs meet to identify joint goals for school year/FY 2008-09, by May 31, 2008.
- Objective 2.3. To have Schools and Town senior staff meet to set joint goals, by September 30, 2008.
- Objective 2.4. To have school/Town senior staff meet quarterly to implement and monitor achievement of joint goals.
- Objective 2.5. To report on shared facilities, other resources and goal outcomes to the Town Council and to the FHUSD Board, by June 30, 2009.

Low-water native landscaping

The Council noted that this Strategic Priority was effectively achieved in FY 2006-07.

Strictly enforce General Plan & zoning ordinances

The Council noted that it will continue ongoing implementation of this Strategic Priority during the next year.

Create commercial architecture review board

The Council noted that this Strategic Priority was effectively achieved in FY 2006-07.

Annex State Trust Land

The Council noted that it annexed the State Trust Land during 2006, and the State Land Commission sold the land on March 15, 2007. Additional work with the new owner (the Ellman Companies) will be required before the land is developed.

Goal 3. To ensure that development of the Ellman property (former State Trust Land) will be compatible with the character of the rest of the community in areas such as aesthetics, density, traffic and housing development standards.

Objective 3.1. To develop a plan for the mitigation of construction activities six months prior to the beginning of construction.

Objective 3.2. To develop recommendations for project development standards that are compatible with Town regulations and prior agreements before platting approval.

Objective 3.3. To create a project team for resolution of issues regarding development standards and ordinances, when appropriate.

Strategic Priorities, 3-5 Years

Add recreation amenities

The Council noted that ,while this strategic priority is scheduled for action during years 3-5 of the strategic planning horizon, it has already increased the number of events at Fountain Park, added new sidewalks and a new irrigation system to Fountain Park, added lighting to the dog park, built a skate park, and contributed significant resources to complete the water park.

Strengthen small town identity

Goal 4. To increase community initiatives to strengthen our small town character.

Objective 4.1. To coordinate or facilitate with community partners the expansion or creation of up to four events that would grow to 2,000 or more participants over two years, by June 30, 2009.

Objective 4.2. To identify funding sources and/or community partners by September 30, 2008.

Objective 4.3. To complete a community needs assessment survey by March 30, 2009.

Objective 4.4. To evaluate quarterly customer survey data and identify and assess improvement ideas by June 30, 2009.

Enhance pedestrian safety

The Council noted that it is on track to achieve its FY 2007-08 objectives related to planning, evaluating and assessing sidewalks and minor arterials, and implementing a pedestrian safety strategy at the intersection of the Avenue of the Fountains and Saguaro Boulevard.

Maintain smooth streets

To continue implementation of this Strategic Priority for years 3-5, the Council set a goal related to maintaining smooth streets. The staff has already presented to Council a Pavement Management Analysis.

Goal 5. To evaluate the Pavement Management Analysis for the community

Objective 5.1. To present to Council a policy for achieving a Pavement Management Plan, including establishing a standards and a rotation plan, by November 30, 2008.

Support lifelong learning

Enhance stewardship of the natural environment

The Council noted that it is on track to adopt an environmental policy in the current fiscal year, and that it is in final negotiations with MCO, Inc. to provide open access to the McDowell Mountain Preserve, in accordance with its FY 2007-08 goals.

Goal 6. To implement the environmental plan to enhance stewardship of our environment.

Objective 6.1. To create a public outreach program to educate residents on the environmental policy and its initiatives, by September 30, 2008.

Objective 6.2. To begin implementing a public outreach program to educate residents on the environmental policy and its initiatives, by November 30, 2008.

Objective 6.3. To identify and facilitate three public/private partnerships to implement the environmental policies and programs, by June 30, 2009.

Commercial vitality and business development

While business relations were not addressed by the Town's *Strategic Plan 2006-2010*, the issue was raised in the Town Council's discussion at both the 2007 and 2008 retreats. The Council noted that it is on track to implementing the objectives it set for the current fiscal year, and it is setting an additional goal and objectives for FY 2008-09.

Goal 7. To further economic development, business vitality and relationships between the Town and businesses, to benefit our community.

Objective 7.1. To review community concerns and make staff recommendations related to signage regulations to support business visibility by October 31, 2008.

Objective 7.2. To hold two business community meetings (one for downtown and one for all businesses) to facilitate problem-solving and communication.

Objective 7.3. To partner with groups within the business community to create and evaluate for implementation an economic development plan, by October 31, 2008.

Objective 7.4. To continue the business retention program in Fiscal Year 2008-09, to improve Town and business relationships.

Strategic Planning Advisory Commission

The Council noted that it created and appointed the Strategic Planning Advisory Commission in early 2006, and the SPAC has been very active throughout the last two years, producing an independent analysis of Town finances and revenue options.

Other

The Council recognized that communications can always be improved, and it decided to set a goal and objectives to address improvement in communications.

Goal 8. To tailor the communications now available to the various demographics of the community.

Objective 8.1. To obtain and/or produce four programs for Channel 11 relevant to the community interest, by June 30, 2009.

Objective 8.2. To provide appropriate links on the Town website for youth, businesses and visitors, with links to be updated quarterly.

Objective 8.3. To increase online readership of the Fountain Hills AveNEWS by 15 percent by June 30, 2009.

Teambuilding: Town Council Retreat

Town Council reviewed a model of stages of group development² with four stages: forming, storming, norming, and performing. The Council reviewed typical group members' behaviors, members' concerns and leaders' behaviors for each stage. Council Members participated in a discussion of the stage in which they believe they operate. Council Members agreed that they operate primarily in the performing stage, citing several points consistent with the performing stage of group development:

- Members give feedback (to each other)
- Coalitions shift (according to issue)
- Leadership shifts (according to issue)
- Leadership is demonstrated, not anointed; the leader is just one vote (among seven)
- (Council Members can) call each other at any time (for their perspective on an issue)
- Trust (Council Members trust each other)
- (Council Members provide a) reality check (for each other)
- Respectful relationship
- Honest, confident to bring up their feelings, concerns
- Encourage staff to be open, confident
- Motivation (Council Members trust each others' motivation)
- Not stuck in dysfunctional behaviors
- Disagree, but express ourselves
- No political bickering, name-calling
- Little ego; open, curious; seek understanding, dialog, even if I don't want to hear (it)

Council Members and the Interim Town Manager participated in a group exercise to demonstrate the difficulty of working in a group. Participants were asked to keep balloons in the air. As the exercise progressed, more and more balloons were added. For a brief period, the participants had as many as ten balloons in the air, but they could reliably sustain only about four balloons in the air for any substantial time. As individuals each could likely maintain two balloons in the air, or 14 total, but as a group they could sustain only four aloft.

This exercise demonstrates that keeping a lot of big issues under consideration at a time is very difficult for a group, particularly when all members want an opportunity to weigh in on each issue. The Council has used subcommittees to some degree during the past year, which has served to increase efficiency.

Other reactions to this exercise by Council Members include:

- A lot of balls to balance
- Juggling act
- Team players
- Need more arms
- (It was easier when) everyone (was) in (their) own role/zone
- Keep (an) eye out behind you

² Bruce Wayne Tuckman, "Developmental sequence in small groups," *Psychological Bulletin*, vol. 63, no. 6, pp. 384-99, 1965.

Teambuilding: Senior Staff Retreat

The senior staff reviewed the same model of stages of group development, and also discussed the stage in which they believe they operate. The consensus was that the staff teeters between norming and performing. The discussion points included:

- Teetering between norming and performing
 - Need direction
 - Others put wedges between us, preventing (us from) performing
- (We've) been through a lot of change: in the last seven years, six (different) people have been in charge; (we're) going through change now; after Paul (Nordin, we have experienced a) lot of change.
- Now change (is) more common, less disruptive
- Some people (are) ahead of others who are:
 - Newer: (a) number (of staff are in a) parallel group
 - Dynamics: some (groups are) in forming (stage)
- (It's) hard to welcome new ideas of new people
- Refreshing lack of storming
- Now Mayor/Council changes

The senior staff also underwent a teambuilding balloon exercise. Each participant had an inflated balloon tied to his or her ankle. The facilitator gave the instruction one time: "Everyone whose balloon is still intact after one minute wins." During the minute, some participants burst others' balloons; some took their balloons to safer places in the room; one person pointed out that everyone could win by not bursting anyone's balloon, but that comment was generally ignored.

The senior staff discussed the current environment of change, in the Mayor's office, in the makeup of the Town Council, and in the Town Manager's office. The staff identified a set of tools they could use to help themselves and their staffs deal with this changing environment:

- Develop an educational process for new Council Members.
- Continue the "culture of planning" that is common throughout the Town government; set goals and objectives, and manage toward them; focus on the job and on achieving objectives.
- Accept differences in people; acknowledge that they respond differently to the same stimuli.
- Identify an appropriate level of commitment to the job, and leave the business at the office.
- Recognize that, once elected, Council Members usually move toward the center, realizing they need four votes to accomplish anything.
- Recognize that the rhetoric is an appeal to emotion, not to reason; recognize the politics of fear that strive to drive a wedge between residents and their government; the rhetoric is just noise, but acknowledge that it can leave a scar on innocent staff members; stop reading Letters to the Editor.
- Note that the rhetoric will stop after the election.
- An incongruity may exist after the election.
- A Town staff strength is its ability to adapt to whomever is in office; to move with the train.

- Think through the “worst case scenario;” you may find the reality less scary than it seems.
- Lean on one another; mentor people who are newer and have less experience with change; reassure them; bring them up to the level of “performing” within the group.
- Organize group activities that can increase bonding among staff members.
- As leaders, remain positive; let people vent their fears, but reassure them; model a positive attitude.
- Create a positive environment for staff members; engage in daily interactions with each of them, asking:
 - How are you?
 - What’s going on in your life?
 - Anything exciting coming up? (meaning: What do I need to know?)Then pay close attention to the answers.
- Choose to continue to communicate with each other; continue to get the support of the team.
- Recognize that federal and state mandates are constants, and that few resources exist to implement radical change in the government.
- Recognize that staff cannot please everyone; staff should instead strive for the greatest good.
- Encourage staff members to take advantage of available resources, such as: EAP, which is free to them; Human Resources staff; peer support; family doctor; church and clergy; friends; exercise.
- Maintain perspective: remember individuality; use tangible reminders.
- Get people out in the sunshine, where they can feel the healing effects of vitamin D being produced by their skin.

Next Steps: Town Council Retreat

At the conclusion of the Council retreat, the next steps in the annual planning process were outlined:

1. The facilitator will document input from the two retreats (Council and senior staff).
2. The Executive Assistant to the Town Manager and Council will distribute this documentation back to the Town Council Members.
3. The facilitator will work with senior staff on action plans at a staff retreat on February 29, 2008.
4. The facilitator will document this information. The Executive Assistant will distribute this documentation back to the Town Council Members for consideration of acceptance.

Next Steps: Senior Staff Retreat

Near the conclusion of the senior staff retreat, the next steps in the annual planning process were outlined:

1. The facilitator will document input from the two retreats (Council and senior staff).
2. The documentation will be available for review at the March 21 senior staff meeting.
3. The documentation will be forwarded to the Town Council in early April.
4. A Town Council orientation session is scheduled in late May, 2008.
5. Senior staff will develop action plans showing how their teams will accomplish the strategic objectives, in early July.

Recap: Senior Staff Retreat

At the end of the senior staff retreat, participants recapped the key messages of the session:

- Experience helps; those with a history of working through election cycles are better equipped to deal with the changing environment.
- Additional tools are available to deal with issues, and to use with staff.
- Maintain a healthy perspective, though it is hard to turn off a person's passion for the job.
- Stages of group development; we are beginning to trust; we have a history to overcome.
- Valuable day to interact in a relaxed environment.
- Process focus, as well as a task focus
- Participated in writing objectives I will have to implement
- We all have a leadership role and power, subject only to the tone set by the Town Manager.
- Stop doing unnecessary things.

Process Check: Town Council Retreat

At the conclusion of the Council retreat, participants were asked to note what aspects of the retreat were successful (plusses), and what changes they would make to improve future retreats (deltas).

What was successful? (+ Plusses)	What changes should be made? (Δ Deltas)
<ul style="list-style-type: none"> • Good dialog • Everyone upbeat • Stayed focused on strategic plan, while attentive to finances; kept eye on the ball – moving forward • Expanded beyond strategic plan – flexible – process enabled it • Process good – clear review of status • Council Members bring public perspective to the process • Trust with markers • Flavored markers 	<ul style="list-style-type: none"> • Ongoing objectives and goals should be separate to avoid confusion • More time to develop goals – more robust, better buy-in • Siesta 1-3 • Consider public input in process • Need balloon practice

Process Check: Senior Staff Retreat

At the end of the senior staff retreat, participants were asked to note what elements of the retreat were successful (plusses), and what changes they would make to improve future retreats (deltas).

What was successful? (+ Plusses)	What changes should be made (Δ Deltas)
<ul style="list-style-type: none"> • It was good to hear the perspective of new employees. • I gained a better perception that the Police and Fire departments are part of the team. • Atmosphere of the room was good; comfortable chairs • Salmon at lunch was excellent • Lots on our plate; everything takes time and resources • Hopes and fears; listen to others 	<ul style="list-style-type: none"> • More time should be spent on new goals; less time on old goals • Different sets of goals add confusion