

State of the Town - January 2015  
Mayor Harvey Skoog

Thank you and good morning.

Today, as we think about business, we will also be thinking about how to keep our Prescott Valley beautiful and well grounded economically, socially and environmentally.

Business is economics. Things are looking up as the economy is in the upturn of the downturn.

Like everyone else, Prescott Valley was hit by the recession but we were prepared for such an eventuality. Even today, after the recession, we are on the way to achieving our goal of having keeping our finances in good shape including a strong reserve. Besides that, we have reduced our bond debt to under \$62,000,000 – which is less than \$1500 per capita. Prescott Valley is in a very good financial shape.

The economy of the community is doing well. Home sales are booming and new businesses are opening up. People are moving here, buying homes, liking it, and finding that Prescott Valley is a great community! All in all, we have been blessed with a strong local economy that provides us with jobs, opportunities, and revenues.

We want to keep it that way!

Jobs, which are a product of enterprise, are a very important element of our economy. Therefore, to gain jobs, we have partnered with the Chamber of Commerce to support and promote enterprise. When someone approaches us about building a home or business, we want their projects to be done right but we also make it a goal to facilitate the investor to the best of our ability. This attention to the needs of investors has been noticed and appreciated.

Like the national economy, our local economy is consumer and service based. This is good but to achieve increased prosperity, we need to add more production based businesses. By the numbers provided by Alexandria Wright, Economist at Yavapai College, Prescott Valley imports nearly twice as much as we export. To increase community prosperity, jobs, and capital investment, we need to encourage an economy that includes increased production.

Production based manufacturing will enable products to be made here for export, thus bringing more outside money to the community.

Alexandria Wright, Economist with Yavapai College, informs us that Prescott Valley has the land, labor, and capital needed to expand our production economy. But, it will take a bunch of effort on our part.

To this end, the Town, Chamber of Commerce, Prescott Valley Economic Development Foundation, and the Greater Prescott Regional Economic Partnership (GPREP) have joined forces to meet the challenge of adding a production element to our local economy.

Production is not the only means of bringing in outside capital to the community. **It may not be recognized by everyone but we already have one major source of outside capital - the retirement community.** Retirees bring in a large amount of 'mailbox' income (which mostly comes from outside the community) that gets invested right here for shopping, hospitality, and entertainment.

Retirees are also a huge source of experience, service, and volunteer energy. While they add so much to our community, they put very little pressure on our infrastructure.

**People like Prescott Valley because of the high quality of life and a highly acclaimed public safety environment. Two very positive studies were recently brought to our attention.**

- 1) The first one was about the safest places to live in Arizona. This was based on the 42 Arizona municipalities with populations over 10,000. Prescott Valley ranked twelfth among the forty two municipalities that were studied. More recently, Prescott Valley was also credited as being one of twenty municipalities in Arizona that experienced a decreasing crime rate in the years 2007 to 2012. Our police department deserves a big thank you for the super job they are doing!
- 2) A second report was about the best places in Arizona to retire. This report studied the 32 municipalities with over 20,000 population. Prescott Valley ranked number 4 from the top as the best place in Arizona to retire. Here again, my fellow Council Members and the staff deserve a big thank you for their effort at making Prescott Valley an outstanding community for retirement and living.

**Another huge quality of life item is our Medical services.** Prescott Valley is the only Northern Arizona community with three hospitals:

- 1) Yavapai Regional Medical Center, about 75 beds
- 2) Mountain Valley Rehabilitation Hospital, about 40 beds
- 3) West Yavapai Guidance Clinic Mental Health Hospital, about 16 beds.

Physicians including specialists, Dentists, Chiropractors, and a huge Allied Health system have grown to meet and support the medical needs of the community.

**Education in Prescott Valley is unique in that it** is home to the first regional university in Arizona – NAU-Yavapai. Also, North Central University, with its fully certified degree opportunities up to PHD, is here.

Our unified school district is doing an outstanding job in meeting K-12 education for our young people. Charter schools add to the education choices. Accordingly, our students have a broad choice of high quality education as they prepare for their life endeavors.

**One issue that is often at the forefront is the availability of our water resources.** Our regional aquifer supplies most of the water for Prescott Valley, Prescott, and Chino Valley. It is a two part system called the Prescott Active Management Area Aquifer. The portion that supplies Prescott Valley is the Agua Fria aquifer. At the present time, this aquifer is in quite decent shape with a relatively modest average annual draw down, according to the Arizona Department of Water Resources, of about 2 inches per year.

The other part of the aquifer is the Little Chino aquifer which supplies Prescott and Chino Valley. This aquifer is showing greater stress as its water table is declining at the rate of about eight inches per year. All in all, the Prescott AMA appears to have about two hundred years of available water.

The AMA is regulated by the state of Arizona. To maintain the AMA, They have set a goal to achieve safe yield by by 2025 - in other words, the state demands an end to water level decline by that date.

To meet this goal, Prescott and Prescott Valley have a plan to supplement the AMA by jointly acquiring a water ranch in the Big Chino Basin. This ranch is situated about thirty miles Northwest of Chino Valley. Water from this ranch has historically been used for irrigation. Since agriculture has diminished, this quite large water source is available for being tapped. By utilizing the water from Big Chino Basin, the AMA can safely supplement its water supply safe yield needs for the next thirty to fifty years.

One issue is the Upper Verde River which gets its base flow from the Big Chino. The concern is to prevent any impact on the river due to withdrawal of water from the Big Chino. Prescott, Prescott Valley, and Salt River Project are working together to assure that the stream is protected.

**In summary, working to maintain a meaningful and gainful quality of life experience for our residents will remain a vital component of Prescott Valley goals!** Thank you all for your support!

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