

city of scottsdale, arizona



BUDGET
fiscal year
2002/03



City of Scottsdale, Arizona
FY 2002/03 Budget

City Council

Mary Manross, Mayor
David Ortega, Vice Mayor
Wayne Ecton
Robert W. Littlefield
Cynthia Lukas
Ned O'Hearn
Tom Silverman

Administrative Staff

Jan Dolan,
City Manager
Barbara Burns,
Assistant City Manager
Ed Gawf,
Deputy City Manager
Roger Klingler,
Assistant City Manager
Craig Clifford, CPA
Chief Financial Officer

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City Council Mission

It is the mission of the City of Scottsdale to build citizen trust by fostering/practicing open, accountable, and responsive government; to provide quality services; to provide long-term prosperity; to preserve Scottsdale's unique southwestern character; to plan and manage growth in harmony with its desert surroundings; and to promote livability by enhancing and protecting its neighborhoods. Quality of life for residents and visitors shall be the paramount consideration.

City Council Broad Goals

Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained.

Preserve the character and environment of Scottsdale.

Provide for the safe, efficient and affordable movement of people and goods.

Position Scottsdale for long-term economic prosperity by diversifying our economic resources.

Coordinate planning to balance infrastructure and resource needs within budget.

Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations.

Ensure Scottsdale is fiscally responsible and fair in its management of taxpayer money and city assets.



Mary Manross, Mayor

Mary Manross was elected Mayor of Scottsdale in May 2000 after serving on the Scottsdale City Council from 1992 to 2000. Mayor Manross has held leadership positions in city government and community, educational and church organizations since she came to Scottsdale in 1972. Among her primary areas of interest have been

neighborhood and redevelopment issues and preservation of the McDowell Mountains and Sonoran Desert. Mayor Manross has also represented the community at the state and national levels. She served on the Governor's Task Force on Urban Planning, the Arizona Town Hall and as a League of Women Voters board member. She also served as chairwoman of the Maricopa Association of Governments Youth Policy Advisory Committee and as a board member of Arizona Women in Municipal Government. She was a member of the National League of Cities (NLC) Energy, Environment and National Resources Policy Committee and is currently a member of the NLC Transportation, Infrastructure and Services Steering Committee. Mayor Manross's leadership roles in the Scottsdale School District have included participation in the Art Masterpiece Program and as legislative liaison for the Parent Teacher Association. She was director of the Marriage Preparation Seminars at the Franciscan Renewal Center, served as vice president of the Casa de Paz Y Bien Foundation and as a member of the leadership team for the Valley Interfaith Project. Mayor Manross has a bachelor of science degree in political science and a teaching credential.



Vice Mayor David Ortega

Councilman David Ortega was elected to his first term on the Scottsdale City Council in May 2000. Councilman Ortega became a resident in 1979 and opened his own architectural firm in downtown Scottsdale in 1984. His professional work includes a wide variety of residential and commercial projects in Arizona

and California. In addition, he has completed a number of *pro bono* projects, including the Chrysalis Shelter for Victims of Domestic Violence and the Saint Maria Goretti Catholic Church. Councilman Ortega has been an active member of the American Institute of Architects since 1984.

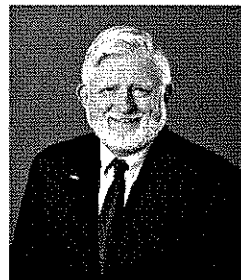
Councilman Ortega is a graduate of Scottsdale Leadership and past president of Scottsdale Papago Rotary. He has worked extensively with the Scottsdale Unified School District, serving on its District Boundary Committee and Diversity Task Force, as well as other volunteer roles. Councilman Ortega has also served on the Motorola Community Liaison Council and the Maricopa County Private Industry Council. Councilman Ortega graduated with a degree in Architecture from the University of Arizona, with additional studies at La Salle Arquitectura in Mexico City, Mexico.



Councilman Wayne Ecton

Councilman Wayne Ecton was elected to his first term on the Scottsdale City Council in March 2002. A Scottsdale resident since 1996, Councilman Ecton is a member of the Coalition of Pinnacle Peak, the Greater Pinnacle Peak Homeowners Association, Friends of the McDowell Land Trust and the

Foothills Community Foundation. He also is a member of the Scottsdale Center for the Arts, the Art Alliance for Contemporary Glass, the American Craft Council and the Glass Art Society. He previously served on the 2001/2002 Citizens Budget Committee and the Big Box Ideas Team. Councilman Ecton retired from Alcoa after 33 years in high-level financial management positions in the U.S. corporate headquarters and International and U.S. operating locations. In his last 13 years, he specialized in managing "turnaround" situation involving mergers and acquisitions at Alcoa subsidiaries. Councilman Ecton holds a bachelor's degree in business. He was also a member of the Financial Executives Institute until his retirement.



Councilman Robert W. Littlefield

Councilman Robert W. Littlefield was elected to his first term on the Scottsdale City Council in May 2002. He is the founder and president of NetXpert Systems, Inc., a Scottsdale-based computer company. He also is a commercial pilot and flight instructor. He first lived in Scottsdale from 1971 to 1975. He

returned to stay in 1984. Councilman Littlefield has been involved in a variety of civic, youth and professional organizations. He served 11 years as a board member in the Arcadia Scottsdale United Soccer Club and 15 years as a youth soccer coach. He is a

City Council

member and former director of the Arizona Software & Internet Association. Other memberships include the Arizona Pilot's Association, Aircraft Owners and Pilots Association, National Federation of Independent Business, American Legion, Kiwanis Club and Civitan. The Councilman also is an Eagle Scout. A Vietnam combat veteran, Councilman Littlefield served in the U.S. Army from 1968 to 1970 and in the Arizona Army National Guard from 1971 to 1974. Councilman Littlefield holds a bachelor's degree in engineering from Arizona State University.

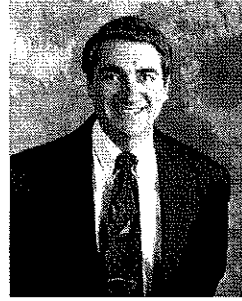
Councilwoman Cynthia Lukas



Councilwoman Cynthia Lukas was elected to her first term on the Scottsdale City Council in March 1998. She teaches English at Paradise Valley Community College.

Councilwoman Lukas represents Scottsdale on the Energy, Environment and Natural Resources Policy

Committee of the National League of Cities and the Domestic Violence Coordinating Committee of the Maricopa Association of Governments. She also is a member of the City Council/School Board Joint Committee. A graduate of the Scottsdale Leadership program and the Citizen's Police Academy, Councilwoman Lukas has served the community as chairwoman of the Historic Resources Preservation Task Force, a member of the Charter Review Advisory Commission, a member of the CityShape 2020 Steering Committee reviewing Scottsdale's General Plan, and a member of the "Save Our McDowell's" campaign steering committees to secure funding for acquisition of lands in the McDowell Sonoran Preserve. She has served as president of the Greater Pinnacle Peak Homeowners Association, a neighborhood preservation group, and as vice chairman and communications chairman for the McDowell Sonoran Land Trust. Councilwoman Lukas has served on the executive boards of directors for Phi Beta Kappa of Greater Phoenix and the American Association of University Women, Scottsdale branch. She is a member of the American League of Pen Women, League of Women Voters of Metropolitan Phoenix, Scottsdale Historical Society and Scottsdale Rose Society. She is a member of the Community of the Blessed Sacrament Church. Councilwoman Lukas earned a B.A. Magna Cum Laude in English, Phi Beta Kappa, from the University of Arkansas, and an M.A. in Communications from Fairfield University in Connecticut.



Councilman Ned O'Hearn

Councilman Ned O'Hearn was elected to his first term on the Scottsdale City Council in May 2000. Councilman O'Hearn is Executive Vice President of ONCOR International - an international service organization based in Washington, D.C., that is comprised of and owned by 54 independent commercial real estate

brokerage companies around the world. He is a facilitator, trainer and coordinator of business activities. He and his wife, Carol, moved to Scottsdale in 1994 and have been actively involved in neighborhood preservation and enhancement issues. While in Atlanta, his community service included serving as president of the board of directors for the Sheltering Arms Child Care and Family Development Center, one of the oldest child care centers in the United States addressing the needs of underprivileged children. Councilman O'Hearn received his bachelor's degree in English from The College of The Holy Cross and a master's degree in city planning from San Diego State University. He served as an officer in the Navy with Vietnam service.



Councilman Tom Silverman

Councilman Tom Silverman was elected to his first term on the Scottsdale City Council in March 2000. A resident since 1953, Councilman Silverman grew up in Scottsdale and forged his career in the resort business. Councilman Silverman is the co-owner and general manager of Scottsdale's Chaparral Suites Hotel.

He has won numerous honors for his work in the hospitality industry, including his citation as Tourism Person of the Year at the Arizona Governor's Tourism Awards in 1994. His civic involvement includes terms as president of the Scottsdale Chamber of Commerce and the Scottsdale Foundation for the Handicapped. He has served on the board of directors of the Scottsdale Memorial Hospital Foundation and the Scottsdale Chamber of Commerce Foundation, in addition to the advisory boards of the Scottsdale Historical Society, Scottsdale Leadership and the McDowell Sonoran Land Trust. Councilman Silverman is a Scottsdale Charros life member. He was chairman of the Governor's Tourism Advisory Council for the Arizona Office of Tourism and served on the Scottsdale Hospitality Commission. He was also a member of the Scottsdale Visioning Steering Committee. He is a graduate of Scottsdale High School, Arizona State University and the first Scottsdale Leadership class. In 1991, he received the Frank W. Hodges Alumni Achievement Award from Scottsdale Leadership.



Jan Dolan, City Manager

Janet M. Dolan has been City Manager of Scottsdale since August 2000. Prior to her arrival in Scottsdale, she served 10 years as City Manager of Menlo Park, California. From 1984 to 1990, she served as Assistant City Manager in Santa Rosa, California,

where she was responsible for labor relations and oversaw the Public Works, Recreation and Parks, Community Development and Utilities departments. From 1982 to 1984 she served as Assistant to the City Manager of Reno, Nevada and as Director of Administrative Services/Administrative Assistant in Great Falls, Montana, from 1979 to 1984. Ms. Dolan has a Bachelor of Arts degree with honors from the University of Montana, graduate coursework in public administration from Montana State University, and leadership training at the Senior Executive Institute for Government Officials at the University of Virginia. As Scottsdale's City Manager, she is a member of the management committees for the Maricopa Association of Governments, the Regional Public Transportation Authority and the Southwest Regional Operating Group, which oversees wastewater operations for a consortium of Valley cities.

Barbara Burns, Assistant City Manager

Barbara Burns has been with the City since 1975. She holds a Bachelors Degree in Psychology and is a graduate of the Executive MBA Program at Arizona State University. She has held a variety of positions, each with increasing responsibility, during her twenty year career with the City.

In her present role as Assistant City Manager, since 1990, she provides leadership for several City departments and management of a variety of community issues. This role is quite diverse, with involvement in finance, budget, resource allocation, strategic planning, process reengineering, organization development, customer service, and information technology. She is responsible for executive leadership and collaboration for approximately five hundred City employees.

Ed Gawf, Deputy City Manager

Ed Gawf was appointed to the City of Scottsdale's new Deputy City Manager position in September 2001. His responsibilities include overseeing the City's Transportation, Planning Systems, Citizen & Neighborhood Resources and Preservation Departments.

Ed began his career as a Planner with the City of Arvada, Colorado before moving on to Boulder where he held several positions, including Director of Planning. As Ed's career developed, he moved to San Jose, California where he served in a variety of roles including the Deputy Director of Planning, Building and Code Enforcement. Before moving to Scottsdale, Ed was the Director of Planning and Community Environment for the City of Palo Alto, California. In this role, Ed oversaw the transportation, building and planning processes of the City. He holds a Bachelor of Arts as well as a Masters degree, both in Political Science, from Oklahoma State University, and is a member of the American Institute of Certified Planners.

Roger Klingler, Assistant City Manager

Roger Klingler was appointed Assistant City Manager in February, 1998, and has responsibility for overseeing the City's Water Resources, Municipal Services Departments, and Intergovernmental Relations and the implementation of the City's \$800 million CIP Program. He has served the City since 1979 in several capacities. He was Water Resources General Manager from 1994 to 1998, and Assistant General Manager from 1990 to 1994.

Mr. Klingler previously served the City as Assistant to the City Manager for Intergovernmental Relations, representing the City before the State Legislature and other state, federal and local agencies. He also worked as a Management Assistant in the City's office of Management and Productivity, analyzing and implementing productivity improvements in various City Departments.

He received his Master's Degree in Public Administration and Bachelors of Arts Degree in Political Science from Michigan State University. Mr. Klingler is on the Board of Managers for the Scottsdale/Paradise Valley YMCA, is a graduate of Valley Leadership Class XII, and Scottsdale Leadership Class I, and is a member of the International City Management Association and the Arizona City/County Management Association.

Financial Services Staff



Craig Clifford, CPA, Chief Financial Officer

Craig Clifford is a Certified Public Accountant and Certified Government Financial Manager, hired by the City in 1992. Prior to joining the City he served as Accounting Manager, Budget Manager and Auditor for other Arizona municipalities and worked in the banking industry. He earned undergraduate degrees in Business Management and Accounting from Arizona State University and a Masters in Business Administration with honors from the University of Phoenix. He is also a graduate of The Advanced Government Finance Institute sponsored by the Government Finance Officers Association (GFOA), the Advanced Public Executive Program sponsored by Arizona State University, and the College for Financial Planning, Denver Colorado. He serves on the Budget and Management subcommittee for the GFOA and is Past President of the Arizona Finance Officers Association. He is a member of the Arizona Society of CPAs, American Institute of CPAs, Association of Government Accountants, Municipal Treasurer's Association and Diplomat of the American Board of Forensic Accounting.

Judith L. Frost, CPA, Budget Director

Judith Frost is a Certified Public Accountant appointed as Budget Manager in 1992. Prior to assuming this role, she held the positions of Capital Improvement Program Coordinator for six years and Accounting Coordinator for two years. Before joining the City she was a senior accountant for Penn Athletic Products. Ms. Frost holds a Bachelor of Science degree with honors from California Polytechnic State University at San Luis Obispo, and a Master of Business Administration degree from Arizona State University and is a member of the Arizona Society of Certified Public Accountants. Judy Frost, after 17 years of exceptional service to the City of Scottsdale, retired shortly after this budget was adopted. Judy's contribution to the budget process and Scottsdale's financial health are immeasurable. She will be missed by all that she worked with and we wish her a happy and healthy retirement.

Cindy Ensign, CPA, Accounting Coordinator

Cindy Ensign is a Certified Public Accountant who was hired by the City of Scottsdale in November of 1999 as the person responsible for the coordination between department Budget Liaisons and Financial Services staff. Prior to joining the City, she worked for a private construction firm as their company Controller. Cindy holds a Bachelor of Science degree in Accounting from Arizona State University and an Associates of Arts degree in Computer Science from Scottsdale Community College and is a member of the Arizona Society of Certified Public Accountants.

Valerie Fenske, Accounting Coordinator

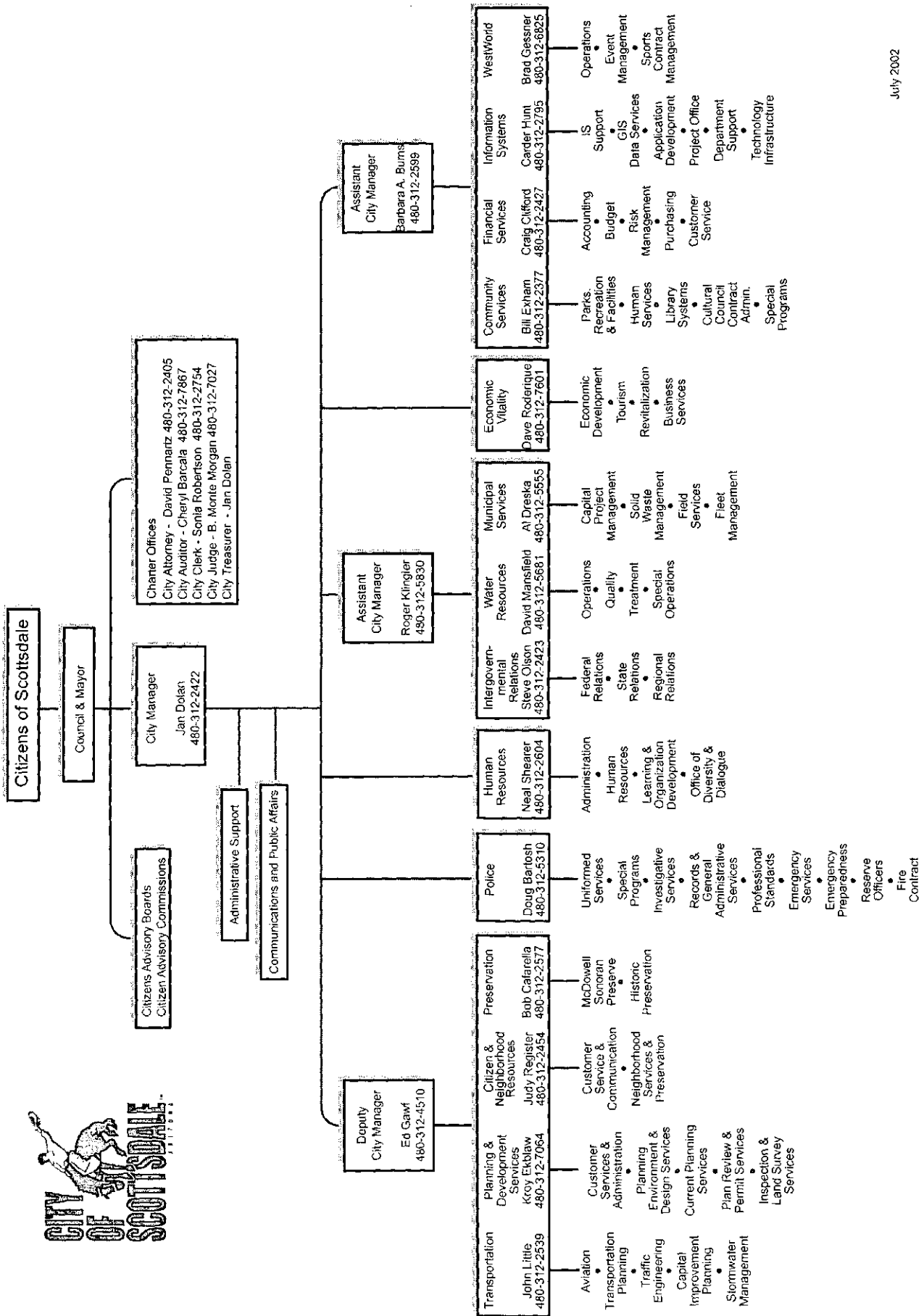
Valerie Fenske was hired by the City of Scottsdale in January 2000 as an Accounting Coordinator. Prior to joining the City, she was the Accounting Manager at Forest Hills Public Schools in Michigan. She was a Senior Accountant at the City of Flagstaff for seven years where she prepared bond capital project reports, utility rate analysis, and long-range cash and revenue forecasts. She also has three years experience working in public accounting. She holds a Bachelor of Science degree in Accountancy from Northern Arizona University, and will be completing a Master of Business Administration degree from the University of Phoenix in the fall of 2002. She is a member of the Arizona Finance Officer's Association.

Jeff Nichols, CPA, Accounting Coordinator

Jeff Nichols is a Certified Public Accountant hired by the City in September 2001. Prior to joining the City, he served as a Senior Management Assistant and as an Accountant with the City of Tempe. Jeff also worked in the field of public accounting before moving to Arizona in 1986. Jeff holds a Bachelor of Science in Business Administration with an emphasis in Accountancy from Central Michigan University.

Joyce Gilbride, CPA, Accounting Coordinator

Joyce Gilbride is a Certified Public Accountant who was promoted to Accounting Coordinator in January 2002. Prior to assuming this role she held the position of Senior Tax Auditor for six years and began her career with the City as an Accounting Technician. Joyce earned a Masters in Business Administration from the University of Phoenix and is a member of the Arizona Society of Certified Public Accountants and the American Institute of Certified Public Accountants.



July 2002

Demographics

Origin and Growth

Scottsdale is centrally located in Maricopa County, Arizona, with its boundaries encompassing an area approximately 185.2 square miles. Lying at an elevation of 1,260 feet above sea level, the City averages 314 days of sunshine and 7.74 inches of rainfall per year, with the average minimum and maximum temperatures ranging from 55.7 degrees to 84.6 degrees, respectively. The City is bordered to the west by Phoenix, the state capital, by Tempe to the south, and by the Salt River/Pima Maricopa Indian Community to the east. Scottsdale, together with its neighboring cities, forms the greater metropolitan Phoenix area, which is the economic, political, and population center of the state.

Scottsdale was founded in the 1800's when retired Army Chaplain Major Winfield Scott homesteaded what is now the center of the City. The City incorporated in 1951 and the City Charter, under which it is presently governed, was adopted in 1961. The City has experienced significant increases in population, with the 1950 census reporting 2,032 residents. The City's 1990 census was 130,069. The population grew to 168,176 in October 1995 and is estimated to grow to approximately 218,840 by January 2003.

Government and Organization

Scottsdale operates under a council-manager form of government as provided by its Charter. The Mayor and six City Council members are elected at large on a non-partisan ballot for a four-year term. The City Council appoints the City Manager, who has full responsibility for carrying out Council policies and administering City operations. The City Manager, in turn, appoints City employees and department General Managers under service procedures specified by Charter.

Employment

Scottsdale is creating jobs faster than it is adding to its labor force, and thus is a net importer of jobs. Not only does this situation create employment opportunities for the residents, but it also creates a significant business component to the local tax base. The unemployment rate is lower than state and metro levels and is approximately 3.7%.

Transportation

Scottsdale's transportation network offers citizens a variety of mobility choices. Regional roadways, the Pima Freeway, and City streets move people in and around the City. Local and regional bus services and alternative modes of transportation, such as bicycles, provide additional access to this extraordinary City. Scottsdale Airport, owned and operated by the City, provides general aviation and regional charter commercial air service. The Transportation Department's divisions are Aviation, Traffic Engineering, Transportation Planning, Stormwater Management, Capital Improvement Projects Planning and Administration. They work together to support the mission of protecting neighborhoods and providing for safe, efficient and affordable movement of people and goods in Scottsdale.

Educational Facilities

Several institutions of higher learning are available to City residents. Scottsdale Community College, a part of the Maricopa Community College System, is located on the eastern border of the City, on the Salt River/Pima Maricopa Indian Community. The college is a two-year college which offers a wide variety of academic, occupational, developmental, and special interest programs. Arizona State University, one of the major universities in the nation, is located in Tempe just south of the City. The University has approximately 43,000 students, graduate and undergraduate, a choice of 12 colleges and has 1,743 full-time faculty members. Other higher educational facilities include the University of Phoenix and the Scottsdale Culinary Institute. The City is also served by 17 public elementary and middle schools, 7 public high schools, and a number of private schools.

Tourism

Tourism is one of Scottsdale's largest industries and is a significant contributor to Scottsdale's economy. Numerous resort and convention facilities, along with many hotels and motels, provide nearly 10,000 guest rooms, along with many public and private golf courses and tennis courts, and several country clubs. The number of rooms is expected to remain stable through 2003. More than 2,500 retail shops, boutiques, and galleries are located throughout the City and a selection of almost 400 restaurants is available. These services and facilities, complemented by the mild winter, have made Scottsdale a popular vacation spot for tourists and winter visitors.

Demographics

Demographics

The following tables provide additional demographic statistics for the City of Scottsdale and its citizenry from the 2000 U.S. Census.

Gender

Male	48.2%
Female	51.8%

Age Composition

Under 5 years	5.2%
5 – 14 years	11.1%
15 – 24 years	9.7%
25 – 54 years	45.5%
55 – 59 years	6.5%
60 – 74 years	14.5%
75 – 84 years	5.8%
85+	1.8%
Median age (years)	41.0

Occupational Composition

Technical/Sales	
Administrative/Support	20.0%
Managerial & Professional	18.0%
Service/Labor	23.0%
Craft/Construction	4.0%
Retired/Student	35.0%

Race/Ethnic Origin

White	88.0%
Hispanic	7.0%
Asian	2.0%
African American	1.2%
American Indian6%
Other	1.2%

Educational Attainment

4 or more years of college	42.0%
1 – 3 years of college	28.0%
High School Diploma	20.0%
Less than High School Diploma	10.0%

Land Use

Residential	63.0%
Undeveloped/Agricultural	25.0%
Industrial/Commercial	12.0%

Population

1951	2,021
1960	27,010
1965	54,504
1970	67,841
1975	78,085
1980	84,412
1990	130,069
1995	168,176
2000	202,705
January 2003 estimate	218,840

Household Income

Less than \$15,000	10.0%
\$15,001- \$29,000	16.1%
\$30,000 - \$39,000	13.4%
\$40,000 – \$59,999	23.2%
\$60,000+	37.2%
Median Household Income	\$66,600



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Scottsdale
Arizona**

For the Fiscal Year Beginning

July 1, 2001

Arnold A. Bauer
President

Jeffrey R. Egan
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Scottsdale, Arizona for its biennium budget beginning July 1, 2001.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications medium.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

Scottsdale's 2002/03 Budget seeks to meet important community and organization needs, while maintaining the fiscal discipline necessary to ensure fulfillment of our basic commitment: To provide continuous quality services to our citizens.



June 3, 2002

Honorable Mayor and City Council:

Under the 2002-03 City budget, adopted on June 3, 2002, Scottsdale will continue to deliver quality services to residents and businesses, while holding the line on expenditures and keeping Scottsdale fiscally sound during tentative economic times.

The draft budget you received in April, as outlined in my transmittal letter (see pages 3-9), projected significantly lower rates of growth in the City's main revenue sources, especially sales taxes. The overall framework of that proposal was carried forward. However, the staff scaled back estimates of revenue growth and recommended further expenditure reductions. The City Council subsequently made a number of adjustments to meet community needs. The City was able to add or expand several priority programs, while trimming the General Fund budget. The most significant changes included:

- **Lower General Fund revenues.** The draft budget forecast revenues and transfers into the General Fund would rise by about 4 percent over the 2001-02 revenues. The adopted budget forecasts a more modest increase of about 2.2 percent, from \$199.2 million to \$203.6 million.
- **"Flat" expenditures from the General Fund.** The draft budget proposed an increase of 1.2 percent in expenditures and transfers out of the General Fund. The final adopted budget includes an increase of only 0.3 percent from the previous year, to \$201.1 million. Lower expenditures were achieved through reductions in overtime, the proposed photo-radar contract and various other contracts.
- **More police communications dispatchers.** The draft budget included eight additional dispatchers, and the City Council chose to add seven more – as recommended by the City Manager in an optional budget package – to improve police communications service levels. By eliminating and reallocating 13 other positions, the City was able to hold the net increase in positions funded through General Fund tax revenues to seven.
- **Funding for a cultural tourism program.** The City Council approved funding of \$779,450 from the Economic Investment Reserve for the first year of a program proposed by the Scottsdale Cultural Council and the Scottsdale Convention and Tourism Bureau to more closely tie the City's arts and hospitality industries.
- **Added annual funding for the Scottsdale Cultural Council.** The City Council approved an increase of \$299,600 in the base level of funding for the Cultural Council to manage and operate City arts programs. The funding also provides the resources for a \$50,000 cultural grants program.

Another change of note was a \$35.6 million reduction in the 2002/03 Capital Improvement Program budget. Because more CIP projects have been completed than originally projected, the City can reduce the amount it carries over into 2002/03 by that amount. The approved budget for the CIP is \$513.9 million.

June 3, 2002
Honorable Mayor and City Council
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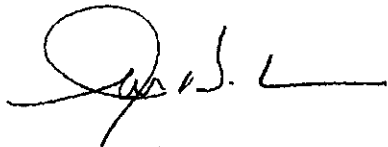
Additional details and summaries of the adopted budget are included in the Budget Overview section.

The City staff will continue to monitor the local economy throughout 2002/03 and provide regular updates to the City Council. The City's quick responses to changes in the economy during 2001/02 allowed Scottsdale to continue providing quality basic services and maintain a healthy General Fund reserve, even while revenues were running below projections. Because of sound financial practices, the three major bond-rating agencies in April reaffirmed their highest ratings for the City's general obligation bonds. Scottsdale remains among a handful of cities nationwide with similar ratings.

The final adopted budget represents the hard work of many people. The Citizens Budget Committee devoted several months to an intensive review of the budget, working closely with the City staff to understand the overall complexity of City finances and the details of departmental and program budgets. Special recognition goes to the Financial Services staff, who superbly manage the budget process and the City's finances.

It is also appropriate to acknowledge the leadership and guidance of the City Council, and the hours Council members spent listening to input from the Citizens Budget Committee, representatives of civic and cultural organizations and members of the public.

Scottsdale citizens care deeply about the City's quality of life and its future. The City has worked hard to translate the concerns and expectations of citizens into a sound financial plan that balances Scottsdale's needs and resources, and builds a solid fiscal foundation for the years to come.



Jan Dolan
City Manager





April 8, 2002

Honorable Mayor and City Council:

The Proposed 2002/03 Scottsdale City Budget signals a long-term change for the city after nearly a decade of rapid growth.

It is unlikely Scottsdale will see another period of economic expansion and double-digit revenue increases like the city experienced in the 1990s. To be realistic, this and future budgets must anticipate slower revenue growth and carefully weigh the costs and benefits of all programs. As the community evolves, the city must be able to sustain the quality of basic services. At the same time, Scottsdale's government must be flexible enough to move people and resources from programs that have served their purpose into new initiatives that meet emerging needs.

The city staff has followed these principles in developing the proposed 2002/03 budget. The draft budget includes:

- Conservative economic forecasts and limited revenue growth.
- A zero-based approach to the operating budget, leading to limited increases or, in some cases, overall reductions in department budgets.
- No net increase in positions supported by General Fund tax dollars, one new position supported by the Capital Improvement Program, only one new part-time and one new full-time position supported by user fees, and a shift of existing positions to meet the city's highest priorities.
- Continued investment in the city's basic infrastructure and public facilities, combined with a careful analysis of their operating costs.
- An emphasis on a "pay-as-you-go" approach to funding city capital investments.
- Sustained funding of General Fund and economic investment reserves to ensure the city can provide basic services during economic downturns or major emergencies and make strategic investments in Scottsdale's economic base.

This document focuses on the General Fund because it is the city's largest fund, includes revenues that are typically the most unpredictable elements of the city's financial plan, and pays for most basic city services, such as police and fire protection, parks, libraries and social services. This is the core of the budget, and therefore deserves the most attention during the budget review.

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The draft budget also presents the "program budget" within the General Fund and other funds. A program budget was initiated in 2001/02 to make it easier for the City Council and citizens to track the operating dollars devoted to seven broad community goals set by the City Council in 2000 and reaffirmed in October 2001. The Financial Services staff has taken this analysis a step further in 2002/03, linking both operating dollars and investments in capital improvements to each goal.

Another key difference in this year's proposal is comparisons of budget numbers. The budget proposal does not emphasize comparisons with the budget adopted in June 2001, a document that is now nine months old and which does not reflect significant budget changes in the interim. Instead, it compares the proposed 2002/03 budget with the "current year forecast," the final, actual amounts projected when the 2001/02 fiscal year ends on June 30. Using the most current estimates as the benchmark for comparisons will provide a truer picture of the differences in spending and revenue from one year to the next.

The following is a summary of budget highlights. A more detailed analysis of the General Fund and other funds and program budgets is included in the accompanying Budget Overview and budget spreadsheets.

General Fund Revenues

As noted above, the General Fund is the core of the budget, the largest fund with the highest potential for revenue fluctuations. Estimates for these revenues are positive, but more cautious than in past years because of uncertainty whether Arizona will lag as the nation pulls out of the recession. The staff projects Scottsdale's population will continue to grow at an annual rate of about 2 percent, and inflation will be approximately 2.4 percent.

Overall, General Fund revenues and transfers into the fund are expected to increase from \$199.2 million this year to \$205.1 million in 2002/03, a 2.9 percent rise. The proposed budget forecasts the following trends in the main revenue sources flowing into the General Fund:

- The 1 percent general city sales tax, by far the city's single largest revenue source, up \$3.3 million, or 4 percent, to \$85.3 million. (Transportation and preservation sales taxes are covered under the Special Revenue Funds section.) The increase in the general sales tax is substantially less than historical trends. The city saw double-digit increases for nine consecutive years before 2001/02. The recession and fallout from September 11 will likely cut the current year's rate of growth to less than 1 percent over 2000/01, but the local economy should see a modest rebound in 2002/03.
- State shared (or intergovernmental) revenues, up \$1.2 million, or 3.2 percent, to \$37.2 million. These revenues are from state sales and income taxes shared with cities. Projected increases are conservative and are less than the latest state estimates.
- Licenses and permits, mainly development fees, holding steady at about \$17.3 million. The proposed budget forecasts a slight increase in business licenses and recreation fees, but no increase in development fees over the current year estimate of \$15.5 million.
- "Primary" property taxes, the portion of property taxes that support city operations, up \$1.1 million, or 7.7 percent, to \$15.4 million. Most additional property tax revenue will come from new construction, however, a portion stems from increased values for existing property.

General Fund Expenditures

The city staff has worked hard to hold down General Fund spending and focus on city priorities. The budget includes 13 new positions, all reallocated from existing positions in various departments, to meet City Council goals. The result is no net increase in staff in the General Fund. Several departments will give up vacant positions or reassign staff to other areas to achieve this shift.

The staff also has held down increases in other areas to help offset price increases for goods and services needed to continue city business.

Overall, the combined total of spending and transfers out of the General Fund rises 1.2 percent, from \$200.6 million to \$203 million. Of that amount, \$16.9 million is transferred to other funds, primarily the Capital Improvement Program (\$12.9 million for various capital and maintenance projects) and the Highway User Fund (\$3.9 million for transportation projects). Another portion, \$14.1 million, is debt service paid through General Fund revenues.

The remaining \$172 million goes to the General Fund Program Budget, which covers day-to-day operating expenses to serve Scottsdale citizens and address City Council goals.

Over half of the 2002/03 General Fund Program Budget is devoted to the City Council's first goal, enhancing and protecting the community and neighborhoods, a similar ratio to the 2001/02 budget. The program budget shows a slight shift in priorities for 2002/03 toward this goal and toward the City Council's third goal, the efficient movement of people and goods.

Significant changes and additions to the General Fund Program Budget include:

- \$400,000 to convert 30 police grant-funded positions to city-funded positions.
- Eight additional police dispatchers to meet staffing needs for the department's 911 switchboard.
- Three added employees – two in the Police Department and one in the City Attorney's Office – for the new Family Advocacy Center, slated to open next year.
- A projected cost increase in the city's contract with Rural/Metro Corp. to add captains to convert two fire stations with two-man crews to three-man crews.
- Elimination of six planning and development positions because of a decrease in development activity, and the elimination of seven other positions – an endowment officer, a marketing and sponsorship coordinator, two information systems positions, a transportation issues manager, a public information officer, and a management intern.
- The addition of an enhanced program to notify neighbors about proposed developments.
- \$1.4 million to cover an expected increase in the city's photo radar contract.
- Only a 2.3 percent base increase for personnel salaries.

General Fund Balances and Reserves

The 2002/03 draft budget continues a policy of setting aside a reserve to protect Scottsdale in times of financial adversity or natural or man-made disaster. This is the city's "savings account." The goal is a General Fund Reserve of 10 percent of the city's annual operating costs not covered by utility fees. To meet the goal in 2002/03, the budget proposes carrying over \$19.5 million from the current reserve and adding \$1.6 million in 2002/03 to bring the total to \$21.1 million. It is important to note that, because most of these funds are from "carry over," once they are spent, it will be difficult to rebuild the reserve.

In addition, the draft budget continues to set aside \$5 million in an Economic Investment Reserve for strategic economic development investment that demonstrates a clear return to the community.

Finally, the staff is projecting a \$1.5 million operating contingency to meet unforeseen expenses during the year, leaving a \$2.8 million unreserved balance, General Fund revenues that are not designated for a specific purpose. The City Council may choose to allocate some of these dollars to unfunded programs that are identified in the "Budget Alternative B" or the "Policy Issues" sections, or allocate it to reserve funds.

General Fund Budget Options for City Council Consideration

Two optional budget packages and two budget policy issues, all with impacts to the General Fund, are being presented separately to the City Council. They are not part of the 2002/03 draft budget. These options and issues are discussed in more detail under the "Budget Alternative B" and "Policy Issues" tabs. The optional budget packages call for:

- Hiring six additional police communications dispatchers and an additional communications supervisor at an estimated cost of \$259,393 to improve service levels.
- Hiring six traffic officers and one sergeant to improve traffic safety enforcement. The estimated cost is \$604,481.

The budget policy issues are:

- A proposal from the Scottsdale Cultural Council and the Scottsdale Convention & Tourism Bureau for a program to more closely link Scottsdale's arts and hospitality industries. The proposed cost for festivals, public programs, tours and marketing is \$2 million.
- A proposal from the Scottsdale Cultural Council to increase the base level of city financial support for management and operation of city cultural facilities, and to guarantee a cultural grants program of at least \$50,000 annually. The total additional cost to implement this request in 2002/03 is \$299,600.

These proposals will be open for discussion during the City Council's consideration of the 2002/03 budget.

Special Revenue Funds

If the city is bound by law to use revenues for specific purposes, it accounts for these dollars through special revenue funds. The largest uses, by far, are transportation and preservation.

Total combined revenues and transfers in to special revenue funds specifically for transportation are expected to rise from \$40.3 million to \$41.4 million. The largest source of funds is state shared revenues specifically designated for transportation. The draft budget forecasts the combined total for state shared gas taxes (from the Highway User Revenue Fund), shared revenue from auto registration fees and shared state lottery revenue to increase from \$20.6 million to \$20.9 million. The draft budget also forecasts a modest increase in the city's 0.2 percent transportation sales tax, up from \$16 million this year to \$16.6 million in 2002/03. Finally, a transfer from the General Fund for transportation programs will increase from \$3.7 million to \$3.9 million.

The main expenditures from these transportation funds include \$21.6 million for the city's transportation program (street and signal operations and maintenance, transportation planning and transit services), \$3.1 million for debt service on previously issued revenue bonds for street projects, and a transfer out to the Capital Improvement Program of \$17.8 million for transportation capital projects.

For preservation, the budget forecasts revenue from the 0.2 percent preservation sales tax to rise from \$16.2 million to \$16.9 million. Of that amount, \$16.2 million will pay for debt service on preservation bonds, and the remainder goes to a fund balance of \$13.3 million, which has been accumulating for several years. The fund balance will be needed to pay additional debt service over the next few years.

The city expects to issue \$40 million in May and an additional \$65 million in preserve bonds in coming years.

A collection of smaller special revenue funds restricted for specific city uses makes up the balance of the revenues and expenditures covered under the special funds category. Interest is forecast at \$1 million and miscellaneous revenue at \$3 million. These funds cover a variety of services in the Police Department, City Court, parks, libraries, senior and social services.

There are no proposed changes in staffing levels covered by special revenue funds.

Enterprise Funds

Enterprise funds account for the city's water, sewer, refuse collection and airport services, operated as stand-alone businesses, where user fees cover the cost of services. The total for revenue and transfers into these funds rises from \$118.2 million this year to \$123.4 million in 2002/03, about 4.3 percent, under the proposed budget.

The most significant proposed change is the result of a new federal mandate to reduce arsenic levels in drinking water, and another forthcoming mandate to reduce levels of compounds formed by chlorine disinfection. Scottsdale expects to spend more than \$100 million on new treatment facilities to meet the mandates.

The financial plan for these facilities proposes debt funding, which will avoid drastic fee increases and spread the impacts over time. The plan calls for a 5 percent increase in water fees for 2002/03.

The draft budget also proposes a small increase, 1.5 percent, in residential sewer rates to fund expansion and upgrades to wastewater treatment facilities. No increase is proposed in fees for refuse and recycling services.

Under the new rates, the average monthly residential utility bill for water, sewer and refuse service would rise from \$67.78 to \$69.90.

The Enterprise Fund Program Budget – covering operating expenses -- is expected to fall slightly in 2002/03 from \$56.3 million to \$55.6 million because of savings and budget adjustments. More than half of this program budget focuses on the City Council's fifth goal, balancing infrastructure and resource needs within the budget. Generally, the allocation of dollars within the Enterprise Fund Program Budget to the seven City Council goals is similar to 2001/02.

Another \$16.3 million from enterprise funds goes to debt service for water, sewer and refuse facilities. In addition, \$3.5 million is set aside as a reserve, primarily to cover unforeseen or emergency needs for water, sewer and refuse services.

Finally, the enterprise funds transfer \$49.1 million to other funds — \$15.2 million to the General Fund for services provided by General Fund departments, and \$33.9 million to the Capital Improvement Program for capital projects.

The net number of positions in enterprise funds increases by 1.5. The Water Resources Department eliminates one full-time position, the Solid Waste Division adds two, and the airport converts a part-time to a full-time position.

Internal Service Funds

Internal service funds account for services and equipment provided to all city departments by centralized divisions – for the city's vehicle fleet and for a self-insurance reserve.

Most of the revenues for these two funds come from internal charges to city departments, a total of \$14.6 million. About \$1 million comes from property taxes specifically levied to cover the cost of tort judgments. Another \$1 million comes from interest earnings and other miscellaneous sources.

The program budget for this fund is up by 7.2 percent from 2001/02, mainly because of increased insurance costs affecting the insurance industry in the wake of September 11.

Debt Service Funds

Debt service funds are designated for payment of long-term debt not paid through general, enterprise or special revenue funds.

The total for revenues and transfers into these funds is \$26.5 million for 2002/03, up from \$25.9 million this year. The same amount is expended to meet debt payments.



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Property taxes levied to pay for voter-approved bonds are the largest revenue source, providing \$23.1 million in 2002/03. The Financial Services staff has projected that the rate for "secondary" property taxes, the portion of property taxes specifically for bonds, will fall slightly from 67 cents to 65 cents per \$100 valuation.

Debt services funds also receive revenue from special district assessments and pay for special district debt service. The remaining revenues in these funds are from interest earnings and miscellaneous sources.

Grant and Trust Funds

Grant and trust funds account for the city's use of federal and state grants and trust funds restricted for specific uses. All revenues in these funds are budgeted to be expended during the fiscal year.

Total revenue in grant and trust funds is expected to increase from \$20.5 million to \$26.5 million next year. The main reason is an increase in potential revenues from aviation grants, which could rise from \$8.3 million this year to \$15.5 million in 2002/03. The grants fund airport maintenance and improvements, such as repairs and upgrades to aprons and the runway. Other main sources of revenue are federal Section 8 housing assistance funds (\$4 million) and transportation grants (\$3.1 million).

Capital Improvement Program

A separate, key component of the annual financial plan is the five-year Capital Improvement Program for infrastructure and public facilities – including roads, water and sewer improvements, parks, buildings and information technology.

More than half of the city's investments in infrastructure and capital projects are supported by "pay-as-you-go" revenues, such as dedicated sales taxes for transportation and preservation, development fees and General Fund revenues not used for operations. A second major source of funding is bonds approved by voters in September 2000.

CIP expenditures in 2002/03 are budgeted at \$554.6 million. The five-year plan projects capital spending will steadily decline each year to \$270.1 million in 2006/07 as the city completes major projects.

The lion's share of capital funding is targeted at the City Council's first three goals and the fifth goal—enhancing and protecting the community and neighborhoods, preserving Scottsdale's character and environment, movement of people and goods and balancing infrastructure and resources. The program includes more than 300 projects throughout the city. A small sampling of the projects includes:

- A new, 25,000-square-foot District 1 Police Station to serve the portion of the city south of Camelback Road, along with an expansion of the District 2 Police Station on Via Linda
- The Family Advocacy Center, to provide a central location for criminal justice, medical and social staff to provide services to victims of domestic violence
- Several new or remodeled fire stations, and new fire equipment
- Replacement of the Civic Center Senior Center
- A 70-acre lighted sports complex at the CAP Basin north of the Scottsdale Tournament Players Club
- Renovation of the Eldorado Pool
- A series of neighborhood drainage improvements
- Continued McDowell Sonoran Preserve purchases and trailhead improvements
- Widening and improvements to Scottsdale and Pima roads, and extensions of Hayden Road and Thompson Peak Parkway to improve traffic flow in northern areas



- Construction of a new art museum and other improvements associated with the Loloma redevelopment project
- Construction of a water treatment plant at Hayden Road and McDonald Drive and the extension of Chaparral Park to the north

Conclusion

The information provided in this proposal is extensive, but is by no means a complete picture of the exhaustive internal analysis the city staff undertook to develop this budget draft.

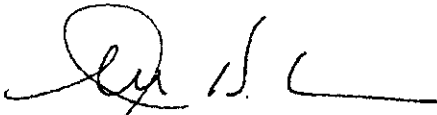
The staff's goal has been to develop a proposed budget that:

- Is conservative in revenue forecasts.
- Limits new staff positions and trims spending in operating budgets, but continues to move forward on City Council goals.
- Continues needed investment in infrastructure and facilities.
- Maintains Scottsdale's reserves.

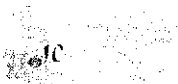
It is appropriate to thank the city staff members, especially the Financial Services staff, who have put so much time, talent and care into the development of this draft budget. The staff has been working on this document since last fall, when the first steps of the budget review process began. Departments have worked closely with the Financial Services staff and senior management in developing, documenting and reviewing every component of the budget. The staff has embraced the broad goals set by the City Council and done their best to build a financial plan delivering the highest quality services at the most reasonable cost to the people of Scottsdale.

The Citizens Budget Committee has also devoted many hours to meet with the staff, understand and analyze city finances and offer their perspectives and insights. Their input has been extremely valuable. They also deserve thanks for their work and dedication.

The city staff looks forward to a thorough and thoughtful examination of the 2002/03 proposed budget.



Janet M. Dolan
City Manager



Process and Policies

Recommended Budget Practices

The City of Scottsdale budget process incorporates the recommended practices promulgated by the National Advisory Council on State and Local Budgeting (NACSLB). Concurrently, City staff applies diligent effort into improving the process, decisions and outcomes with each new budget year.

The NACSLB was created to provide tools for governments to improve their budgeting processes and to promote their use. In fulfilling that role the NACSLB set forth a framework that has provided the context for development of a set of budget practices for state and local governments. The significance about the practices is that they represent an unprecedented cooperative effort by several organizations with diverse interests to examine and agree on key aspects of good budgeting. The Council was founded by eight organizations representing elected officials, government administrators, and finance professionals at both the state and local government level. Council membership also includes representatives of the public finance industry, public employees' unions, and academia.

The Council's work focused on long-term financial planning and encourages governments to consider the longer consequences of actions to ensure that impacts of budget decisions are understood over multi-year planning horizon and to assess whether program and service levels can be sustained. Practices encourage the development of organizational goals, establishment of policies and plans to achieve these goals, and allocation of resources through the budget process that are consistent with goals, policies and plans. There is also a focus on measuring performance to determine what has been accomplished with scarce government resources. The following are excerpts of the Advisory Council's guiding principles and budget practice recommendations.



Budget Definition

The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets.

A good budget process is characterized by several essential features.

- Incorporates a long-term perspective
- Establishes linkages to broad goals
- Focuses budget decisions on results and outcomes
Involves and promotes effective communication with stakeholders, and
- Provide incentives to government management and employees

These key characteristics of good budgeting make clear that the budget process is not simply an exercise in balancing revenues and expenditures one year at a time, but is strategic in nature, encompassing a multi-year financial and operating plan that allocates resources on the basis of identified goals. A good budget process moves beyond the traditional concept of line item expenditure control, providing incentives and flexibility to managers that can lead to improved program efficiency and effectiveness.

Mission of the Budget Process

The mission of the budget process is to help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process.

Communication and involvement with citizens and other stakeholders is stressed. The broad nature of the budget mission allows issues to be addressed that have limited the success of budgeting in the past. Apathy is a serious illness of government. It is in the best interests of government to have involved stakeholders.

The term stakeholders refers to anyone affected by or who has a stake in government. This term includes, but is not limited to: citizens, customers, elected officials, management, employees and their representatives (whether unions or other agents), businesses, other governments, and the media.

It is vital that the budget processes include all stakeholders. The budget process should accomplish the following:

- Involve stakeholders
- Identify stakeholder issues and concerns
- Obtain stakeholder support for the overall budgeting process

- Achieve stakeholder acceptance of decisions related to goals, services, and resource utilization
- Report to stakeholders on services and resource utilization, and serve generally to enhance the stakeholders' view of government

The importance of this aspect of the budget process cannot be overstated. Regular and frequent reporting is necessary to provide accountability, educate and inform stakeholders, and improve their confidence in the government. Communication and involvement is an essential component of every aspect of the budget process.

Principles and Elements of the Budget Process

The budget process consists of four broad principles that stem from the definition and mission previously described. These principles encompass many functions that cut across a governmental organization. They reflect the fact that development of a budget is a political and managerial process that also has financial and technical dimensions.

Each of the principles of the budget process incorporates components or elements that represent achievable results. These elements help translate the guiding principles into action components. Individual budgetary practices are derived from these elements and are a way to accomplish the elements. The principles and elements provide a structure to categorize budgetary practices.



1 Establish Broad Goals to Guide Government Decision Making - A government should have broad goals that provide overall direction for the government and serve as a basis for decision making.

- Assess community needs, priorities, challenges and opportunities
- Identify opportunities and challenges for government services, capital assets, and management
- Develop and disseminate broad goals

2 Develop Approaches to Achieve Goals - A government should have specific policies, plans, programs, and management strategies to define how it will achieve its long-term goals.

- Adopt financial policies
- Develop programmatic, operating, and capital policies and plans
- Develop programs and services that are consistent with policies and plans
- Develop management strategies

3 Develop a Budget Consistent with Approaches to Achieve Goals - A financial plan and budget that moves toward achievement of goals, within the constraints of available resources, should be prepared and adopted.

- Develop a process for preparing and adopting a budget
- Develop and evaluate financial options
- Make choices necessary to adopt a budget

4 Evaluate Performance and Make Adjustments - Program and financial performance should be continually evaluated, and adjustments made, to encourage progress toward achieving goals.

- Monitor measure, and evaluate performance
- Make adjustments as needed

The Advisory Council's work goes on to identify 59 practices to achieve the higher-level activities identified in the principles and elements of budgeting. Scottsdale's budget process attempts to incorporate all of the NACSLB's recommended practices.

Budget Roles and Responsibilities

Every Scottsdale employee plays a role in budgeting — whether in its formulation, preparation, implementation, administration, or evaluation. Ultimately, of course, each general manager, through the City Manager, is accountable to the City Council for the performance of program personnel in meeting City Council Broad Goals (see page 17) and specific workplan objectives within allocated resource limits.



Actual budget responsibility can be identified more specifically:

- The **Program Manager** is responsible for preparing an estimate of remaining cost requirements for the current fiscal year, projecting the base budget requirements for the next fiscal year, and developing other requests that change or revise the program so that it will be more effective, efficient, productive, and economical.
- The **Budget Liaisons** serve as the vital communication link between the programs and the Financial Services staff. Liaisons are responsible for coordinating information, checking to see if forms are completed properly, making sure that all necessary documentation is submitted, monitoring the internal review process to meet timelines, and serving as troubleshooters for problems throughout the budget process. A list of budget liaisons and their area of responsibility appears in the appendix, page 322.

City of Scottsdale's Budget Process

- The **Capital Improvement Plan Coordination Team** is comprised of staff from various City departments. The team is responsible for reviewing all capital projects for timing and cost considerations, compiling lifecycle costs, and preparing a preliminary capital improvement plan recommendation for review and revision by the General Managers, City Manager, City Council and various boards and commissions staffed by citizens. A list of Coordination Team members appears in the appendix, page 322.
- The **Division Directors, General Managers, and Charter Officers** are responsible for reviewing historical performance, anticipating future problems and opportunities, considering alternative solutions, and modifying and assembling their program data into a cohesive budget information package. General Managers critically evaluate all requests, prioritize, and submit a balanced budget plan including only those requests, which support City Council Broad Goals, City Manager workplan, administrative direction, and program objectives.
- The **Budget Director** and staff within the Accounting and Budget divisions are responsible for preparing short-range and long-range revenue and expenditure forecasts, and calculating program budget limits. Budget staff develops the process for preparing the budget, coordinate the collating, analysis, and summarization of program requests and prepare budget review materials for the Executive Team, Mayor, and City Council. Assistance is provided to general managers or staff with preparation requirements and with presentation formats.
- The **Budget Director, Chief Financial Officer, and Assistant City Managers** collaborate in developing programmatic, operating, and capital policies and plans that help define how Scottsdale will achieve its long term goals. They are responsible for reviewing the program operating and CIP requests and working with program managers to develop program and service recommendations that are consistent with policies, City Council Broad Goals, and management strategies.
- The **City Manager** is responsible for reviewing the total financial program and submitting a Citywide proposed budget which supports the City Council Broad Goals established by the Mayor and City Council.
- The **Mayor and City Council** initially set the direction for the budget by establishing Broad Goals for the organization which serve as a basis for decision making. The Mayor and City Council are ultimately responsible for the review of the City Manager's tentative budget and approval of the final budget.

The budget process is key to the development of Scottsdale's strategic plan - allowing City Council and staff the opportunity to reassess goals and objectives and the means for accomplishing them. Even though the budget may be reviewed by the Mayor and City Council in April and adopted in June, its preparation begins at least eight months prior, with the City Council's collaboration on establishing a mission and broad goals for the community. Citizen Survey results, City Financial Policies, Economic Trend Analysis, and the most current Financial Forecast are also updated and reviewed in the fall. It is with this groundwork that service program and capital project budgets are developed and subsequently reviewed.



Needs Assessment and Financial Capacity Phase -

This is the foundation of assessing what our current financial conditions are and what needs exist as seen by our citizens, boards, and commissions. Community feedback is an important component of Scottsdale's budget process in assessing citizen satisfaction with services and establishing priorities for the coming budget year(s). During this phase, citizens are randomly surveyed to assess their satisfaction with City services and various City boards and commissions are invited to share their future priorities. The Citizen Survey conducted last fall resulted in 96% of residents polled rating City services good or very good.

Economic and Financial Trend Analysis is an integral part of Scottsdale's decision making process which includes both short and long range economic and financial forecasts. The City's current financial condition with existing programs is evaluated as well as future financial capacity, integrating long range plans, objectives and financial policy. Scottsdale's most recent Economic and Financial Trend Analysis Report may be viewed on the City's Internet site: www.ci.scottsdale.az.us. City infrastructure needs (capital improvement projects) are also evaluated and play an important role in forecasting related short and long term operating needs. During this phase, strategic fiscal forecasting assumptions are made, i.e., reserve funding, capital funding contributions, compensation adjustments, and cost/inflation adjustments. These preliminary assumptions result in the City's forecasted fiscal capacity and provide a balanced financial framework upon which service programs and capital infrastructure project budgets are developed.

Policy/Strategy Development Phase

The City Council uses a fall retreat to review the Citizen Survey results, Financial Policies, Economic Trend Analysis, and the most current Financial Forecast. They discuss broad organizational goals, priorities, and constituents' suggestions and expectations for Scottsdale. From this, the City Council establishes Broad Goals and strategic directives which are the cornerstone for the development of the budget. These Broad Goals provide the overall direction for Scottsdale and serve as a basis for decision-making. Executive staff updates City financial policies, plans, programs, and management strategies to define how the City will achieve the Broad Goals. It is within this framework that the program budget plans are formulated.

Budget Development Phase

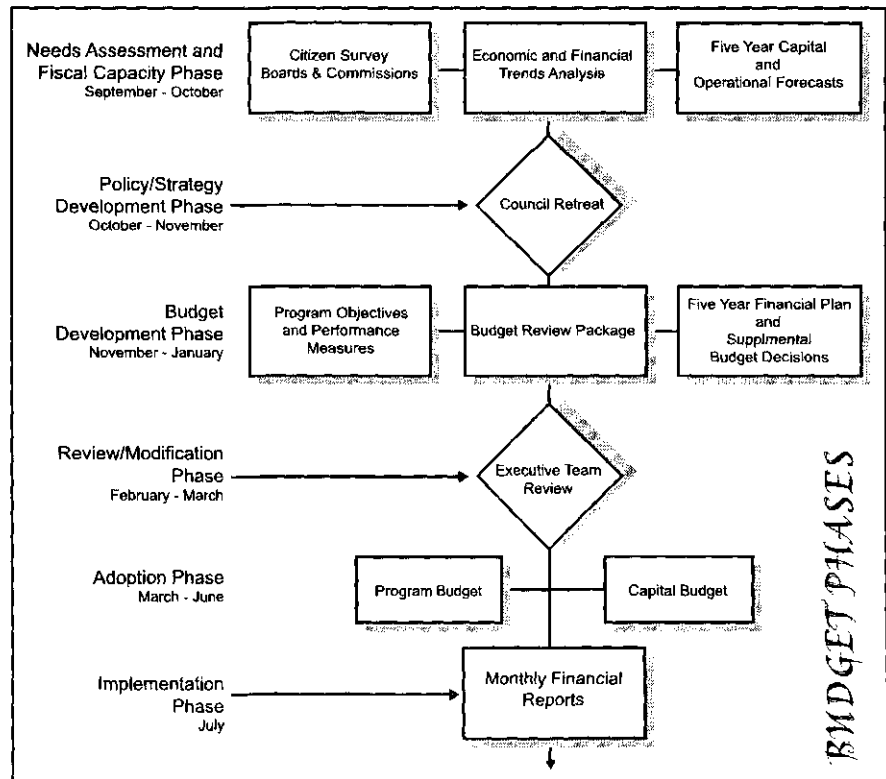
Capital Project Budget development begins in conjunction with the financial forecasts in the fall. Initial project requests and changes are reviewed by a cross-departmental team for accurate costing, congruence with City objectives and prioritized by a set of deterministic criteria. Financing sources are then sought for the highest-ranking projects. The operating impacts of current and proposed capital projects are taken into consideration by staff when developing their Program Budget plans. Staff also consider City Council Broad Goals and strategic directives as they develop program objectives and work plans for the budget period.

Program budgets represent existing base service operating levels. Staff is asked to evaluate programs and/or positions for possible trade-offs, reduction or elimination, or service level changes to offset inflation, contractual, compensation, and benefit cost increases. A zero base budget process requires staff to prepare supplemental budget decision packages to address growth, service level changes, citizens and City Council priorities.

Decision packages are balanced to forecasted resource limits. When funding needs exceed funding limits, remedies may be one or more of the following: reduce base budget, identify new revenues, employ process management tools, and/or form partnerships with other programs. During the budget development phase, a Citizen Budget Committee is appointed by the Mayor and City Council to review program objectives and budgets from a citizen's perspective. The Committee usually begins by gaining an understanding of the basic service level and current operation of each program, then reviewing assumptions (objectives, performance measures, etc.) upon which the budget is being developed, but does not begin reviewing the actual expenditure budget until the Review Phase.

Budget Review/Modification Phase - Staff present their service program and capital requests to an Administrative Review Team. Budget recommendations are reviewed to ensure that preliminary base budgets, capital project requests and supplemental decision packages address City Council Broad Goals, strategic directives, and program service needs while maintaining the fiscal integrity of the City (not exceeding our forecasted resources/limits). General Managers, Assistant City Managers, the City Manager, and Budget staff collaborate on recommendation of a balanced five-year financial plan and budget proposal to be submitted to the City Council for adoption. The Citizen Budget Committee also reviews expenditure budgets for efficiencies and alignment with community needs and expectations.

Adoption Phase - A proposed financial plan is presented by the City Manager to the City Council and a summary of the budget is communicated to the general public in the form of a newspaper insert, handout, video, or combination of these formats. The Citizen Budget Committee prepares a written report of their findings/recommendations and submits it to the City Council before the Tentative Budget Adoption. Public hearings are held and the City Council adopts the budget and tax levy consistent with the City Charter and State law.



Implementation Phase - City staff are accountable for budgetary control throughout the fiscal year. Expenditure patterns are examined, compared to budget plans, and corrective action, if necessary, is taken during the fiscal year. A fiscal strategy team meets every month to review current demographic, economic and financial trends, which may impact the City, and to plan strategy to ensure the City's fiscal integrity. City management and City Council are also provided monthly financial reports disclosing actual revenue, expenditure, and fund balance performance, as compared to the budget plan.

Review and Adoption of the Budget

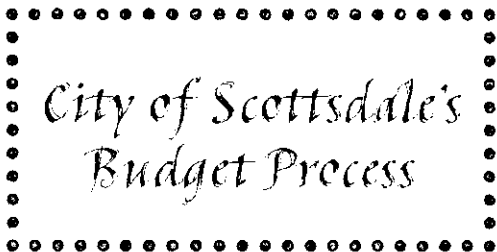
The City Council considers the proposed budget and holds review sessions and public hearings in April and May. The sessions provide an opportunity for City management, departments, and the general public to offer information and recommendations to the City Council.

Legally, the budget must be adopted by the first City Council meeting in June. State law requires the annual Program Budget to be all-inclusive – if it is not budgeted, it cannot be legally expended. Therefore, the budget must include sufficient provisions for contingent revenues and expenditures that cannot be accurately determined when the budget is adopted. The ordinance adopting the annual Program Budget currently requires City Council authorization for expenditures from contingency and City Manager authorization for budget transfers within line items.

Implementation and Monitoring of the Budget

Upon adoption of the budget, staff implements the Program Budget and the five-year Capital Improvement Plan, incorporating all changes from the tentative budget proposal. The Program Budget and Capital Improvement Plan are published in mid to late July.

Scottsdale programs and activities are periodically reviewed to determine if they are achieving City Council's Broad Goals, accomplishing strategic objectives and making efficient use of resources. City values of "plan and innovate for the future" and "focus on quality customer service" along with City Manager directed studies of several service and program areas during the next budget year help communicate this expectation. Financial Services, senior management, and Internal Audit all provide assistance to staff in their review of programs.



Every City service or program subprograms are expected to conduct self-assessments and develop cost and quality measures of efficiency and effectiveness. This budget publication contains many of the external performance measures in the Program Budget section. Internal performance measurements have also been developed and reviewed on a periodic basis by program managers. Scottsdale's culture, along with the City value of "listen, communicate, and take action" stresses open communication and stakeholder involvement determining satisfaction with programs and services and in identifying areas needing added attention. An example of stakeholder assessment is the annual Citizen Survey used in measuring citizen satisfaction and establishing priorities for addressing community needs in coming budget years.

Monitoring of the City's financial performance is required of all program managers on a monthly basis. Variance from budget explanations and projected impact upon year-end fund balance reporting is forwarded to the budget office. Economic activity Citywide budget-to-actual expenditures, budget-to-projected revenues, impacts to fund balance, capital project updates, grant and special revenue activity are all reviewed and reported monthly by Financial Services staff to City management and City Council. Performance measurement updates are also required of staff on a quarterly basis. All periodic financial reports and performance measurement updates are included as part of the City's intranet communication network for the benefit of all employees and management.

Amendment to the Budget

The City of Scottsdale Budget is adopted at program level and the Capital Improvement Plan is adopted at a project level. Any transfers between programs or projects and out of contingency require City Council approval. In addition, budget changes for capital projects funded by bonds require review by the Citizens' Bond Review Commission. All requests for adjustment require justification and note explaining the fiscal impact, which is reviewed by the Budget Office, prior to approval.

Use of Contingency Reserves

Contingency reserve fund use is defined by City financial policy: When additional funds are necessary to offset unexpected revenue shortfalls or expenditure increases so that budgeted citizen service measures can be maintained; and when unanticipated and/or inadequately budgeted events threaten the public health or safety. Use of contingency funds are to be utilized only after all budget sources have been examined for available funds. All requests for use of contingency require justification and note explaining the fiscal impact, which is reviewed by the Budget Office, prior to City Council approval.

Budgetary and Accounting Basis

Scottsdale's budget process is based upon accounting for certain transactions on a budgetary basis which is a basis other than Generally Accepted Accounting Principles (GAAP). The major differences between the budgetary and GAAP basis are:

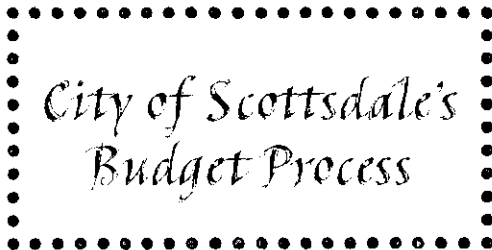
Certain revenues, expenditures, and transfers are not included on the budget basis, but are accrued and reported on the GAAP basis. For example, increases or decreases in compensated absences are not reported for budget basis purposes, but are presented as revenue or expenditures on the GAAP basis.

Indirect administrative cost allocations (including in-lieu property tax and franchise fees) charges to the Enterprise Funds are accounted for as transfers in or out on the budgetary basis, but are recorded as revenues and expenses on the GAAP basis.

Capital outlays in the Enterprise Funds are presented as expenses for budget basis, but are recorded as assets along with associated depreciation expense on the GAAP basis.

Debt service principal payments in the Enterprise Funds are accounted for as expenses for budget purposes, but are reported as reduction of long-term debt liability on the GAAP basis.

All actual amounts in the budget document are shown on the budgetary basis to facilitate meaningful comparisons. Budgeted funds include the General, Special Revenue, Internal Service, Debt Service, Enterprise, and Expendable Trust Fund.



Operating and Capital Budget Relationship/ Organization

The City of Scottsdale's Budget for 2002/03 is comprised of two segments:

Program Budget, which includes citizen services and debt service budgets.

Capital Budget, which includes all capital project budgets.

The Program Budget includes a five-year revenue and expenditure balanced financial plan. The five-year plan covers the period 2002/03 through 2006/07 and forecasts results of operations by fund and incorporates the operating expenses of capital improvements for the period. The Program Budget also includes fund summaries and presentations by City services without regard to fund. Each program is divided into subprograms and a summary of the budget by expenditure category is listed for each subprogram.

The Capital Budget and Five-Year Capital Improvement Plan are summarized in this publication with more detailed information for each project provided in a separate publication. Projects accounted for in Enterprise funds are included in the Capital Budget. Capital Budget funding sources are matched with budgeted expenditures. All future year operating impacts are noted in the Capital Budget and included in the five-year balanced financial plan.

Expenditures for the Five-Year Capital Improvement Plan are presented on a budget basis. Governmental accounting procedures require adequate budget to pay for an entire contract to be available and appropriated in the period in which a contract is entered; therefore, expenditures are presented on a budget basis as opposed to cash flow basis. For example, a 180 day construction contract entered into in May of fiscal year one would have cash expenditures from May of fiscal year one through October of fiscal year two, however, the entire budget for this contract must be appropriated in fiscal year one, the year in which the contract was entered; any unspent funds at fiscal year-end are carried forward and budgeted again in year two.

Funding sources for the five year plan are presented on budget basis except for transfers from the Program Budget which are presented cash basis. These revenue sources are presented in the period that the funding will be transferred in order to provide continuity between the Program Budget and the Capital Budget. As a result of presenting the transfer on the cash basis, funding sources do not equal budgeted expenditures in each period, creating a fund balance as cash accumulates for larger expenditures in later years. For further explanation of Capital Funding and expenditures, refer to Capital Improvement Plan discussion in the Capital Project Budget section.

City Council Mission and Broad Goals

Background/History

In the Fall of 2001 the Mayor and City Council jointly conducted a retreat to discuss their goals and priorities for Scottsdale. During this retreat City Council co-created a mission statement as well as seven broad goal categories.

The City Council's Mission and Broad Goals are a cornerstone tool for how City programs are created, enhanced, etc., during the budget cycle. The mission and broad goals represent key interests and priorities of the Mayor and City Council and also reflect their constituency's suggestions and expectations.

City Council approval of the Mission and Broad Goal statements enable staff to create a programmatic budget that directly responds to the Council's and community's goals and expectations.

Mission

It is the mission of the City of Scottsdale to build citizen trust by fostering/practicing open, accountable, and responsive government; to provide quality services; to provide long-term prosperity; to preserve Scottsdale's unique southwestern character; to plan and manage growth in harmony with its desert surroundings; and to promote livability by enhancing and protecting its neighborhoods. Quality of life for residents and visitors shall be the paramount consideration.

Broad Goals

- Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained.
- Preserve the character and environment of Scottsdale.
- Provide for the safe, efficient and affordable movement of people and goods.
- Position Scottsdale for long-term economic prosperity by diversifying our economic resources.
- Coordinate planning to balance infrastructure and resource needs within budget.
- Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations.
- Ensure Scottsdale is fiscally responsible and fair in its management of taxpayer money and City assets.

City of Scottsdale's Comprehensive Financial Policies

The following City financial policies establish the framework for Scottsdale's overall fiscal planning and management. They set forth guidelines against which current budgetary performance can be measured and proposals for future programs can be evaluated. Scottsdale's publicly adopted financial policies show the credit rating industry and prospective investors (bond buyers) the City's commitment to sound financial management and fiscal integrity. The financial policies also improve the City's fiscal stability by helping City officials plan fiscal strategy with a consistent approach. Adherence to adopted financial policies promote sound financial management which can lead to improvement in City bond ratings and lower cost of capital. The City is in compliance with the comprehensive financial policies adopted with this budget.

Operating Management Policies

- 1** All departments will participate in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources and future service requirements. In order to ensure compliance with policy, sunset provisions will be required on all grant program initiatives and incorporated into other service plans, as appropriate.
- 2** The budget process is intended to weigh all competing requests for City resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged.
- 3** Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and modified zero-base expenditure analysis that requires every program to be justified annually in terms of meeting intended objectives ("effectiveness criteria") and in terms of value received for dollars allocated ("efficiency criteria"). The process will include a diligent review of programs by staff, management, citizens and City Council.
- 4** A Citizen Budget Committee will be created annually at the very beginning of the budget development process to serve in an advisory capacity in reviewing operating and capital budget recommendations from a departmental, program, and goals perspective. Specific roles of the Committee, and its composition, will be determined by the City Council.

5 Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting practices (GAAP). All non-restricted revenues will be deposited in the General Fund and appropriated by the budget process.

6 Current revenues will fund current expenditures and a diversified and stable revenue system will be developed to protect programs from short-term fluctuations in any single revenue source.

7 Addition of personnel will only be requested to meet program initiatives and policy directives, after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, personnel cost reductions will be achieved through attrition.

8 Enterprise (Water, Sewer, Solid Waste Management, and Airport) user fees and charges will be examined annually to ensure that they recover all direct and indirect costs of service and be approved by the City Council. Any unfavorable balances in cost recovery will be highlighted in budget documents. Rate adjustments for enterprise operations will be based on five-year fund plans.

9 All non-enterprise user fees and charges will be examined annually to determine the direct and indirect cost of service recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the City Council.

10 Development impact fees, as permitted by state law, for capital expenses attributable to new development will be reviewed annually to ensure that fees recover all direct and indirect development-related expenses and be approved by City Council. Any unfavorable balances in cost recovery will be highlighted in budget documents.

11 Capital equipment replacement will be accomplished through the use of a "rental" rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for operation and replacement of vehicles and other capital equipment (fleet, computers, phones and copier systems). Replacement costs will be based upon equipment lifecycle financial analysis.

12 Grant funding will be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with grant monies will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process.

13 Balanced revenue and expenditure forecasts will be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be updated annually, focus on a three-year horizon, but include a five-year outlook.

14 Alternative means of service delivery will be evaluated to ensure that quality services are provided to our citizens at the most competitive and economical cost. Departments, in cooperation with the City Manager, will identify all activities that could be provided by another source and review options/alternatives to current service delivery. The review of service delivery alternatives and the need for the service will be performed annually or on an "opportunity" basis.

15 Cash and Investment programs will be maintained in accordance with the City Charter and the adopted investment policy and will ensure that proper controls and safeguards are maintained. City funds will be managed in a prudent and diligent manner with an emphasis on safety of principal, liquidity, and financial return on principal, in that order.

16 The City will follow an aggressive, consistent, but sensitive to the circumstances policy of collecting revenues to the limit of our ability. Collection policy goal will be for all adjusted uncollectible accounts to be no more than .5 of 1% of the total City revenue being adjusted for bad debts annually.

Capital Management Policies

1 A five-year Capital Improvement Plan will be developed and updated annually, including anticipated funding sources. Capital improvement projects are defined as infrastructure or equipment purchases or construction which results in a capitalized asset costing more than \$25,000 and having a useful (depreciable life) of two years or more.

2 The capital improvement plan will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

3 Proposed capital projects will be reviewed and prioritized by a cross-departmental team regarding accurate costing (design, capital, and operating) and overall consistency with the City's goals and objectives. Financing sources will then be identified for the highest ranking projects.

4 Capital improvement lifecycle costs will be coordinated with the development of the Operating Budget. Future operating, maintenance and replacement costs associated with new capital improvements will be forecast, matched to available revenue sources and included in the Operating Budget. Capital project contract awards will include

a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.

5 Dedicated two tenths of percent (.02%) privilege tax revenue for transportation improvements will be restricted to funding the planning, design, construction and acquisition costs associated with building, renovating, or enhancing capital projects for streets, highways, traffic control, transit and aviation.

City of Scottsdale's Comprehensive Financial Policies

6 Pay-as-you-go Capital Improvement Plan financing should account for a minimum of 25 percent of all capital improvement projects for each five-year planning period. Pay-as-you-go financing is defined as all sources of revenue other than City debt issuance, i.e., fund balance contributions, developer contributions, grants, endowments, etc.

7 Pay-as-you-go contributions up to 10% or \$500,000, whichever is less, may be authorized by City Council towards any single utility undergrounding improvement district. Any unused annual budget authorization may carryforward towards a maximum \$2 million appropriation for utility undergrounding capital projects that benefit the community as a whole.

Debt Management Policies

1 The City will seek to maintain and, if possible, improve our current bond rating in order to minimize borrowing costs and preserve access to credit.

2 An analysis showing how the new issue combined with current debt impacts the City's debt capacity and conformance with City debt policies will accompany every future bond issue proposal.

3 The City will communicate, and, where appropriate, coordinate with all jurisdictions with which we share a common tax base concerning our collective plans for future debt issues.

4 City Debt Service costs (GO, MPC, HURF, Revenue Bond, Mountain Preservation and Contractual Debt) should not exceed 25% of the City's operating revenue in order to control fixed costs and ensure expenditure flexibility. Improvement District (ID) and Community Facility District (CFD) debt service is not included in this calculation because it is paid by district property owners and is not an obligation of the general citizenry. Separate criteria have been established regarding ID and CFD debt policies.

5 General Obligation debt, which is supported by property tax revenues and grows in proportion to the City's assessed valuation and/or property tax rate increases, will be utilized as authorized by voters. Other types of voter-approved debt (e.g., water, sewer, and HURF) may also be utilized when they are supported by dedicated revenue sources (e.g., fees and user charges).

6 General Obligation debt issuances will be managed on an annual basis to match funds to Capital Improvement Plan cashflow requirements while being sensitive to the property tax burden on citizens. Careful management of bond issuances will allow the City to not exceed \$1.50 property tax per \$100 assessed value.

7 Municipal Property Corporation and contractual debt, which is non-voter approved, will be utilized only when a dedicated revenue source (e.g., golf course revenue, bed tax) can be identified to pay debt service expenses. The following considerations will be made to the question of pledging of project (facility) revenues towards debt service requirements:

- The project requires monies not available from other sources.
- Matching fund monies are available which may be lost if not applied for in a timely manner.
- Catastrophic conditions.
- The project to be financed will generate net positive revenues (i.e., the additional tax revenues generated by the project will be greater than the debt service requirements). The net revenues should not simply be positive over the life of the bonds, but must be positive each year within a reasonably short period (e.g., by the third year of debt service payments).

8 McDowell Mountain Preservation debt service will be funded by the dedicated .2% privilege tax. The City's privilege tax to debt service goal will be at least 1.5:1 for senior lien debt to ensure the City's ability to pay for preserve debt from this elastic revenue source.

9 Improvement District (ID) and Community Facility District *(CFD) Bonds shall be permitted only when there is a general City benefit. ID and CFD bonds will be utilized only when it is expected that they will be issued for their full term. It is intended that ID and CFD bonds will be primarily issued for existing neighborhoods desiring improvements to their property such as roads, water lines, sewer lines, streetlights, and drainage.

• Improvement District debt will be permitted only when the full cash value of the property, as reported by the Assessor's Office, to debt ratio (prior to improvements being installed) is a minimum of 3/1 prior to issuance of debt and 5/1 or higher after construction of improvements. Should the full cash value to debt ratio not meet the minimum requirements, property value may be determined by an appraisal paid for by the applicant and administered by the City. In addition, the City's cumulative improvement district debt will not exceed 5 percent of the City's secondary assessed valuation. Bonds issued to finance improvement district projects will not have maturities longer than ten years.

• Community Facility District debt will be permitted only when the full cash value of the property, as reported by the Assessor's Office, to debt ratio (prior to improvements being installed) is a minimum of 3/1 prior to issuance of debt and 5/1 or higher after construction of improvements. In addition, the City's cumulative facility district debt will not exceed 5 percent of the City's secondary assessed valuation. The landowner/developer shall also contribute \$.25 in public infrastructure improvement costs of each dollar of public infrastructure improvement debt to be financed by the district.

10 Debt financing should not exceed the useful life of the infrastructure improvement with the average (weighted) bond maturities at or below ten years.

11 A ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the City's ability to pay short-term obligations.

12 Bond interest earnings will be limited to funding changes to the bond financed Capital Improvement Plan, as approved by City Council, or be applied to debt service payment on the bonds issued for construction of this plan.

13 Utility rates will be set, as a minimum, to ensure the ratio of revenue to debt service meets our bond indenture requirement of 1.2/1. The City goal will be to maintain a minimum ratio of utility revenue to debt service of 1.6/1 or greater, to ensure debt coverage in times of revenue fluctuations attributable to weather or other causes, and to ensure a balanced pay-as-you-go Capital Improvement Plan.

•••••
• City of Scottsdale's Comprehensive
• Financial Policies
•••••

Reserve Policies

- 1** All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's balanced five year financial plan.
- 2** General Fund Stabilization Reserve of 10 percent of annual general governmental (General/HURF funds) operating expenditures will be maintained for unforeseen emergencies or catastrophic impacts to the City. Reserve funds in excess of 10 percent, but not to exceed \$5 million, may be used for economic investment in the community when justified by the financial return to the City.
- 3** Water and Sewer Replacement and Extension Reserve will be maintained to ensure adequate funding for infrastructure deterioration repair. A minimum requirement of 2% of all tangible assets of the system will be maintained per bond indenture requirements. In addition, a Water and Sewer utility weather contingency will be funded to provide sufficient expenditure flexibility during times of unusual weather resulting in variations in average consumption and associated operating expenses.
- 4** Water and Sewer Unrestricted Fund Balance goal will be 50 percent of annual expenditure requirements for unforeseen emergencies or catastrophic impacts to the City's water and sewer enterprise operations.
- 5** Solid Waste Management Reserve will be maintained at a minimum of 15% of operating expenses to provide contingency funding for costs associated with solid waste disposal. Costs may include site purchase, technology applications, or intergovernmental investment to maximize the value of waste disposal activities.
- 6** Self-Insurance Reserves will be maintained at a level, which, together with purchased insurance policies, will adequately indemnify the City's property, liability, and health benefit risk. A qualified actuarial firm shall be retained on an annual basis in order to recommend appropriate funding levels, which will be approved by Council.
- 7** Fleet Management Reserve will be maintained based upon lifecycle replacement plans to ensure adequate fund balance required for systematic replacement of fleet vehicles and operational contingencies. Operating departments will be charged for fleet operating costs per vehicle class and replacement costs spread over the useful life of the vehicles.
- 8** Contingency Reserves to be determined annually will be maintained to offset unanticipated revenue shortfalls and/or unexpected expenditure increases. Contingency reserves may also be used for unanticipated and/or inadequately budgeted events threatening the public health or safety. Use of

contingency funds should be utilized only after all budget sources have been examined for available funds, and subject to City Council approval.

Financial Reporting Policies

- 1** The City's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).



- 2** An annual audit will be performed by an independent public accounting firm, with an audit opinion to be included with the City's published Comprehensive Annual Financial Report (CAFR).
- 3** The City's CAFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial Reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions, disclose thoroughness and detail sufficiency, and minimize ambiguities and potentials for misleading inference.
- 4** The City's CAFR will also be submitted to the National Federation of Municipal Analysts (NFMA) Awards Program and to national repositories identified by the NFMA as a continuing commitment to disclose thoroughness to enable investors to make informed decisions.
- 5** The City's Budget will be submitted to the GFOA Distinguished Budget Presentation Program. The budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends and resource choices.
- 6** Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis.

Citizen Survey Results

The Scottsdale Citizen Survey is conducted annually to gain insight into trends in citizen satisfaction with the services the City provides, as well as how citizens feel the City is doing in general, what they like most about living here, and what they like least about living here. The results are used to assist in organizational performance assessment, help establish budget priorities, and as a guide for ongoing strategic planning efforts.

Results of the survey are valid at the 96% confidence level, meaning that if the survey were conducted 100 times, the same results would occur 96 times. The sampling error is plus or minus 4%, meaning if 96% indicated satisfaction, the actual percentage ranges between 92% and 100%.

The survey was conducted by O'Neil Associates, Inc., under the direction of Michael J. O'Neil, Ph.D. Dr. O'Neil has considerable experience in designing, conducting, and analyzing survey research projects, and has overseen hundreds of research projects in Arizona for a wide range of clients.

Ratings of Overall Satisfaction with Services

Of the 600 citizens responding to the survey, 96 percent rated overall city services "very good" or "good" the same combined percentage as in 2000. However, the number giving city services the highest, or "very good" rating, rose to 52 from 34 percent in 2000.

	1998	1999	2000	2001
Very good	31%	31%	34%	52%
Good	65%	63%	62%	44%
Poor	4%	3%	5%	3%
Very poor	1%	1%	1%	0%

Ratings of Selected City Services

Satisfaction ratings for specific city services remained within a few percentage points of 2000 levels, with the notable exception of traffic flow and signalization. The combined "good" and "very good" rating rose from 50 to 66 percent - a gain of 16 percent.

	1998	1999	2000	2001
Library services	98%	98%	98%	97%
Recreational programs	98%	95%	95%	96%
Emergency medical	98%	97%	96%	98%
Fire services	99%	98%	98%	99%
Parks and open spaces	95%	93%	90%	96%
Development and design	55%	65%	69%	72%
Police	94%	93%	91%	94%
Water and sewer services	95%	93%	90%	91%
Drainage control	82%	75%	82%	86%
Residential refuse/garbage collection	93%	92%	93%	95%
Traffic flow and signalization	49%	50%	50%	66%
Bus and Dial-a-Ride services	48%	43%	53%	60%
Street maintenance	83%	82%	83%	88%
Community arts and cultural programs	95%	93%	93%	95%
Recycling services	86%	89%	88%	89%
Code enforcement	-	79%	78%	81%
Citizen communication	82%	76%	84%	83%

Scottsdale as a Place to Raise a Family

The percentage of respondents rating Scottsdale as a very good or good place to raise a family remained at 96 percent.

Rating of Overall Quality of Life

A new portion of the survey asked residents to rate the importance of each city service to their overall quality of life, as well. Residents rated fire, police and emergency medical services at the top, following by water, sewer and refuse service.

	Extremely or Very Important
Fire services	95%
Police	95%
Emergency medical	91%
Water and sewer services	89%
Residential refuse/garbage collection	87%
Traffic flow and signalization	86%
Street maintenance	79%
Drainage control	76%
Parks and open spaces	74%
Library services	69%
Recycling services	68%
Code enforcement	65%
Development and design	62%
Citizen communication	62%
Recreational programs	54%
Community arts and cultural programs	45%
Bus and Dial-a-Ride services	31%

Neighborhoods

There was very little change, as well, in perceptions about quality of life in Scottsdale neighborhoods. Overall, 15 percent said their quality of life is better than last year, 73 percent said it is the same, and 12 percent said it is worse. Those numbers are nearly identical to 2000.

- The Citizen Survey results suggest special attention should be given to the following:
- Biggest Issues: Growth and Traffic
- When asked to name the biggest problem facing Scottsdale today, about 38 percent mentioned growth and 22 percent cited transportation issues. Citizens have named growth as the top issue since 1995, when it overtook traffic as the most-cited problem.
- Other Issues Facing Scottsdale:
- Among those citing other top issues, 9 percent named city government and 7 percent cited plans for the Los Arcos Mall area.



Budget Highlights

To ensure legal compliance and financial management for various restricted revenues and program expenditures, the City's accounting and budget structure is segregated into various funds. This approach is unique to the government sector. "Fund" accounting segregates certain functions and activities into separate self-balancing funds that are created and maintained for specific purposes; for example, special revenue funds are used to account for the expenditure of restricted revenues, while enterprise funds account for self-sustaining "business" related activities for which a fee is charged to cover all costs associated with that business. The General Fund is the "catch-all" fund. It accounts for unrestricted resources, and all activities for which a special fund is not necessary.

A brief overview of the City's budgeted revenues and expenditures, without regard to fund type, is presented below followed by a more in depth look at the budget by these various funds. The "all funds" view is meaningful from the standpoint viewing the budget as a whole; however, the "by fund" view provides more meaningful information regarding sources and uses of restricted and unrestricted resources. The Program, Capital Projects, and Debt Service sections of this budget are shown without reference to fund types.

Budget Resources - All Funds

Revenue determines Scottsdale's capacity to provide program/direct services to our citizens. The major revenue sources, which provide funding for services, debt service, and pay-as-you-go capital improvements, are identified in total in the table on page 24 and described briefly below. Underlying assumptions for revenue estimates and significant revenue trends are discussed in more detail within the various funds following this overview.

Local Taxes

Local Taxes, \$172.0 million, representing 44% of resources, are Scottsdale's largest source of revenue. They are comprised of:

Privilege taxes (\$117.1 million). Scottsdale's local privilege tax is obtained from the 1.4 percent tax on retail and other sales. Of the total, \$84 million is unrestricted, and therefore is receipted to the General Fund to pay for general governmental services such as police and fire protection, parks, recreational activities and senior programs. The remaining \$33.1 million is restricted - approximately half for transportation purposes and half for purchase of land within the McDowell Sonoran Preserve. Because of this restricted use, these funds are accounted for in Special Revenue Funds.

Property taxes (\$39.2 million). Property taxes are levied on the assessed value of all property within the City to help pay for unrestricted services and debt service on voter approved bonds. The unrestricted portion, \$15.4 million, is a General Fund revenue, while the balance, \$23.8 million, is received in the Risk Fund, an Internal Service Fund (\$1.0 million) as a reimbursement to the city for the cost of liability claim judgments as allowed by state statute, and in the Debt Service Fund (\$22.8 million) to pay principal and interest on general obligation bonds. The Property Tax Rate Comparison table below shows

the property tax rate that will be directed to each of these funds. For instance, in 2002/03, a property owner will, in total, pay \$1.15 per \$100 assessed value (AV); \$0.48 will become General Fund revenue, \$0.03 Risk Fund revenue and \$0.64 Debt Service revenue. Considering all taxable properties within Scottsdale, this will amount to \$15.4 million for the General Fund, \$1.0 million for the Risk Fund and \$22.8 million for the Debt Service Fund.

Transient occupancy taxes (\$7.6 million). Scottsdale collects a 3 percent tax on hotel and motel room rentals. This revenue is initially receipted to the General Fund where 1/3 of it is used for unrestricted services, and 2/3 restricted for tourism/hospitality purposes. The restricted portion is apportioned to various funds depending on how it was budgeted, i.e. for debt service, capital improvements, or tourism contract.

CONTINUED ON PAGE 24

**Property Tax Rate Comparison
(Per \$100 Assessed Value)**

Assessed Value	Actual 1999/00	Actual 2000/01	Actual 2001/02	Adopted 2002/03
Primary AV Growth Rate	15.5%	15.3%	14.1%	9.7%
Primary Tax Rate - Gen Fund	\$0.49	\$0.49	\$0.47	\$0.48
Primary Tax Rate - Risk Fund	0.06	0.04	0.01	0.03
Secondary Tax Rate - Debt Fund	0.83	0.65	0.67	0.64
Combined Tax Property Tax Rate	\$1.38	\$1.18	\$1.15	\$1.15

Other franchise and in-lieu taxes (\$8.2 million). The City collects a franchise tax on revenues from utility and cable companies for use of City rights-of-way, in-lieu property tax from public utilities operating within Scottsdale, and a fire insurance premium tax. These are all unrestricted revenues used for general governmental purposes (General Fund).

Enterprise User Fees

Representing nearly 30% of resources, Enterprise User Fees are the second largest source of revenue for the City. They are comprised of utility services charges – water, sewer, and solid waste removal (\$109.1 million), and aviation user fees (\$2.4 million) for a total of \$111.5 million. User fees and charges are established to promote efficiency by shifting payment of costs to specific users of services and avoiding general taxation. The revenues and associated expenditures are accounted for in Enterprise Funds.

State-Shared Revenues

State-shared revenues, \$36.8 million, consists of shared sales tax (\$15.8 million), and shared income tax (\$21.0 million). These unrestricted revenues are collected by the state, and a portion is shared with cities and towns based upon population to be used for any governmental purpose.

Grant Revenue

Grant Revenue, \$31.6 million, includes \$8.8 million for grants awarded in 2001/02 and earlier that extend into 2002/03, and \$22.8 million for grants that may be available, but as of the adoption of this budget, the grant availability had not been determined. The city will only expend grant funds that have been awarded by the appropriate agency and accepted by City Council. Grant revenue and expenditures are accounted for in a Special Revenue Fund.

Transportation Revenue

Transportation Revenue, \$21.0 million, includes Highway User Revenue Fund Gas Tax (\$13.1 million), Auto Lieu taxes (\$6.7 million), and Local Transportation Assistance Fund – shared state lottery funds (\$1.2 million). These revenues are accounted for in a Special Revenue Fund. Except for Auto Lieu taxes, by state law, these revenues are restricted and must be used for transportation purposes. The City chooses to restrict Auto Lieu taxes to transportation purposes to provide an additional funding source, as transportation expenditures exceed the restricted revenue received.

Licenses, Permits, and Fees

Licenses, Permits, and Fees, \$48.8 million, includes fees collected as part of the development process, including water and sewer development fees (\$28.2 million) and building, electrical, mechanical, and plumbing permits (\$15.5 million); revenue from various business licensing and permits (\$1.7 million); and recreation fees (\$3.4 million). Water and sewer development fees are restricted and used to provide utility infrastructure supporting development; all other fees are unrestricted revenues that provide funding for development services, business licensing, recreation programs and other general services.

Fines and Forfeitures

Fines and Forfeitures, \$5.2 million, includes court, photo radar, parking and library fines. All are unrestricted in use and are accounted for in the General Fund where expenditures associated with courts, traffic and parking enforcement, and library services are budgeted.

Interest and Property Rental

Interest and Property Rental, \$22.6 million, includes interest earnings on cash balances in each fund (\$19.2 million) and is accounted for in the fund where earned. Bond interest earnings, which accrues to the Capital Projects Bond Fund, is restricted to only purposes allowed by the bond authorization. Non-bond interest earnings is restricted to the purpose of the

CONTINUED ON PAGE 25

Revenue Source	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Local Taxes	\$160.4	\$173.8	\$164.6	\$172.0
Enterprise User Fees	99.7	107.0	106.1	111.5
State-Shared Taxes	35.0	37.4	36.0	36.8
Grant Revenue	19.4	33.5	21.4	31.6
Transportation Revenue	20.7	22.0	20.5	21.0
Licenses, Permits & Fees	47.9	42.1	36.6	48.8
Fines and Forfeitures	4.9	6.0	4.6	5.2
Interest/Property Rental	26.8	20.8	19.3	22.6
Improvement Districts	3.0	3.1	2.9	2.7
Special Revenue	4.6	4.4	4.4	12.1
Other Miscellaneous	5.2	5.7	6.2	6.7
Bond Proceeds	35.0	90.0	68.0	92.5
Expendable Trust	2.7	1.5	0.6	1.3
Total Revenue	\$465.2	\$547.3	\$491.2	\$564.9
Capital Projects Carryover		345.8		315.0
Total Resources	\$465.2	\$893.1	\$491.2	\$879.9

CONTINUED FROM PAGE 24

fund in which it was earned. Property rental revenue (\$3.4 million), accounted for in various funds, is also restricted to the extent that it must be used within the fund where earned.

Improvement District Revenue

Improvement District Revenue, \$2.7 million, is collected from property owners within each district based on scheduled debt payments relating to bonds issued to pay for improvements within the district. This revenue is received in the Debt Service Fund and expended in that fund for principal and interest payments on Special Assessment bonds.

Special Revenue

Special Revenue, \$12.1 million, represents miscellaneous restricted revenue such as donations, a developer contributions, or user fees, with the expectation that the funds will be used for the intended purpose. For example, a donation for library materials, park enhancements, memorial trees and benches, surcharge on traffic tickets restricted for court enhancements, and developer contributions to capital projects such as widening of a roadway to accommodate increased volume resulting from a specific development. Approximately \$2.5 million of this total is budgeted in Special Revenue Funds, and \$9.6 million in Capital Projects Funds.

Miscellaneous Revenue

Miscellaneous Revenue, \$6.1 million, consists of all other miscellaneous revenue in all funds. It is used for purposes specified by the type of fund in which it is received; for instance, approximately \$2.0 million in miscellaneous revenue is expected to be received in the General Fund based on historical trend, and the funds will be used to offset the cost of providing general governmental services. Likewise, Enterprise Miscellaneous Revenue will be used to provide Enterprise services.

Bond Proceeds

Bond Proceeds, \$92.5 million, includes general obligation bonds to be issued for specific projects as authorized by voters in September 2000 (\$60.4 million); general obligation bonds to be issued for preserve land purchases (\$15.0 million); and Municipal Properties Corporation bonds to be issued to acquire land for parking adjacent to the WestWorld Equestrian Facility (\$9.9 million), construction of the Loloma District Fleischer Museum (\$3.0 million), and projects to mitigate arsenic in drinking water (\$4.2 million).

Expendable Trust Revenue

Expendable Trust Revenue, \$1.3 million, consists of funds received and held by the city in a "trustee" capacity. They are accounted for in an Expendable Trust Fund.

Total Budget Uses - All Funds

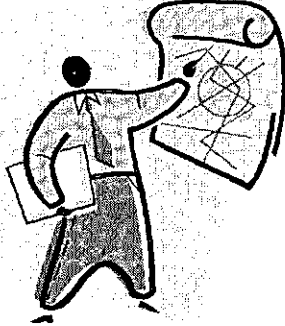
Scottsdale's Program Budget – the best measure of the costs of services to citizens – decreases slightly from 2001/02 Adopted Budget of \$278.5 million to \$277.9 million in 2002/03. This budget supports current service levels, with few enhancements, to achieve the Broad Goals identified by City Council and citizens. Increases in some programs have been balanced with decreases either within the same program or in other programs.

The Total Budget (\$870.3 million), in addition to programs, includes debt service — \$77.2 million; expendable trust activity - \$1.3 million; and capital projects budget — \$513.9 million. When the budget was adopted by City Council in June 2002, an additional \$29.0 million was added to the legal budget forms to allow for the potential use of reserves and contingencies, resulting in a total "legal" appropriation of \$899.3 million. This total legal appropriation includes allowances for expenditures, some of which may not actually be expended until the following year or not at all. Examples of these budgetary items include: an estimate of purchase order 're-budgets' from the prior fiscal year, 're-budgets' of authorized, but unexpended capital projects budgets for the prior fiscal year, 2002-03 capital projects budgets that may not be fully expended until the following year, reserves and contingencies that will only be expended with City Council authorization via a Council Action during 2002/03, and allowances for possible grant awards in the new fiscal year. All of these items are budgeted in their entirety for full disclosure and legal authority, yet may not result in actual expenditures during the coming fiscal year.

**Total Budget Comparison
In Millions of Dollars**

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure Type				
Programs	\$226.5	\$278.5	\$246.3	\$277.9
Debt Service	69.4	72.7	70.8	77.2
Total Program Budget	\$295.9	\$351.2	\$317.1	\$355.1
Capital Projects Budget	126.4	513.8	176.5	513.9
Expendable Trusts	2.9	1.5	0.9	1.3
Total Budget	\$425.2	\$866.5	\$494.5	\$870.3

General Fund Highlights



The General Fund is the general operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government. Included in these services are police and fire protection, parks and recreation, planning and economic development, general administration of the City, and any other activity for which a special fund has not been created.

Financial Policies

The City's comprehensive financial policies are show in the Process/ Policies section, and in general, apply to all funds. Specific policies relating to the General fund are as follows:

A Stabilization Reserve will be maintained as part of the General Fund balance to help offset operating revenue sources which are most susceptible to changes in the economy. The ultimate goal is for the Economic Stabilization Reserve balance to be 10 percent of annual general governmental (General/Highway User Revenue Fund) operating expenditures. Reserve funds in excess of 10 percent, but not to exceed \$5 million, may be used for economic investment in the community when justified by the financial return to the city.

Contingency reserves to be determined annually will be maintained to offset unanticipated revenue shortfalls and/or unexpected expenditure increase. Contingency reserves may also be used for unanticipated and/or inadequately budgeted events threatening the public health or safety. Use of contingency funds should be utilized only after all budget sources have been examined for available funds.

Economic Overview

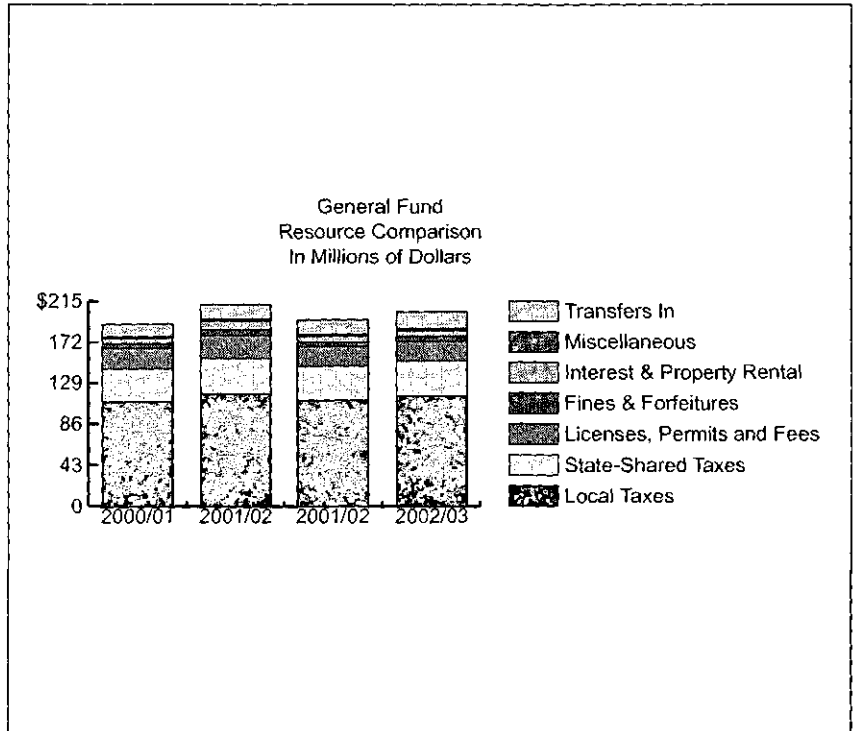
Economic conditions play a major role in the City's ability to provide services and build needed infrastructure for current and future residents. The major General Fund revenues – privilege tax, transient occupancy tax, development fees, and interest earnings — tend to be highly "elastic", meaning they vary directly with economic conditions. Due to the recent downturn in the economy, which in turn had an effect on General Fund revenues, it was especially important this year to carefully weigh all existing programs against proposed new programs, to create a budget that addresses City Council priorities while remaining within projected resources and maintaining reserves.

Resources - General Fund

General fund resources include both revenues and transfers in from enterprise funds. Enterprise funds account for operations similarly to private businesses whereby the cost of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges. Since general fund operations provide a variety of services, e.g. payroll, utility billing, etc., to enterprise funds, a transfer is made to cover the cost of services.

Revenue and transfers determine Scottsdale's capacity to provide program services to our citizens. The major resources, which fund the program budget, debt service and capital projects, are identified in the table below.

Estimated revenue for 2002/03 increases \$5.8 million (3.2%) over estimated 2001/02. Increases from prior year forecast are from sales taxes \$2.0 million (2.4%), the primary portion of property taxes \$1.1 million (7.7%), and state-shared tax revenues \$0.8 million (2.0%). Forecast increases in sales tax, permits and fees, and interest earnings are much lower than in last several years, and continued slow growth for Arizona and Scottsdale is predicted into the future.



General Fund Resource Comparison In Millions of Dollars

Revenue Source	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Local Taxes	\$109.2	\$117.5	\$110.5	\$115.2
State-Shared Taxes	35.0	37.4	36.0	36.8
Licenses, Permits, and Fees	18.5	20.7	17.2	17.3
Recreation Fees	3.0	3.4	3.4	3.4
Fines and Forfeitures	4.9	6.0	4.6	5.2
Interest and Property Rental	5.7	9.3	6.5	6.1
Miscellaneous	1.3	1.9	1.9	1.9
Total Revenue Source	\$177.6	\$196.2	\$180.1	\$185.9
Transfers In	13.3	14.9	15.0	17.7
Total Resources	\$190.9	\$211.1	\$195.1	\$203.6

Underlying assumptions and significant revenue trends for each major revenue source are shown on the following pages.

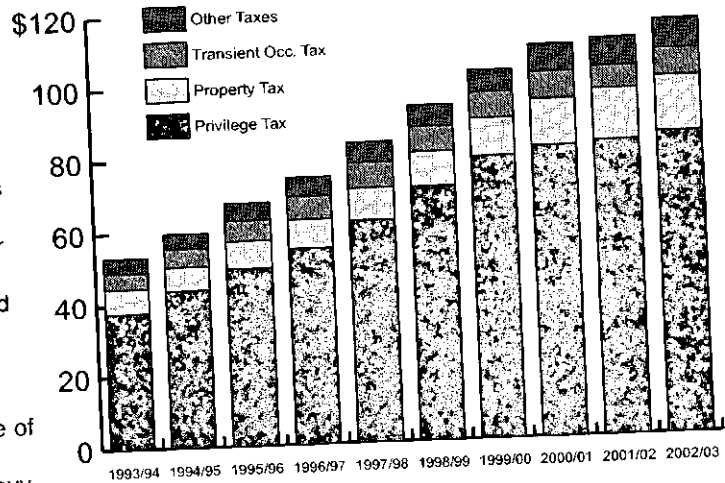
Local Tax Revenues

Local Tax Revenues, representing 62 percent of general fund operating resources, are the General Fund's largest source of revenue. With the exception of property taxes, these are all "elastic" revenues, meaning they vary directly with the economy - when the economy is good, they increase, as people are spending money and traveling, and during an economic downturn, the opposite is true. Local taxes are comprised of:

Privilege Tax (\$84.0 million)

Privilege Tax Scottsdale's Local Sales Tax is obtained from the 1.0 percent tax on retail and other sales. It also includes application and penalty fees. This portion of the sales tax is used for general governmental operations and the repayment of excise debt. After nine consecutive years of double-digit growth, the 2001/02 forecast for sales tax is for 1.1 percent over actual 2000/01 revenues - primarily due to a combination of the recession and the severe downturn in tourism directly after the 9/11 terrorist attack. Tourism has slowly rebound over the months since September 2001, and the sales tax forecast for 2002/03 is a conservative 2.4 percent higher than 2001/02 forecast. Although the hotel category of sales tax collections is down significantly - 17.2 percent from prior year, and miscellaneous retail is down 5.4 percent, all other sales tax categories are still reflecting Scottsdale's diversity and economic strength: automotive up 7 percent, major department stores up 7 percent, rental up 9 percent, utilities up 9 percent, and construction, food stores, and restaurants all up 3 percent.

General Fund
Local Tax Comparison
Actual and Forecasted
In Millions of Dollars



Property Tax (\$15.4 million)

A Primary Property Tax is levied on the assessed value of all property within the City to help pay for City general governmental operation costs. The primary property levy is limited to a 2 percent increase per year, plus an allowance for annexations and new construction. Another component of the primary property tax accounts for the reimbursement to the city for the cost of liability claim judgments as allowed by state statute. This component becomes revenue to the risk fund and will be discussed more fully in the internal service funds section. Primary property tax accounts for 8.3 percent of general fund revenue. This revenue is forecast to increase by \$1.1 million (7.7 percent) from 2001/02. The increase is due to an increase in assessed valuation - 5.8 percent from new construction and 3.9 percent average increase in existing properties. The primary property tax rate of \$0.48 per \$100 of assessed valuation will result in a levy of \$48 for the owner of a home valued at \$100,000.

General Fund
Local Tax Comparison
Actual and Forecasted
In Millions of Dollars

Fiscal Year	Privilege Tax	Primary Property Tax	Transit Occupancy Tax	Other Taxes
1993/94	\$37.7	\$6.9	\$4.5	\$4.1
1994/95	43.8	6.6	5.0	4.2
1995/96	49.5	7.6	5.7	4.8
1996/97	54.5	8.1	6.5	5.2
1997/98	61.8	9.0	7.1	5.7
1998/99	70.7	9.7	7.0	5.9
1999/00	78.6	10.6	7.2	6.1
2000/01	81.1	12.9	7.6	7.6
2001/02 Forecast	82.1	14.3	6.3	7.8
2002/03 Forecast	84.0	15.4	7.6	8.2

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Transient Occupancy Tax (\$7.6 million)

Scottsdale collects a 3 percent Transient Occupancy (bed) Tax on hotel and motel room rentals in addition to the sales tax. One-third of this tax is used to pay for general fund operations. The other two-thirds is restricted for use for tourism and hospitality purposes and pays for contracts to increase tourism and debt service for destination attractions. The 2001/02 adopted budget of \$8 million was 6.2 percent higher than 2000/01 actual revenues; however due to the drop in tourism following the terrorist attack, the forecast was first revised to \$4 million, and later increased to \$6.3 million. The actual year-end revenue will likely be higher than forecast, but we are cautious until the peak tourism season results are known. The 2002/03 forecast is \$7.6 million, approximately the same amount as actual revenue for 2000/01.

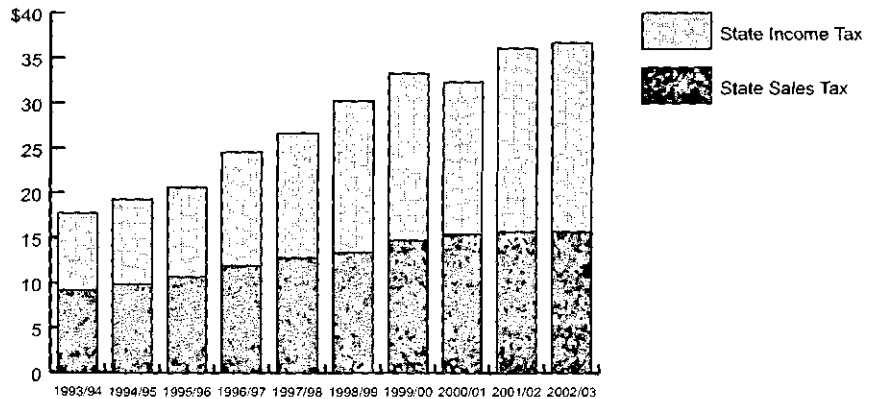
Other Taxes — Franchise and In-Lieu Property Taxes (\$8.2 million)

Other local taxes include franchise taxes charged on revenues from utility companies and cable companies for use of City right-of-ways, an in-lieu property tax for municipal utilities, and a fire insurance premium tax which is used to help supplement fire protection service costs. These revenues are predicted to increase by 5% based on historical growth trends.

State-Shared Tax Revenues

State-Shared Tax Revenues include the state sales tax and income tax collections which are shared with cities and towns based upon population, and represent 19% of General Fund Revenues. The formula for distribution of these two revenues is based upon the relation of the City's population to the total state population. The State Department of Revenue collects, distribute funds and provides revenue forecasts to cities and towns for these revenue sources. Scottsdale's state-shared tax share increased very slightly in 2001/02 due to continued growth and the 2000 census results. Consensus economic predictions are for economic slow growth statewide but our conservative budget estimate is for modest growth (2%) for this revenue source.

General Fund
State-Shared Tax Revenues Comparison
Actual and Forecasted
In Millions of Dollars



State Sales Tax (\$15.7 million)

State shared sales tax is budgeted at 0.7% higher than 2001/02 forecast due to a generally sluggish economy. Our 2002/03 budget forecast is conservative – 4% less than the forecast provided by the Arizona Department of Revenue. Future years assume 2%-3% increases over the five year forecast period.

General Fund
State-Shared Tax Revenues Comparison
Actual and Forecasted
In Millions of Dollars

Fiscal Year	State Sales	State Income
1993/94	\$9.2	\$8.5
1994/95	9.9	9.4
1995/96	10.7	9.9
1996/97	11.9	12.7
1997/98	12.8	13.9
1998/99	13.4	16.8
1999/00	14.7	18.6
2000/01	15.4	19.6
2001/02 Forecast	15.7	20.4
2002/03 Forecast	15.7	21.0

State Income Tax (\$21.0 million)

State shared income tax is budgeted at 3.4% higher than 2001/02. Cities and towns share in a portion of the 5 percent sales tax collected by the State. Fifty percent is retained by the State, forty percent designated for schools, and the remaining ten percent allocated to cities and towns based on percentage of population. Cities and towns in Arizona are prohibited from levying an Income Tax but are entitled to 15 percent of state income tax collections from two years previous. For example, the revenue distribution for 2002/03 will come from the income tax paid in 2001, on income earned in calendar year 2000.

Licenses, Permits & Fees Revenues

Licenses, permits & fees revenues include revenue from various business licenses, all fees recovered as a part of the development process, and recreation fees. This includes building, electrical, mechanical, and plumbing permits. Subdivision, zoning, and plan check fees are also included in this category. Recreation Fees include revenue from the various recreational programs, classes, entry fees, and WestWorld Equestrian Facility event revenue. In accordance with Scottsdale's financial policy, all fees and charges are reviewed annually.

Scottsdale's development activity is slowing as our community is changing from a growing place to one that focuses more on sustaining its high quality of life. New commercial and residential construction activity is expected to continue, but at a slower pace due to the attractiveness of Scottsdale, the low commercial vacancy rates along with low mortgage interest rates.

Development Permits (\$15.5 million) and Business Licenses (\$1.7 million)

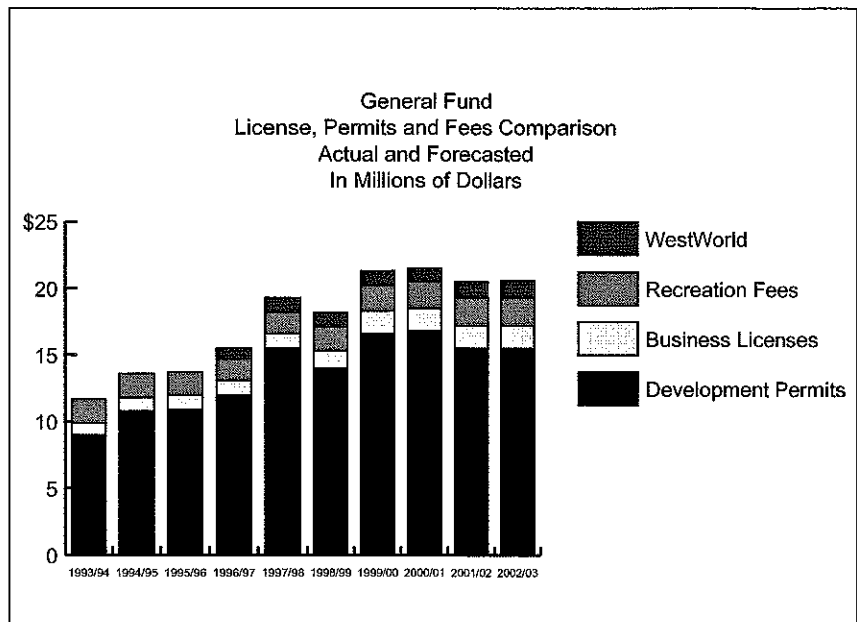
Commercial construction is expected to remain steady as a result of the completion of the Pima (101) Freeway, which will spur activity in the Perimeter Center and Horseman's Park areas, as well as continued investment in the Scottsdale Airpark area, and the possible start of large in-fill projects such as Loloma, Los Arcos, the Waterfront, Northsight, and the former PCS site.

The housing growth that continues to occur will be focused more on the custom home segment, with values over \$400,000 while the construction of production homes and multifamily housing will continue to decline. In addition, single-family remodeling and fix-up activity has been increasing at a fast pace and likely will grow more as the housing stock matures.

Although the 2002/03 development permit revenue forecast is very conservative as compared to Scottsdale's history for the past 20 years, it considers the complexity of changes in the development activity that are occurring in the community. These trends are continually monitored in order to make management adjustments throughout each fiscal year.

Recreation Fees (\$3.4 million).

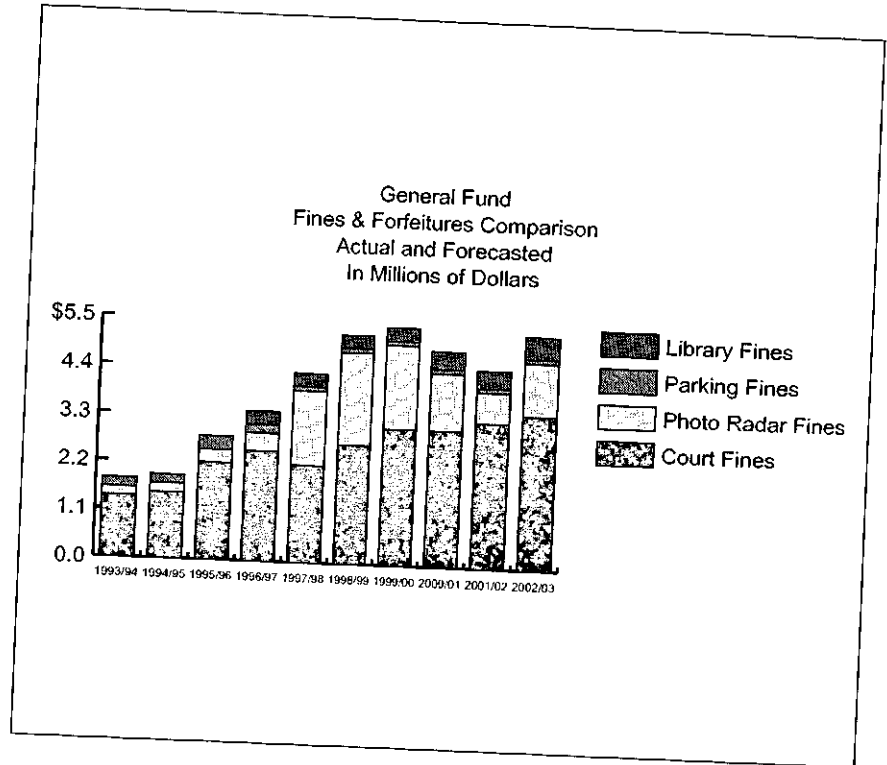
Recreation Fees (\$2.1 million) include revenue from the various recreational programs, classes, entry fees, and WestWorld Equestrian Facility event revenue (\$1.3 million). In accordance with the City's financial policies, recreation fees are reviewed and adjusted annually.



Fiscal Year	Development Permits	Business Licenses	Recreation Fees	WestWorld
1993/94	\$9.0	\$0.9	\$1.8	-
1994/95	10.8	1.0	1.8	-
1995/96	10.9	1.1	1.7	-
1996/97	12.0	1.1	1.6	\$0.8
1997/98	15.5	1.1	1.6	1.1
1998/99	14.0	1.3	1.8	1.1
1999/00	16.6	1.7	1.9	1.1
2000/01	16.8	1.7	2.0	1.0
2001/02 Forecast	15.5	1.7	2.1	1.2
2002/03 Forecast	15.5	1.7	2.1	1.3

Fines and Forfeiture Revenues

Fines and Forfeiture Revenue includes court, photo radar, parking, and library fines. These revenues are expected to remain fairly flat, with the exception of photo radar revenue, which is expected to increase with the award of a new contract that includes more red-light cameras; however, the use of photo radar is intended as a deterrent to unsafe driving, not as a revenue producer.

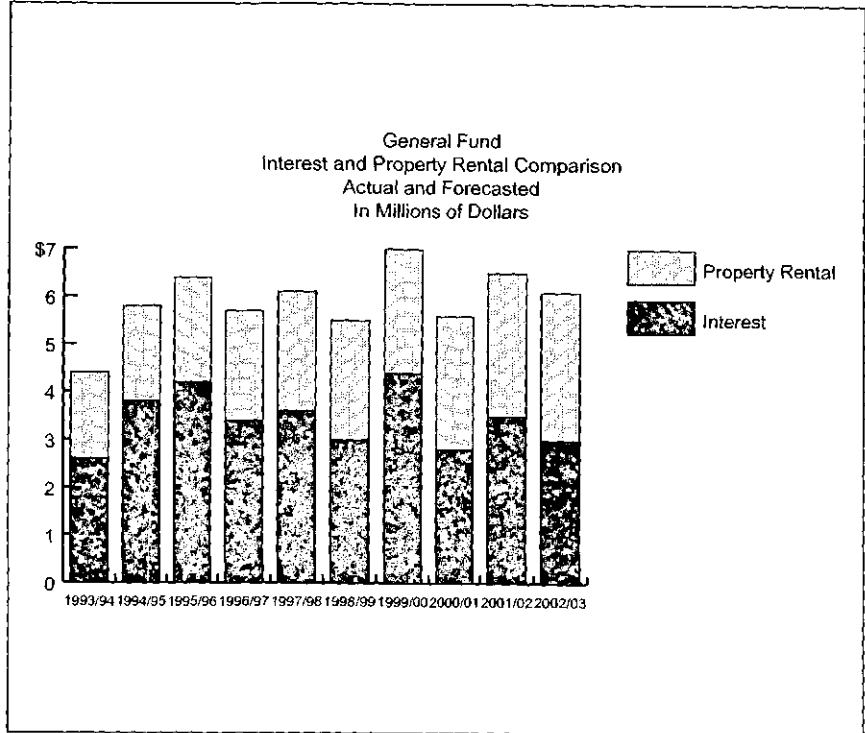


**General Fund
Fines & Forfeiture Fees Comparison
In Millions of Dollars**

Fiscal Year	Court Fines	Photo Radar Fines	Parking Fines	Library Fines
1993/94	\$1.4	\$0.2	\$0.2	-
1994/95	1.5	0.2	0.2	-
1995/96	2.2	0.3	0.3	-
1996/97	2.5	0.4	0.2	\$0.3
1997/98	2.2	1.7	0.1	0.3
1998/99	2.7	2.1	0.1	0.3
1999/00	3.1	1.9	0.1	0.3
2000/01	3.1	1.3	0.1	0.4
2001/02 Forecast	3.3	0.7	0.1	0.4
2002/03 Forecast	3.5	1.2	0.1	0.5

Interest and Property Rental Revenues

Interest and Property Rental includes interest earnings on the General Fund cash balance and property rental fees on facilities such as the Scottsdale Stadium, as well as the revenue received from the Tournament Players Club and Princess Hotel percent of revenue on gross sales agreements. Interest revenue is expected to decline in 2002/03 simply as a function of the relationship between the cash balance and interest rate. The City earns interest on idle funds through various investment vehicles in accordance with Arizona Revised Statutes and City ordinance. The City's investment policy stresses safety above yield and allows investments in U.S. Treasury and Agency obligations, certificates of deposit, commercial paper, bankers' acceptances, repurchase agreements, money market funds, and the State of Arizona's Local Government Investment Pool. Interest earnings applicable to bond proceeds and the Capital Improvement Plan (CIP) accrue to the CIP budget and are not included in general fund revenues.



Fiscal Year	Interest	Property Rental
1993/94	\$2.6	\$1.8
1994/95	3.8	2.0
1995/96	4.2	2.2
1996/97	3.4	2.3
1997/98	3.6	2.5
1998/99	3.0	2.5
1999/00	4.4	2.6
2000/01	2.8	2.8
2001/02 Forecast	3.5	3.0
2002/03 Forecast	3.0	3.1

Expenditures - General Fund

The City Manager and a cross-departmental executive level team review program base budgets, decision packages, and capital project requests. In determining recommended allocation levels, the City Manager considers the projected long range resource forecast, direction provided by the City Council (Broad Goals), the City's financial policies, and the most cost-effective and efficient method of service delivery to the public.

Program Budget

The General Fund Program Budget, representing the cost to provide general services – Police, Fire, Parks, Recreational Programs, etc. — to our citizens, increases by \$5.0 million (3.0%) from the current expenditure forecast for 2001/02 and is offset by \$5.8 million, (3.2%) increase in General Fund operating revenues. This increase supports maintaining current basic service levels, including normal contract increase obligations, and service level enhancements to achieve the Broad Goals as identified by City Council and citizens. Using a modified zero base approach, a significant effort has taken place to review, justify and document line item budgets. Staffing increases – 20 new positions – are offset by the elimination of 13 existing positions through attrition. And increases in line item accounts due to contractual obligations and pricing increases have been largely offset by decreases in other accounts.

Debt Service

The total general fund budget includes debt service - \$3.9 million for a total budget of \$174.3 million.

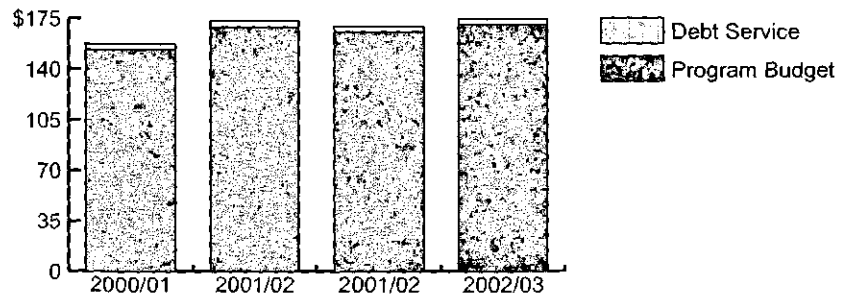
Reserve Appropriation

Legally, in order to provide the ability to use reserves or contingency funds during the year an amount must be budgeted, even though there is no definite plan to use the funding. An allowance of \$14.0 million was included in the legal budget adoption to provide for the potential use of reserves and contingencies as follows: \$4.2 million for Economic Investment Reserve and \$2.8 million in Operating Contingency that will only be expended with City Council authorization via a Council Action Report during 2002/03; and \$7.0 million as an estimate of open purchase orders from 2001/02 that may carry over into 2002/03 for actual expenditure.

Transfers

In addition, to the operating budget, the General Fund will transfer \$26.9 million to other funds, primarily the Capital Improvement Plan where the expenditures are budgeted for a variety of capital projects, and to the Debt Service fund to provide for the retirement of Municipal Properties Corporation bonds.

General Fund Budget Comparison In Millions of Dollars



General Fund Budget Comparison In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Program Budget	\$153.2	\$168.6	\$165.4	\$170.4
Debt Service	4.0	4.5	3.5	3.9
Total Budget	\$157.2	\$173.1	\$168.9	\$174.3
Reserve Appropriation	10.0	15.3	7.3	14.0
Total Appropriation	\$167.2	\$188.4	\$176.2	\$188.3
Total Transfers Out	40.6	34.0	31.6	26.9

- The following pages summarize
- Scottsdale's General Fund Program
- Budget expenditures by City Council
- Broad Goal and by Expenditure Type
- to provide our readers different
- perspectives on how budget
- expenditures are planned.

Expenditures By City Council Broad Goal

Staff developed a budget using a program budget approach, whereby expenditures and revenues are related to the Broad Goals and the programs supporting those goals. If additional funds or staffing are required to implement the work plans, supplemental decision requests are submitted that contain the justification, performance measures, background, and financial detail. Base budgets were developed using a modified zero base budget approach, and reductions were identified to provide additional funding to offset requested additions. Supplemental decision requests are required for proposed service level changes, new positions, or new programs. The performance of each program is then measured as to its success in helping to achieve Broad Goals. Program budgets provide the resources to address these and other citizen service goals:

Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained. Programs supporting this Broad Goal are: police & fire protection, judicial system, parks & recreational programs, social services, senior programs, library services, arts & cultural programs, and neighborhood services.

The general fund portion of this goal is \$104.8 million, representing 61.5% of the program budget, has increased by \$0.7 million (0.6%) with an increase of seventeen positions. Highlights for 2002/03 include:

Transition of positions from grant funds to general fund at \$0.4 million additional cost to the General Fund.

Additional 911 Communications staffing – 15 new positions;

Additional staffing for the new Family Advocacy Center – 3 new positions (2 in Police and 1 in City Attorney's Office);

Contractual increase for Fire Protection based on current contract plus the service enhancement of adding two 24 hour Captains for the two remaining two-person fire companies that currently operate in Scottsdale – a total of 6 contractual Rural Metro positions;

Transfer of citywide electric budget, formerly in the Parks and Recreational Programs budget to the Facilities Maintenance Program; and

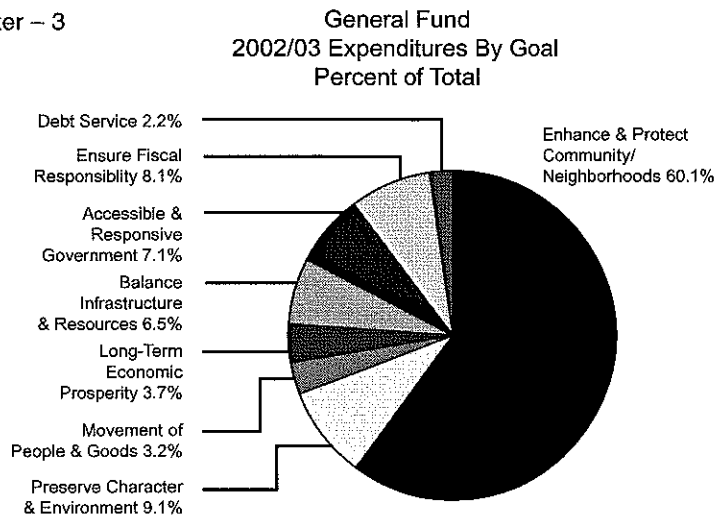
Elimination of a marketing and sponsorship position.

Preserve the character and environment of Scottsdale. Programs supporting this Broad Goal are: equestrian activities, planning & development, and preservation.

The general fund portion of this goal is \$15.8 million, representing 9.3% of the general fund program budget and has increased by \$561,000 (3.6%) from the 2001/02 forecast, with a staffing decreased of six (6) positions. This goal is supported by the following programs: WestWorld, Planning & Development, & Preservation. Highlights include:

Addition of seasonal help at WestWorld, the cost of which is recovered through event fees;

Elimination of six positions in Planning & Development due to decrease in planning/development activity; and



**General Fund
Expenditures by Goal Comparison
In Millions of Dollars**

	Forecast 2001/02	Adopted 2002/03
Enhance & Protect the Community/Neighborhoods	\$104.1	\$104.8
Preserve Character & Environment	15.3	15.8
Movement of People & Goods	4.4	5.5
Long-Term Economic Prosperity	5.9	6.5
Balance Infrastructure & Resources	8.2	11.4
Accessible & Responsive Government	13.6	12.3
Ensure Fiscal Responsibility	13.9	14.1
Debt Service	4.5	3.9
Total	\$168.9	\$174.3

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Addition of the enhanced notification program to provide for improved notice to neighbors concerning proposed developments.

Provide for the safe, efficient, and affordable movement of people and goods. The General Fund program supporting this Broad Goal is traffic enforcement. Other programs — traffic movement, traffic reduction, and maintenance of streets & rights-of-way are funded through the Highway User Fund budget, which is supplemented by General Fund revenues.

The general fund portion of this goal is \$5.5 million, representing 3.2% of the General Fund program budget and has increased by \$1.1 million (25.0%). The increase is primarily due to shifting of budget and positions from the Police Protection program budget to the Traffic Enforcement budget.

Position Scottsdale for long-term economic prosperity by diversifying our economic resources. Programs supporting this Broad Goal are: economic vitality, revitalization, and tourism.

The general fund portion of this goal is \$6.5 million, representing 3.8% of the program budget and has increased by approximately \$600,000 (10.3%). Highlights include:

Establishment of a small business resource development center during the current fiscal year;

Conversion of 4 contractual employees to regular staff positions, approved by City Council during the 2001/02 fiscal year to staff and develop the new existing business division, and

An increase to the tourism budget to provide for the first year's funding of a new Cultural/Tourism program.

Coordinate planning to balance infrastructure and resource needs within budget. Programs supporting this Broad Goal are: facilities maintenance, capital project management, and technology infrastructure, and water/sewer operations.

The general fund portion this goal is \$11.4 million, representing 6.7 percent of the program budget and has increased by \$3.2 million and two (2) positions. Highlights include:

Addition of a maintenance electrician needed to address infrastructure deficiencies and implement a preventative maintenance plan;

Conversion of a contractual Capital Improvement Plan support position to support the Bond 2000 capital project program – fully charged to the bond CIP program;

Increase in maintenance and custodial costs due to addition of new fire stations and family advocacy center;

Reductions in various line item budget accounts such as elimination of contractual 3-D application development part-time position, delay in facilities maintenance accounts where possible to delay specific maintenance items without compromising the maintenance plan;

Delay of aerial photography for 2002/03 – and proposal to reduce this program to biannual from annual; and

Transfer of citywide utility budget from the Parks and Recreation program budget.

Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations. General fund programs supporting this Broad Goal are: administrative & legislative leadership, non-emergency response, public notification & communications, and human resource systems.

The general fund portion of this goal is \$12.3 million, representing 7.2 percent of the program budget, has decreased by \$1.3 million (9.5%) and four (4) staff positions. Highlights include:

Elimination of an endowment officer, information systems technician, public information officer, and management intern;

Budget reduction in the Elections budget for 2002/03, as there are no elections planned for that year;

Expansion of the monthly Pride newsletter to four pages including mailing to residents not currently receiving a utility bill, the current method of distribution;

Elimination of the quarterly Citizens Magazine; and

Allocation of miscellaneous employee benefits such as tuition reimbursement and mammogram/prostate screenings to the citywide salary budget as recommended by the 2001/02 Citizen Budget Committee.

Ensure Scottsdale is fiscally responsible and fair in its management of taxpayer money and City assets. Programs supporting this Broad Goal are: internal audit, liability management, revenue collection, and organizational support functions such as accounting, budget, risk management, purchasing, and fleet management.

The general fund portion of this goal is \$14.1 million representing 8.3 percent of the program budget and has decreased by \$0.2 million (1.5%). One new position has been offset by the reduction of another staff position. Highlights include:

Addition of a paralegal position to support the attorney's in-house litigation program, which is in turn charged back to the programs at an hourly rate that benefit by the program which is lower than the prevailing rate for outside services;

Increase in credit card merchant fees due to higher customer usage;

Increase in postage cost based on recent postal rate increase - \$.03/ounce;

Elimination of a position in Information Systems, reallocated to higher organizational priorities; and

Reduction in various line item accounts to offset increases.

Expenditures By Expenditure Type

Another way to look at General Fund expenditures is by the four major expense categories. The stacked bar chart and the table show the four-year comparison of expenditures by type.

Personal Services

Representing 60.9 percent of the 2002/03 General Fund Budget (direct services and debt service) personal services includes salaries and benefits for employees. The proposed personal services budget has increased \$4.5 million (4.4%) from 2001/02 adopted budget, or \$5.6 million (5.5%) from 2001/02 forecast. This category of expenditure includes a commitment to our employees by continuing to provide competitive compensation and benefit programs. There are seven net new positions included in this budget – 20 new positions offset by a decrease of thirteen positions through staff attrition. The increase includes continuation of formerly grant funded police positions, elimination of assumed salary savings in the Police Protection/911 Communications Program to allow for early hiring of critical public safety positions (due to long training period), full year funding for positions funded for only a portion of the prior fiscal year, the annualization of increases for market and merit in 2001/02; and health plan and retirement system costs.

Contractual Services

Representing 33.1 percent of the 2002/03 Operating Budget, contractual services have not increased from 2001/02 adopted, but have increased \$1.5 million (2.6%) from forecast. The small increase is due to the diligent effort by staff toward modified zero based budgeting, whereby line item expenditure budgets are carefully evaluated and justified, while providing for required increases that are called for in current or pending contracts. Increases from forecast result from these contractual price increases, partially offset by reductions and delays in various line item budgets in 2001/02.

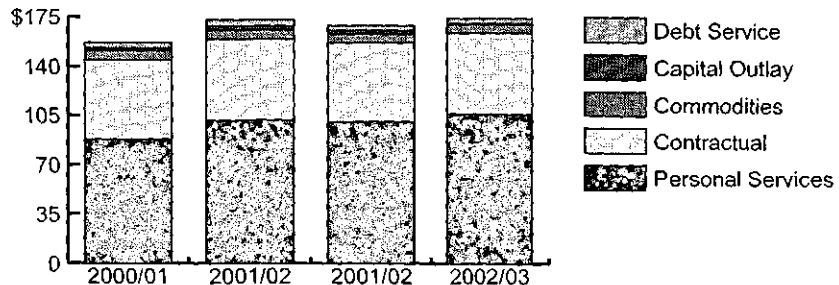
Commodities

Representing 3.7 percent of the 2002/03 Budget, commodities have decreased slightly from adopted and increased \$175,000 (2.8%) from forecast. The increase from 2001/02 forecast is due to slight pricing variations in a variety of miscellaneous line item budgets.

Capital Outlay

Representing 0.1 percent of the 2002/03 Budget, capital outlay has decreased by \$2.6 million due to the shift of the personal computer replacement expenditures to the capital improvement program for computer purchases, and shifting the software licensing component to contractual services.

General Fund
Expenditures By Type Budget Comparison
In Millions of Dollars



Debt Service

Representing 2.2 percent of the 2002/03 Budget, debt service has decreased by \$0.6 million (14.5%) from 2001/02 adopted, and increased \$0.4 million (11.5%) from forecast. Debt Service paid from the General Fund is primarily contractual debt related to sales tax development agreements, and will vary based on actual sales tax collections at the developed site.

General Fund
Expenditure by Type Budget Comparison
In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Personal Services	\$88.0	\$101.7	\$100.6	\$106.2
Contractual	56.5	57.6	56.1	57.6
Commodities	6.8	6.5	6.3	6.5
Capital Outlay	1.7	2.7	2.5	0.1
Debt Service	4.0	4.5	3.5	3.9
Total	\$157.0	\$173.0	\$169.0	\$174.3

Fund Balance/Reserves

Fund balance represents Scottsdale's net difference of financial resources and uses. The unreserved fund balance represents the net financial resources that are expendable or available for budgeting.

Fund Balance/Reserves protect the City's financial condition and provide for unexpected economic challenges. Growth of fund balance occurs when revenues exceed expenditures. Fund balances are similar to an enterprise's net equity (assets less liabilities) and should only be used for nonrecurring (non-operational) expenditures since once they are spent they are only replenished by future year resources in excess of expenditures.

Scottsdale's budget process plans for reservations of fund balance in compliance with financial policy and as part of the initial resource allocation/limit setting process. This process allows the City to "set aside savings" before it is allocated or spent as budgeted expenditures.

The accompanying table identifies reserves and unreserved portions of the total estimated 2002/03 fiscal year-end general fund balance, compared to prior year's ending balances.

Much of the General Fund balance – the excess of revenues over expenditures and transfers — is reserved in order to protect the City from financial adversity and preserve its fiscal strength. Specific reservations include:

Stabilization Reserve is maintained to offset unforeseen emergencies or catastrophic impacts to the City; and an Economic Investment Reserve to be used for economic investment in the community when justified by the financial return to the City. Additionally any unreserved fund balance, provides an added cushion against fluctuations in revenue and is available for unanticipated expenditures with City Council approval.

Stabilization and Economic Investment Reserves

Established to protect the City's financial condition as an offset to unforeseen emergencies or catastrophic impacts to the City, the stabilization reserve goal is 10 percent of non-enterprise operating expenditures. Reserve funds in excess of 10 percent, not to exceed \$5 million, may be used for economic investment in the community when justified by the financial return to the City. The 2002/03 budget maintains the 10 percent funding goal. The reserve increases from \$24.5 million to \$25.0 million as a result of continued, yet modest, growth in the general government operating expenditures. Revenue sources that help build the Stabilization Reserve during "good times" are considered "elastic" and may be subject to downturns during recessionary times.

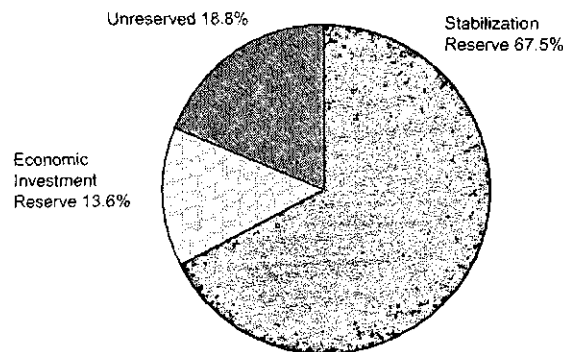
Facility Maintenance Reserve

The Facility Maintenance Reserve, budgeted in prior years, was restricted for emergency repair or replacement of public building infrastructure equipment (HVAC, roofing, etc.) and has been eliminated in this budget due to the creation of a multi-year capital improvement budget for this purpose in the Capital Improvement plan.

Unreserved

Estimated to be \$5.8 million at the conclusion of the 2002/03 budget year - \$2.8 million of which is designated as an operating contingency. The net fund balance grows slightly in subsequent years, to provide a cushion for the uncertain economy. Based on the update of revenue and expenditures in future years, this unreserved balance may vary from the current forecast. This fund surplus is possible, even during slow economic times, as estimated general fund revenues continue to exceed general fund expenditures based on the development of a conservative five year spending plan.

General Fund
2002/03 Fund Balance/Reserves
Percent of Total



General Fund
Fund Balance/Reserve Comparison
In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Stabilization Reserve	\$19.2	\$19.4	\$19.4	\$20.8
Economic Investment Reserve	0.3	5.0	5.0	4.2
Facilities Maintenance Reserve	2.0	2.0	-	-
Unreserved	8.2	9.7	4.0	5.8
Fund Balance	\$29.7	\$36.1	\$28.4	\$30.8

Staffing By City Council Broad Goal

A significant part of the City's General Fund budget, 60.9 percent, is funding for employees who in turn provide services to our citizenry. The accompanying tables identify full-time equivalent (FTE) positions by Broad Goal, with a comparison to 2001/02.

New and Eliminated Positions

The 2002/03 budget includes a net increase of seven full-time equivalent positions. Twenty new positions are offset by the elimination of thirteen positions through employee attrition.

Position additions and eliminations are:

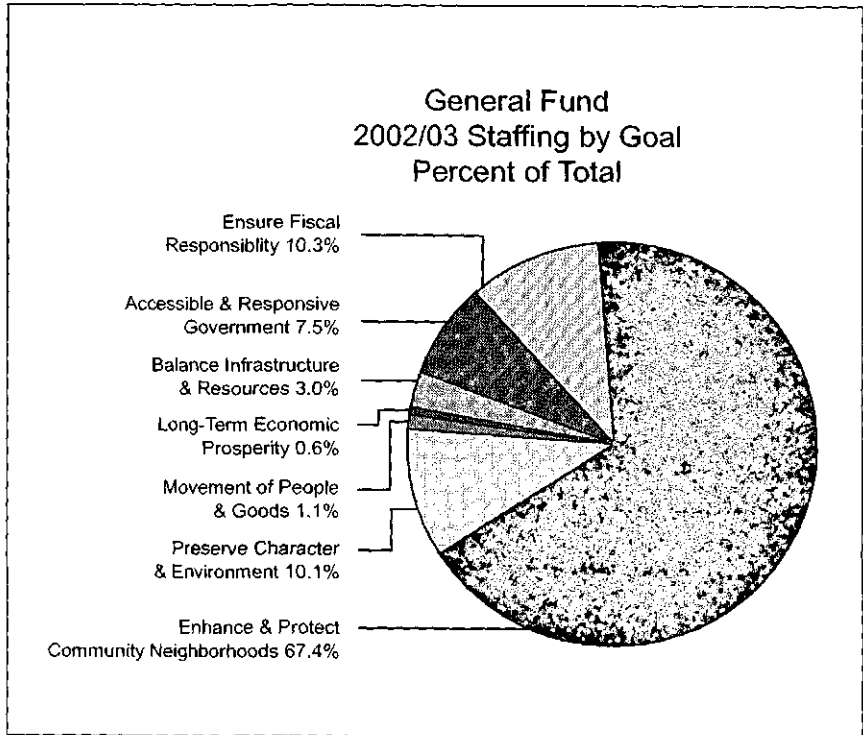
Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained. Includes the net addition of 17 full time employees as follows: 911 Communications staffing (15 positions); and Family Advocacy Center staffing (3 positions). One position – a Marketing/Sponsorship Coordinator – is eliminated.

Preserve the character and environment of Scottsdale. Reflects the decrease of six positions in Planning and Development due to decreased workload.

Provide for the safe, efficient, and affordable movement of people and goods. Reflects the elimination of a Transit Issues Manager.

Includes the addition of a Maintenance Electrician to maintain service levels in facilities maintenance and for preventative maintenance.

Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations. Reflects the elimination of four positions – Endowment Officer; Management Intern, Information Systems Technician, and Public Information Coordinator.



	Forecast 2001/02	Adopted 2002/03	Change
Enhance & Protect the Community/Neighborhoods	1,129.0	1,146.0	17.0
Preserve Character & Environment	176.8	170.8	(6.0)
Movement of People and Goods	20.0	19.0	(1.0)
Long-Term Economic Prosperity	10.0	10.0	-
Balance Infrastructure & Resources	49.9	50.9	1.0
Accessible & Responsive Government	131.4	127.4	(4.0)
Ensure Fiscal Responsibility	175.8	175.8	-
Total Full-time Equivalent Staff (FTE)	1,692.9	1,699.9	7.0

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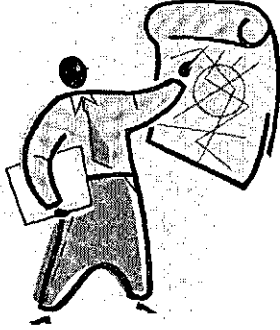
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Ensure Scottsdale is fiscally responsible and fair in its management of taxpayer money and City assets. Includes the addition of a paralegal position to support the City Attorney's in-house litigation program, which is in turn charged back to the programs at an hourly rate that benefit by the program which is lower than the prevailing rate for outside services. An Information Systems Consultant position has been eliminated.

Staffing - General Fund Adopted New Positions by Goal		
Position	Effective	Purpose
Enhance & Protect Community/Neighborhoods		
Communications Dispatchers (6)	7/1/02	911/Communications
Communication Supervisor	7/1/02	911//Communications
Communications Training Coordinator	7/1/02	911/Communications
Communications Dispatchers (6)	1/1/03	911/Communications
Communications Supervisor	1/1/03	911/Communications
Police Crisis Intervention Specialist	9/1/02	Family Advocacy Center
Secretary	9/1/02	Family Advocacy Center
Victim's Services Counselor	10/01/02	Family Advocacy Center
Balance Infrastructure & Resources		
Maintenance Electrician	9/1/02	Facilities Maintenance
Ensure Fiscal Responsibility		
Legal Assistant	1/1/03	Litigation Assistance

Staffing - General Fund Position Elimination Plan By Goal
Enhance & Protect Community/Neighborhoods
Marketing/Sponsorship Coordinator
Preserve Character & Environment
Recycling Specialist
Planning Assistant
Engineering Technician I
Development Services Representative
Associate Planner
Planning Inspector
Movement of People and Goods
Transportation Issues Manager
Accessible & Responsive Government
Information Systems Technician
Public Information Coordinator
Endowment Officer
Management Intern
Ensure Fiscal Responsibility
Information Systems Consultant

Special Revenue Funds Highlights



Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Examples of restricted revenues that must be spent on specific purposes are Highway User Revenue taxes, State lottery proceeds, Preserve Sales Tax, Transportation Sales Tax, Grants, and Special Projects for which funding has been received for a specific purpose.

Financial Policies

The City's comprehensive financial policies are shown in a separate section, and in general, apply to all funds. Specific policies relating to Special Revenue funds are as follows:

Two tenths of percent privilege tax revenue dedicated for transportation improvements will be restricted for use in providing funding for the purpose of planning, design, construction and acquisition of new, substantially renovated and enhanced capital improvements for streets, highways, traffic control, transit and aviation.

McDowell Mountain Preservation debt service will be funded by the dedicated 0.2% privilege tax. The City's privilege tax to debt service goal will be at least 1.5:1 for senior lien debt to ensure the City's ability to pay for preserve debt from this elastic revenue source.

Grant funding will be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with grant monies will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process.

Administrative Guideline

Additionally, the City's Administrative Guideline policy related to grant acquisitions is:

Evaluation. A strong, thoughtful program evaluation must be included with each grant application. The methodology used to determine the subsequent achievement of goals must be specified.

Grant Application Review. The Accounting Director and Budget Director will review all grant applications, prior to submission of the application, in order to analyze the financial and budget implications of each grant.

Acceptance. Acceptance of grants over \$20,000, or any grant duration beyond one year, must be authorized by the City Council.

Economic Overview

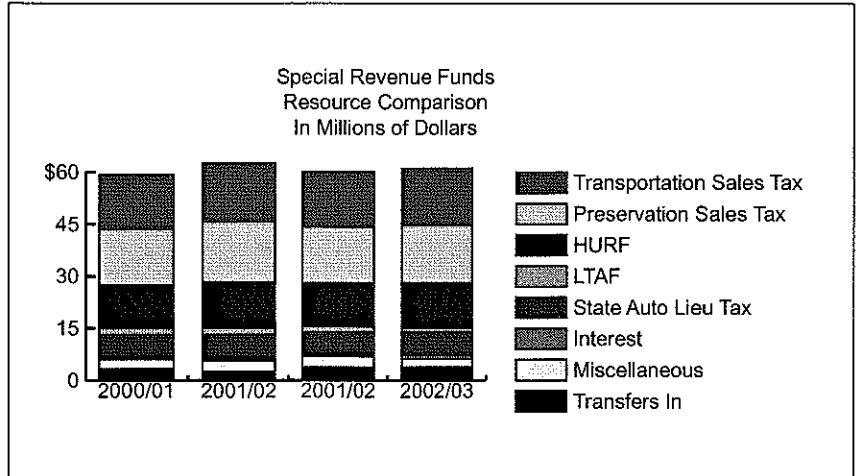
Economic conditions play a major role in the City's ability to provide services and build needed infrastructure for current and future residents. Similar to the General Fund, the Special Revenue funds are particularly vulnerable to shifts in the economy due to high reliance on elastic revenues. As in all funds operating expenditures are carefully developed, documented, and reviewed to ensure the most cost-effective and efficient method of providing services.

Resources - Special Revenue Fund

Special Revenue resources include local privilege (sales) taxes dedicated to transportation improvements and preserve land purchases, transportation revenues restricted to transportation operating and capital purposes, federal and state grants, and a transfer from the General Fund to make up the difference between Transportation revenues and expenditures.

The major resources, which fund the program budgets, debt service and capital projects, are identified in the accompanying table.

Estimated revenue for 2002/03 increases \$10.0 million (13%) over estimated 2001/02. Increases from prior year forecast are from Transportation and Preservation privilege taxes (\$0.8 million), Transportation revenue (\$0.3 million), and federal and state grants (\$9.2 million). The grant revenue budget of \$25.6 million includes \$17.6 million in contingent grants, meaning we will realize this revenue if the grant becomes available, if Scottsdale is awarded the grant, and the City Council accepts it.



	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Revenue Sources				
Local Privilege Tax				
Transportation Sales Tax	\$15.8	\$17.0	\$16.0	\$16.4
Preserve Sales Tax	16.1	17.4	16.2	16.6
Transportation				
Highway User Revenue Tax (HURF)	12.4	13.2	12.5	13.0
Local Transportation Assistance Fund (LTAf)	1.9	1.9	1.6	1.2
State Auto Lieu Tax	6.4	6.9	6.5	6.7
Grant	19.4	27.5	16.4	25.6
Interest	0.7	0.6	0.5	1.0
Miscellaneous	2.7	3.2	3.2	2.4
Total Revenue Sources	\$75.4	\$87.7	\$72.9	\$82.9
Transfers In	3.3	2.5	3.7	3.8
Total Resources	\$78.7	\$90.2	\$76.6	\$86.7

Underlying assumptions and significant revenue trends for each major revenue source are shown on the following pages.

Special Revenue Fund

Local Privilege Tax

Represents 38% of special revenue fund operating resources (revenue and transfers in). After nine consecutive years of double-digit growth, the 2001/02 forecast for sales tax is 1% over actual 2000/01 – primarily due to a combination of the recession and the severe downturn in tourism after the 9/11 terrorist attack. Tourism has slowly rebound over the months since September 2001, and the sales tax forecast for 2002/03 is a conservative 2.4 percent higher than 2001/02 forecast. Special Revenue Funds local privilege taxes are comprised of:

After nine consecutive years of double-digit growth, the 2001/02 forecast for sales tax is for 1.1 percent over actual 2000/01 revenues – primarily due to a combination of the recession and the severe downturn in tourism directly after the 9/11 terrorist attack.

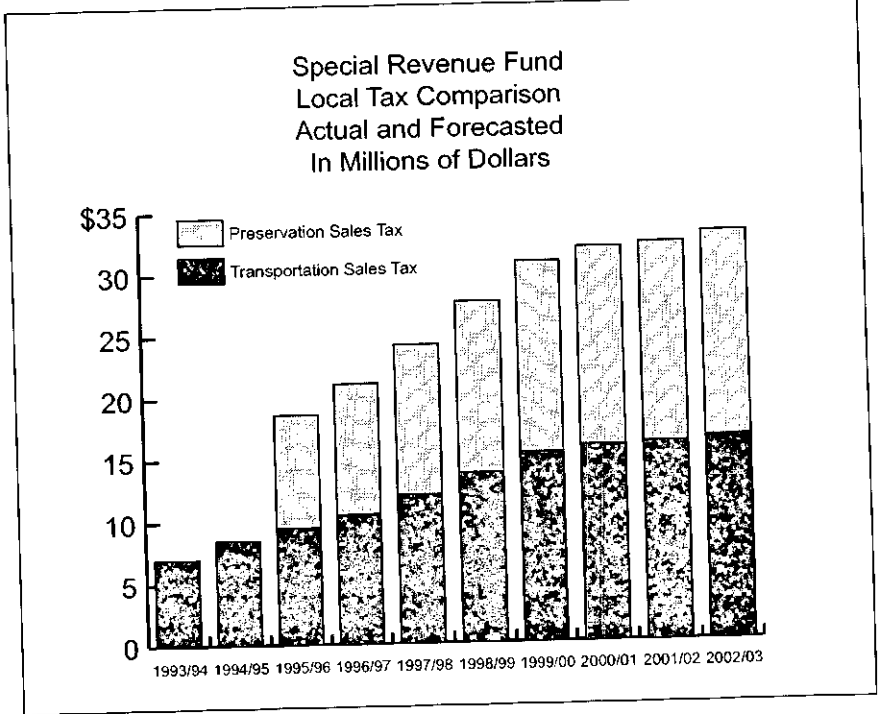
The difference between these special revenue taxes is due to the use tax provision which was not included for transportation purposes.

Transportation Sales Tax (\$16.4 million)

The 0.2% Transportation Sales Tax, approved by voters in 1989, dedicated to funding transportation improvements; and

Preservation Sales Tax (\$16.6 million)

0.2% Preservation Sales Tax, approved by voters in 1995, dedicated to the purchase of land within the McDowell Sonoran Preserve.



Special Revenue Fund Local Sales Tax Comparison Actual and Forecasted In Millions of Dollars

Fiscal Year	Transportation Sales Tax	Preservation Sales Tax
1993/94	7.2	-
1994/95	8.5	-
1995/96	9.5	9.1
1996/97	10.5	10.6
1997/98	12.0	12.2
1998/99	13.7	13.9
1999/00	15.3	15.5
2000/01	15.8	16.1
2001/02 Forecast	16.0	16.2
2002/03 Forecast	16.4	16.6

Transportation

Transportation revenue represents more than 24% of total special revenue fund operating resources (revenue and transfers in). They are comprised of Highway User Revenue Tax (gas tax), Local Transportation Assistance Fund (LTAF-State Lottery), and Auto Lieu Tax collected by the state. A State constitutional restriction on the use of HURF and LTAF revenues requires these funds be used solely for street and highway purposes. Transportation revenues provide only a portion of the City's operating transportation program funding needs with the remaining transportation funding coming from other general fund resources.

Highway User Revenue Fund (HURF)

HURF Revenues are distributed based upon population of each city and a portion distributed based upon the county of origin for the sales of fuel. The State constitution requires that all highway user revenue be used solely for street and highway purposes. The current gas tax is 18 cents per gallon. The cities share in 27.5 percent of State collected highway user revenues based half on population and half on the origin of the gas sale.

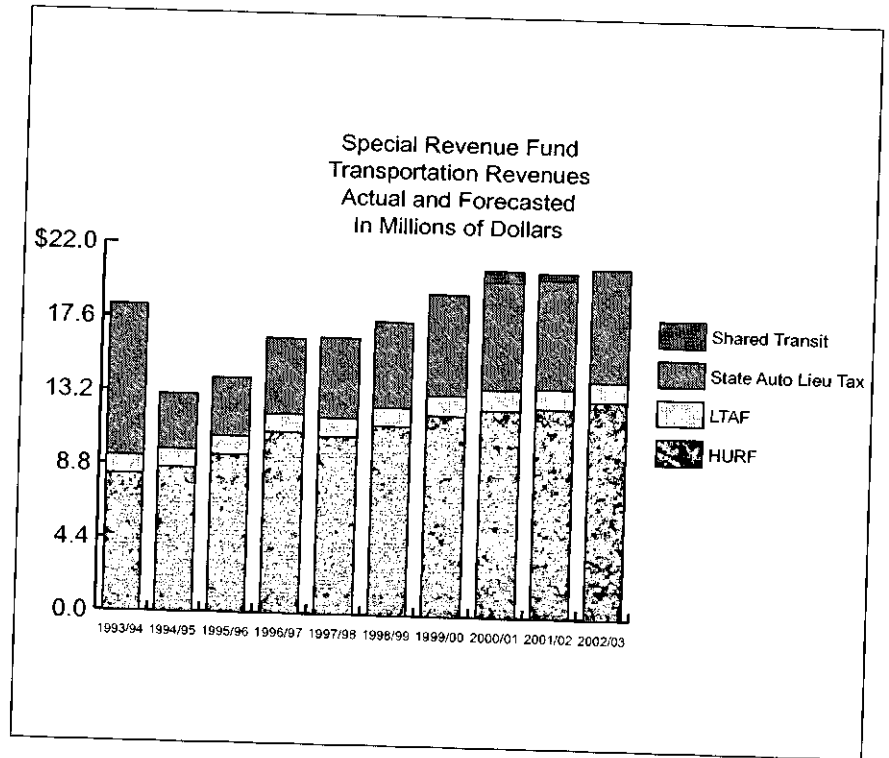
Local Transportation Assistance Fund (LTAF)

LTAF Revenue is distributed based upon population and city and town participation in the lottery. LTAF revenue sharing was capped at a total of \$20.5 million in 1989 by the state legislature resulting in virtually no growth in this segment of intergovernmental transportation revenue; however, an additional \$2.5 million is distributed if lottery sales support the higher level.

The State Department of Revenue also collects, distributes funds and provides revenue forecasts to cities and towns for HURF and LTAF revenue sources. 2002/03 budget increases for state shared HURF is 4 percent and LTAF is flat due to the restrictions.

State Auto Lieu Tax

Auto Lieu Taxes are part of the vehicle license fees collected by the County but are actually a State revenue source. The City receives



Special Revenue Operating Resources - Transportation Actual and Forecasted In Millions of Dollars

Fiscal Year	Highway User Revenue (HURF)	Local Trans. Assistance (LTAF)	State Auto Lieu Tax	Shared Transit
1993/94	\$8.2	\$1.1	\$3.0	
1994/95	8.6	1.1	3.3	
1995/96	9.4	1.1	3.5	
1996/97	10.8	1.1	4.5	
1997/98	10.6	1.1	4.8	
1998/99	11.3	1.1	5.1	
1999/00	12.0	1.2	6.0	
2000/01	12.4	1.2	6.4	
2001/02 Forecast	12.5	1.2	6.5	\$0.7
2002/03 Forecast	13.0	1.2	6.7	0.4

CONTINUED ON PAGE 44

Special Revenue Fund

CONTINUED FROM PAGE 43

its share of the vehicle license tax collections based upon its population in relation to the total incorporated population of the County. The only stipulation on the use of this revenue source is that it must be spent for a public purpose. The City has designated these tax proceeds towards transportation needs. Current year auto lieu tax revenues are up 1.3 percent over prior year and the 2002/03 budget forecasts a 3 percent increase for this revenue source.

Grants

The grant revenue budget of \$25.6 million represents nearly 30% of special revenue fund resources, but includes contingent grant revenue of \$17.6 million based on the availability of the grants on a federal and state level. Grant funding is used to leverage City funds. Special Revenue Funds budgeted grant revenue is comprised of:

Aviation Grants (\$15.5 million).

The Aviation grant budget includes \$13.7 million for future grants, should they become available. The Aviation program traditionally receives federal and state grants for such improvements as runway widening, taxiway reconstruction, land acquisition and various safety related improvements. Grants are not normally awarded until October, the beginning of the federal fiscal year.

Transportation Grants (\$3.1 million).

Transportation grant revenue is often available for transit purposes such as bus purchases and shelters, and to promote alternate transportation modes such as construction of bike lanes and paths.

Community Development Block Grants (CDBG) & Section 8 Grants (\$5.1 million).

These grants are awarded annually by the U.S. Department of Housing and Urban Development, may only be used for those projects approved in the grant application, and are subject to agency expenditure guidelines.

Home Grants (\$0.3 million).

Home grant funds are awarded by the Maricopa County Home Consortium. The funding is to provide affordable housing, expand the capacity of the nonprofit housing providers, strengthen the ability of local governments to provide housing, and leverage private-sector participation in housing.

Miscellaneous Federal & State Grants (\$1.7 million).

Miscellaneous grants for law enforcement, victim services, library projects, and neighborhood flood control improvements often are available during the year. This budget includes \$1.2 million in continuing grant revenue from 2002/03 grant awards, and \$0.5 million in future grants contingent on award.

Interest and Miscellaneous

Interest and Miscellaneous Revenue accounts for approximately 4% of resources. Miscellaneous revenue relates to the special programs portion of the special revenue funds, for example revenues from the train and carousel and McCormick Railroad Park, donations for parks, libraries, and police programs, and other miscellaneous fees, charges and donations restricted as to use.

Transfers In

Transfer In from General Fund, expected to be \$3.8 million in 2002/03, is the amount the General Fund contributes to the Highway User Revenue Fund, representing the difference between all Transportation revenues and Transportation expenditures.

Expenditures - Special Revenue Funds

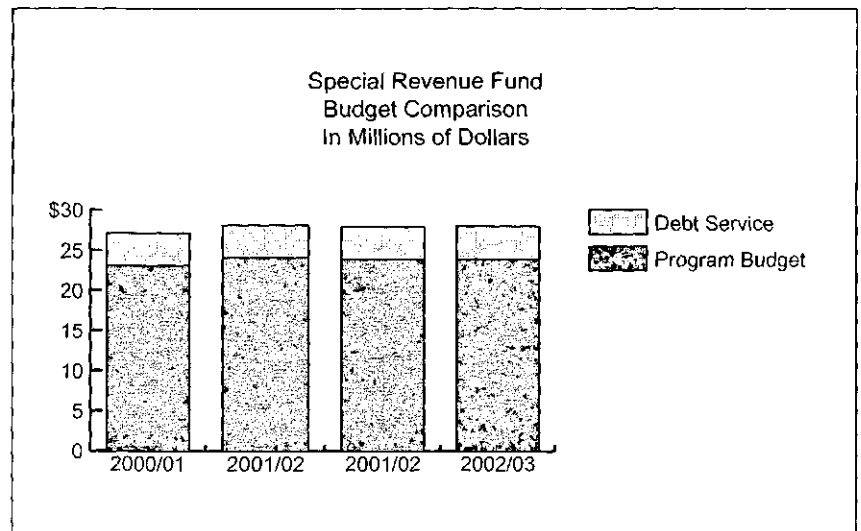
Total Budget

The Special Revenue Funds Budget of \$53.6 million consists of ongoing programs of \$23.9 million, continuing grant programs of \$8.0 million, possible future grants of \$17.6 million, and debt service on transportation revenue bonds of \$4.1 million. The budget is \$2.1 million lower than 2001/02 adopted, and \$6.5 million higher than 2001/02 forecast. These variations occur due to the uncertainty of obtaining grant revenue in any given year. Excluding grants, this budget supports maintaining current basic service levels, including normal contract increase obligations. Contractual increases are largely offset by reductions in other line item budget accounts.

A further explanation of all these budget components follows in this section. By Broad Goal budgets, and capital improvements sections of this volume provide additional details.

Transfers

Transfers of Transportation Privilege Tax revenue (\$17.2 million) are made to the capital improvement program to be expended on transportation improvements as approved by voters in 1989. Preserve Privilege Tax revenue (\$16.3 million) is transferred to the debt service fund to pay principal and interest payments on debt issued to acquire land within the preserve boundaries.



•••••
 • The following pages summarize
 • Scottsdale's Special Revenue Fund
 • Program Budget expenditures by
 • City Council Broad Goal and by
 • Expenditure Type to provide our
 • readers different perspectives on
 • how budget expenditures are
 • planned.
 •••••

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Program Budget	\$40.5	\$51.6	\$43.0	\$49.5
Debt Service	4.0	4.0	4.0	4.1
Total Budget	\$44.5	\$55.6	\$47.0	\$53.6
To CIP	20.6	17.9	18.3	17.4
To Debt Service Fund	15.7	15.7	14.1	16.4
Total Transfers Out	\$36.3	\$33.6	\$32.4	\$33.8

Expenditures By City Council Broad Goal

Staff developed a budget using a program budget approach, whereby expenditures and revenues are related to the Council Broad Goals and the programs supporting those goals. If additional funds or staffing are required to implement the work plans, supplemental decision packages are submitted that contain the justification, performance measures, background, and financial detail. Staff was also asked to review their base budget and identify reductions that can be made to provide additional funding for their requested additions. Decision packages include requests for service level changes, new positions, or new programs. The performance of each program is then measured as to its success in helping to achieve Broad Goals. Special Revenue funds provide the resources to address these and other citizen service goals:

Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained. Special revenue funds support this goal through a variety of police, court, parks, libraries, senior and social services. The operating budget — \$9.5 million, represents approximately 18% of the program budget and has decreased by \$1.5 million, primarily due to an estimated decrease in receipt of federal law enforcement grants and federal forfeitures. This revenue source is difficult to predict; therefore, a conservative estimate is made, and if additional funds are received, they are budgeted in the following year.

Provide for the safe, efficient, and affordable movement of people and goods. Special revenue funds support this Broad Goal through programs such as traffic movement, traffic reduction, and maintenance of streets & rights-of-way. The program budget — \$24.5 million, represents 46% of the total, and has increased approximately \$0.8 million from 2001/02 forecast. Highlights include:

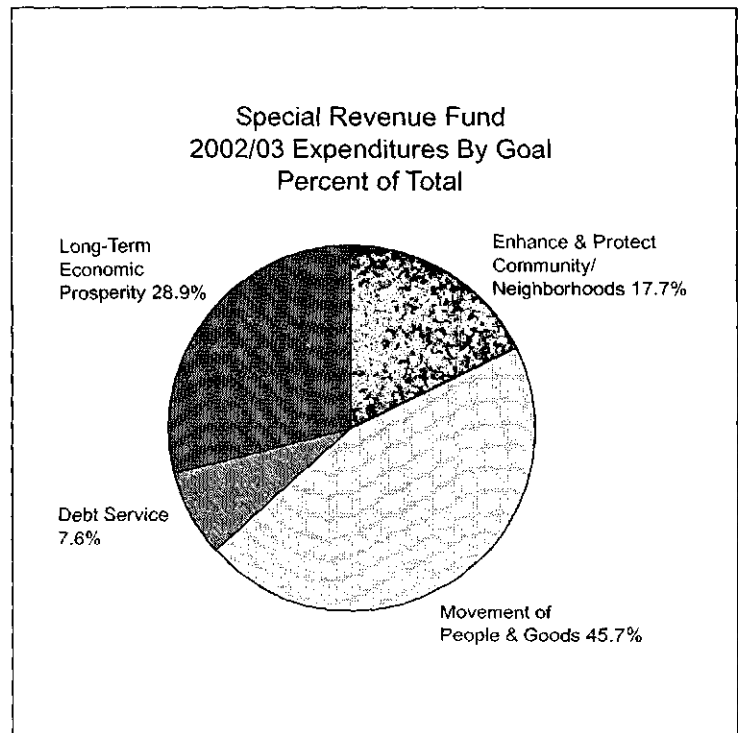
Increase in transit contract due to normal escalation clause for fuel, maintenance & operations;

Normal salary and benefit increases for current staff based on the citywide compensation plan; and

Reductions in other various line item accounts to partially offset increases.

Position Scottsdale for long-term economic prosperity by diversifying our economic resources.

Special Revenue funds support this Broad Goal through the Aviation Grant Program. Of the \$15.1 million budgeted for 2002/03, \$13.7 million is contingent upon grant funding availability for aviation purposes.



Special Revenue Expenditures by Goal Comparison In Millions of Dollars

	Forecast 2001/02	Adopted 2002/03
Enhance & Protect the Community/Neighborhoods	\$11.0	\$9.5
Movement of People & Goods	23.7	24.5
Long-Term Economic Prosperity	8.3	15.5
Debt Service	4.0	4.1
Total	\$47.0	\$53.6

Expenditures By Expenditure Type

Direct Operating Expenditures are divided into four major expense categories plus debt service.

Personal Services

Personal Services representing 12% of the 2002/03 Operating Budget (direct services and debt service) includes salaries and benefits for employees. The proposed personal service budget has decreased \$0.5 million from 2001/02 adopted and forecast. The decrease relates to prior year law enforcement grants that have included staffing where the staffing has transitioned to the General Fund in 2002/03.

Contractual Services

Contractual Services, representing 44% of the 2002/03 Operating Budget have remained approximately the same as 2001/02 adopted and forecast. An increase in the Transit contract has been offset with reductions in other contractual accounts.

Commodities

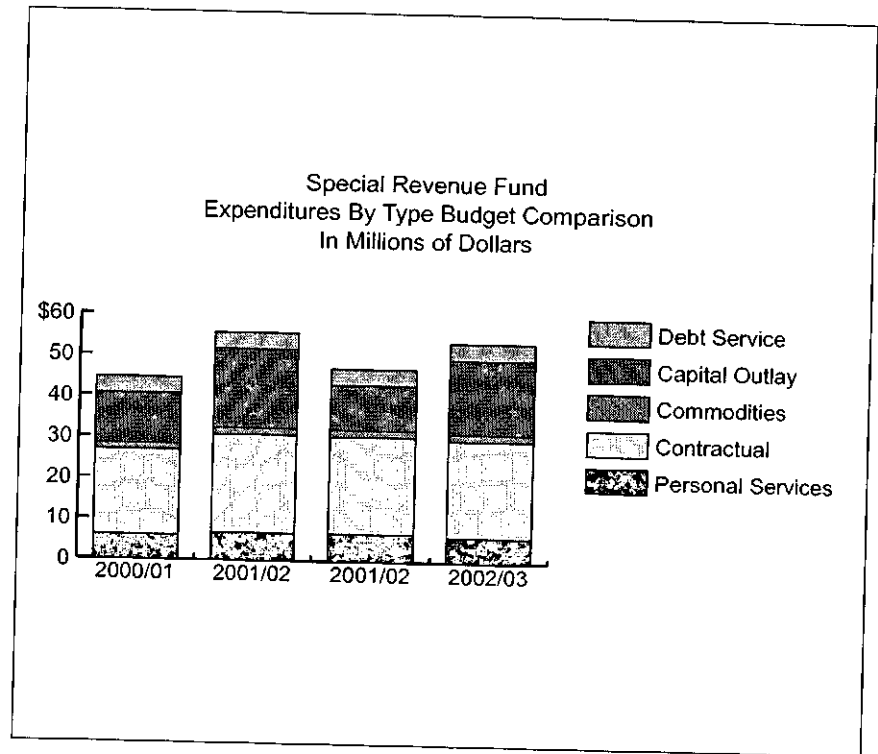
Commodities, representing 3% of the 2002/03 budget, has remained constant. This portion of the budget accounts for purchases of supplies and minor equipment purchases and replacements.

Capital Outlay

Capital Outlay, representing 33% of the 2002/03 budget, has decreased \$1.2 million from 2001/02 adopted and increased \$7.1 million from forecast. This is due to the uncertainty of grant funding from year to year, the majority of which is assumed to be capital outlay – land acquisition, capital improvements, etc. Excluding grants, capital outlay budgets are relatively flat.

Debt Service

Debt Service, representing 8% of the budget, will also remain approximately the same as 2001/02. The slight increase is due to variations in the debt payment schedule; no new debt is included for 2002/03.



	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Personal Services	\$6.0	\$6.7	\$6.7	\$6.2
Contractual	20.9	24.0	23.8	23.6
Commodities	1.5	1.7	1.6	1.7
Capital Outlay	12.1	19.2	10.9	18.0
Debt Service	4.0	4.0	4.0	4.1
Total	\$44.5	\$55.6	\$47.0	\$53.6

Special Revenue Fund

Fund Balance/Reserves

Fund balance represents the net difference of financial resources and uses. Fund balances by year are shown on the following table:

Preserve Sales Tax

The Preserve Sales Tax funds are used solely for the payment of debt service on Preserve General Obligation Bonds, Preserve Authority Bonds, and contractual debt. Another \$60 million of authorized debt will be issued over the next two years, and the fund balance will be needed to pay the increased debt service cost in future years.

Transportation Sales Tax

Transportation Sales Tax balance at year end is normally transferred to the capital improvement program. There was a small balance remaining in this operating fund at June 30, 2001; however this balance and all sales tax revenue in 2001/02 will be transferred in June 2002.

Special Projects

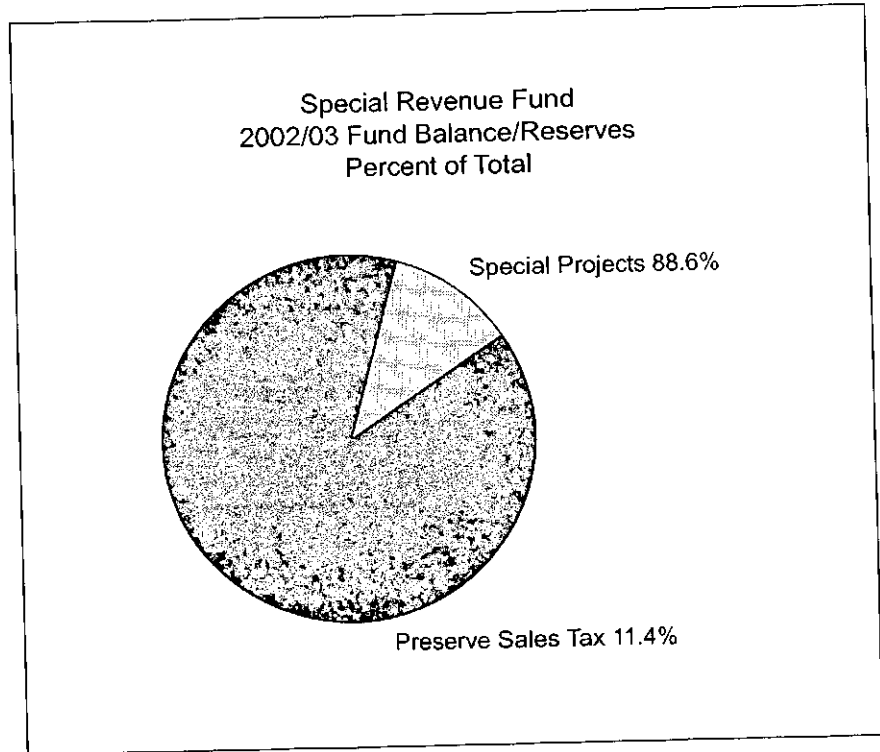
Special Projects balance represents the cash restricted for specific uses. The balance remains relatively constant due to the timing of actual revenue receipts versus expenditures.

Highway User Fund

The Highway User Fund maintains no fund balance due to its reliance on the General Fund to make up the difference between revenue and expenditures each year.

Grant Fund

The Grant Fund balance can fluctuate from year to year due to the nature of the specific grants that have been awarded. Some grants are reimbursement grants, meaning the city is reimbursed after the expenditure is made, and other grants are received upon award. The budget is normally developed to assume no balance in revenue and expenditures; however, a \$2.7 million fund balance was carried over from 2000/01 and expended in 2001/02.



Special Revenue Fund Balance/Reserves Comparison
In Millions of Dollars

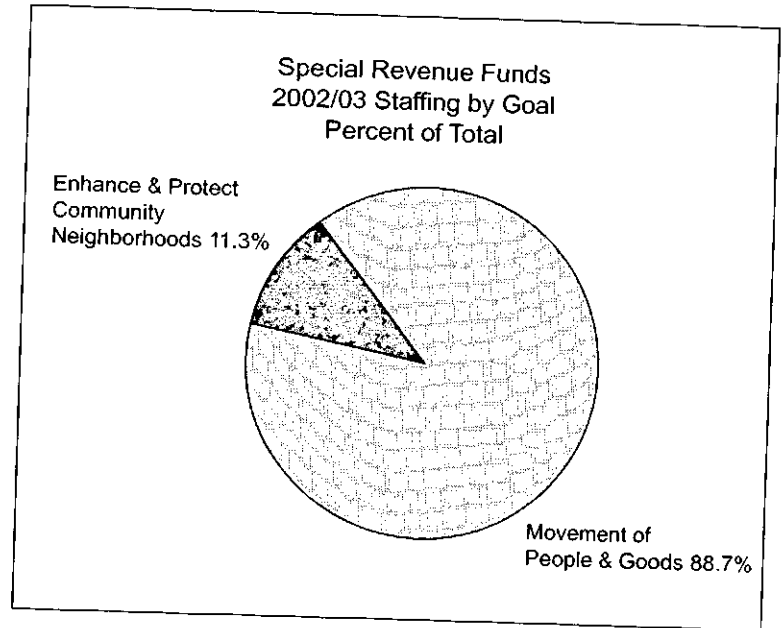
	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Preserve Sales Tax	\$8.4	\$11.5	\$13.1	\$13.2
Transportation Sales Tax	1.4	-	-	-
Special Projects	2.3	2.3	2.3	1.7
Highway User Fund	-	-	-	-
Grant Fund	2.7	-	-	-
Fund Balance	\$14.8	\$13.8	\$15.4	\$14.9

Staffing By City Council Broad Goal

The accompanying pie chart and table identifies full-time equivalent positions by City Council Broad Goal.

New and Eliminated Positions

The 2002/03 budget includes no changes in staffing.



**Special Revenue Fund
Staffing by Goal Comparison**

	Forecast 2001/02	Adopted 2002/03
Enhance & Protect the Community/Neighborhoods	10.4	10.4
Movement of People and Goods	82.0	82.0
Total Full-time Equivalent Staff (FTE)	92.4	92.4

Capital Improvement Program Operating Impacts

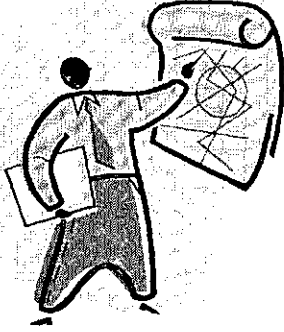
The Capital Improvement Program for Special Revenue Funds, is primarily paid from the 0.2% sales tax for Transportation. The 0.2% Preservation sales tax is used to pay debt service on bonds issued for preserve purchases. The Capital Improvement Program related to transportation improvements is detailed in the Capital Project Budgets section. The

estimated operating impact to the special revenue funds once these projects are complete is estimated as follows:

**Special Revenue
Operating Impact by Goal/Program
In Thousands of Dollars**

	2002/03	2003/04	2004/05	2005/06	2006/07
Movement of People/Goods					
Traffic Movement Program	\$325.7	\$518.0	\$790.0	\$1,020.4	\$1,381.0
Traffic Reduction Program	95.0	434.1	838.7	1,203.4	1,512.3
Street/ROW Maintenance Program	-	55.5	55.6	55.6	55.7
Total Operating Impact	\$420.7	\$1,007.6	\$1,684.3	\$2,279.4	\$2,949.0

Enterprise Funds Highlights



Enterprise Funds are used to account for operations, including debt service, that are financed and operated similarly to private businesses - where the intent is the service is self sufficient, with all costs supported predominantly by user charges. The city maintains four Enterprise funds to account for Water & Sewer Utilities, Solid Waste Management Services and Aviation Operations.

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Financial Policies

The City's comprehensive financial policies are shown in a separate section, and in general, apply to all funds. Specific policies relating to Enterprise funds are as follows:

User fees and charges will be examined annually to ensure that they recover all direct and indirect costs of service, unless full cost recovery would be excessively burdensome on citizens receiving service, and approve by the City Council. Rate adjustments for enterprise operations will be based on five-year fund plans.

Utility rates will be set, as a minimum, to ensure the ratio of revenue to debt service meets our bond indenture requirement of 1.2/1. The City goal will be to maintain a minimum ratio of utility revenue to debt service of 1.6/1 to ensure debt coverage in times of revenue fluctuations attributable to weather or other causes and to ensure a balanced pay-as-you-go Capital Improvement Plan.

Water and Sewer Replacement and Extension Reserve will be maintained to ensure adequate funding for infrastructure deterioration repair. A minimum requirement of 2% of all tangible assets of the system will be maintained per bond indenture requirements. In addition, a Water and Sewer utility weather contingency will be funded to provide sufficient expenditure flexibility during times of unusual weather resulting in variations in average consumption and associated operating expenses.

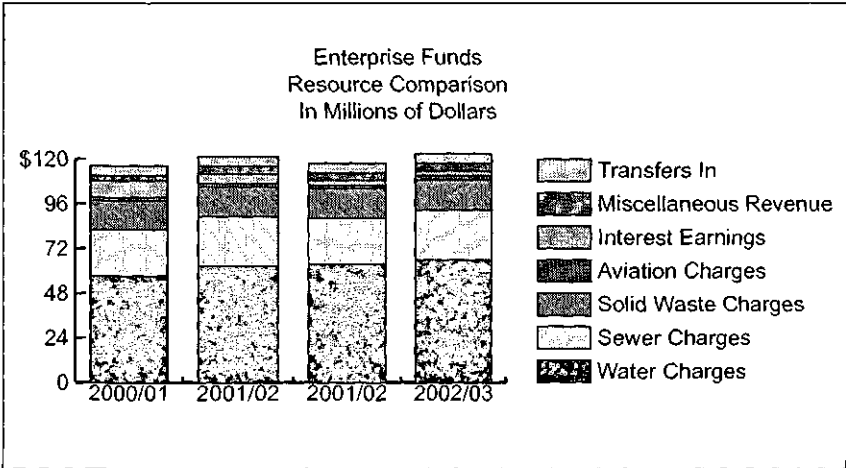
Solid Waste Management & Reserve will be maintained at 15 percent operating expenses to provide contingency funding for costs associated with solid waste disposal. Costs may include site purchase, technology appropriations, or inter-government investment to maximize the value of waste disposal activities.

Economic Overview

Economic conditions play a major role in the City's ability to provide services and build needed infrastructure for the current and future population. While the General Fund is particularly vulnerable to shifts in the economy - due to its high reliance on "elastic" revenues - Enterprise Fund revenues tend to be "inelastic" - meaning enterprise revenues can be accurately forecast, regardless of the economy, as they are a direct fee for a service that citizens use. However, expenditure budgets, around which service fees are developed, are carefully developed, documented and reviewed to ensure the most cost-effective and efficient method of service delivery to the public.

Resources - Enterprise Funds

Enterprise User Fees, representing 28 percent of total operating resources, are the second largest source of revenue for the City. They are comprised of: utility service charges for water, sewer, and solid waste service - \$108.8 million; and airport enterprise use fees - \$2.4 million. User fees and charges are established to promote efficiency by shifting payment of costs to specific users of services and avoiding general taxation. Moderate rate increases are included as part of this budget for these operations to offset increasing operating costs, mandated environmental standard compliance, and pay-as-you-go capital costs attributable to repair and replacement of infrastructure.



Underlying assumptions and significant revenue trends for each major revenue source are shown on the following pages.

Revenue Source	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
User Fees				
Water Charges	\$57.1	\$62.5	\$63.5	\$65.9
Sewer Charges	25.0	26.5	24.7	26.8
Solid Waste Charges	15.7	16.2	16.0	16.1
Airport Charges	1.4	1.5	1.5	2.4
Other				
Interest Earnings	9.2	5.3	2.8	2.4
Miscellaneous Revenue	2.7	4.1	4.1	4.2
Total Revenue Source	\$111.1	\$116.1	\$112.6	\$117.8
Transfers In				
From CIP Fund	5.0	5.0	5.0	5.0
From General Fund	0.5	0.2	0.2	0.1
Total Resources	\$116.6	\$121.3	\$117.8	\$122.9

Enterprise Funds

User Fees Revenue

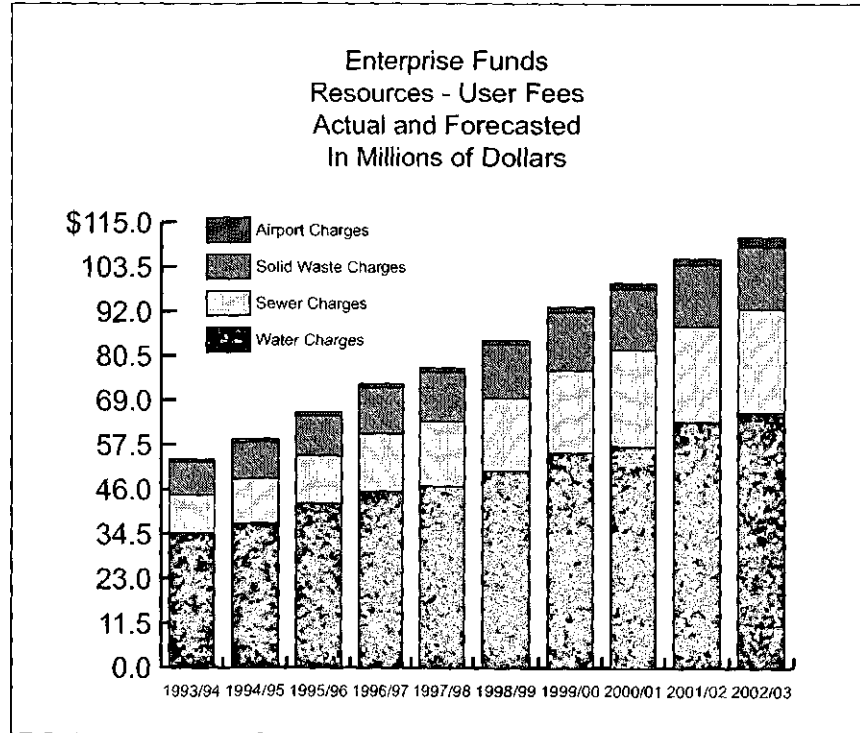
Enterprise User Fees rate adjustments are based upon five-year financial plans developed for each operation, and reviewed annually, in compliance with Scottsdale's financial policy, to meet the objectives of:

equity — charges are borne by the beneficiaries of a project or service;

level distribution of necessary cost increases — to avoid large rate increases in any one year;

increasing debt as little as possible — to ensure that the City can meet bond coverage requirements and remain financially healthy;

rate design — which encourages conservation and efficient use of City resources.



Water Charges

Water charge revenues are received from the sale of domestic water to customers within the City. Monthly water billings consist of a base charge according to meter size and a variable charge for the amount of water consumed. The 2002/03 forecasts include a 5% water rate increase for increased operating and capital costs resulting from the following mandated and proposed regulations from the United States Environmental Protection Agency (EPA): 1. EPA Mandatory Arsenic Rule requiring that utilities decrease the maximum contaminant level of arsenic in drinking water from 50 parts per billion to 10 parts per billion by 2006; and 2. Pending EPA Disinfection by-product (by-products resulting from adding chlorine to water) regulation requiring that water systems in the United States reduce Disinfection by-products in potable water at all points of delivery in the system. The City anticipates required compliance by 2008. These significant federal "unfunded" mandates will require costly

CONTINUED ON PAGE 53

Enterprise Funds Average Utility Bill - 2002/03

	Water	Solid Sewer	Waste	Total
% Increase	5%	1.5%	0%	-
Current Cost	\$36.97	\$16.45	\$14.36	\$67.78
Rate Increase	1.85	0.27	-	2.12
Projected Cost	\$38.82	\$16.72	\$14.36	\$69.90

Enterprise Funds User Fees Revenue Comparison Actual and Forecasted In Millions of Dollars

Fiscal Year	Water Charges	Sewer Charges	Solid Waste Charges	Airport Charges
1993/94	\$34.6	\$9.9	\$8.5	\$0.7
1994/95	37.2	11.5	9.4	0.8
1995/96	42.3	12.4	10.3	0.9
1996/97	45.4	14.9	11.9	0.9
1997/98	46.8	16.7	12.8	1.0
1998/99	50.7	18.9	13.8	1.0
1999/00	55.4	21.4	15.0	1.3
2000/01	57.1	25.0	15.7	1.4
2001/02 Forecast	63.5	24.7	16.0	1.5
2002/03 Forecast	65.9	26.8	16.1	2.4

CONTINUED FROM PAGE 52

improvements to Scottsdale's Water treatment and delivery systems in order to meet the new requirements.

Because the majority of the City's groundwater resources exceed the new standard for arsenic, the City is particularly susceptible to arsenic related cost increases. The City must continue its reliance on groundwater, where arsenic is naturally occurring, for peak demand and drought protection. Therefore, the City has incorporated an arsenic mitigation program into its capital improvement program to ensure that the City's groundwater supply resources will be in compliance with the Arsenic Rule by February 2006. The arsenic mitigation program will identify the most cost-effective method for treating the groundwater, assess land acquisition alternatives for eight planned treatment facilities, and secure contracts for the design and construction of these facilities. The estimated cost for this program is approximately \$63.6 million during the planning horizon. This program benefits existing customers.

As mentioned, the City must also address environmental regulations that require all water systems in the United States to reduce the maximum contaminant level of disinfection by-products in potable water at all points of delivery in the system. To ensure compliance at all points of our water delivery system the City will add granule activated charcoal to its treatment processes at its treatment facilities. With total projected costs of \$40 million for existing customers the capital cost for the City to address the new mandates is over \$100 million total.

The financial plan to address these requirements calls for debt issuance to help level the impacts to our customers over many years - thereby avoiding large rate increase in any one year.

Sewer Charges

Sewer charge revenues are collected for the disposal of sanitary sewer waste. Residential customers are charged a flat fee per month and commercial users are charged based upon water consumption and type of business. Fees are studied annually to determine if they are covering the cost of providing this service. The 2002/03 forecasts include a 1.5% rate increase for the costs associated with expansion of the multi-city 91st Avenue Wastewater Treatment Facility and related facilities to accommodate existing customers' sewer treatment needs.

Solid Waste Charges

Solid Waste charges are billed monthly for the pickup of solid waste. Residential customers are charged a flat fee per month, while commercial customers are charged based upon the size of the container and the number of pickups per month. In addition, the City also provides roll-off, uncontained service, recycling programs, and household hazardous waste collection. The 2002/03 forecast includes no rate increase for residential customers.

Airport Charges

Airport charges are for a variety of services provided to airport customers, i.e., tie down fees, hangar rentals, fuel sales, and other rental charges. The following airport rates and fees have been approved by the Airport Advisory Commission and are proposed for Council adoptions: 8 cent per gallon fuel flowage fee, Transient Landing Fee equal to \$1.00 per 1,000 pounds maximum certificated takeoff weight for all transient aircraft weighing 12,500 pounds and over, United States Customs Service User Fee according to aircraft weight, Airport hourly labor rate of \$41.50, 6% of Gross Sales on Off-Airport Catering Services, and Charter/Brokerage Services fee equal to \$1.00 per 1,000 pounds maximum certificated takeoff weight. We anticipate a significant increase in revenue based on these proposed fees, subject to City Council approval, which will allow the airport to cover all of its direct and indirect costs.

Enterprise Funds

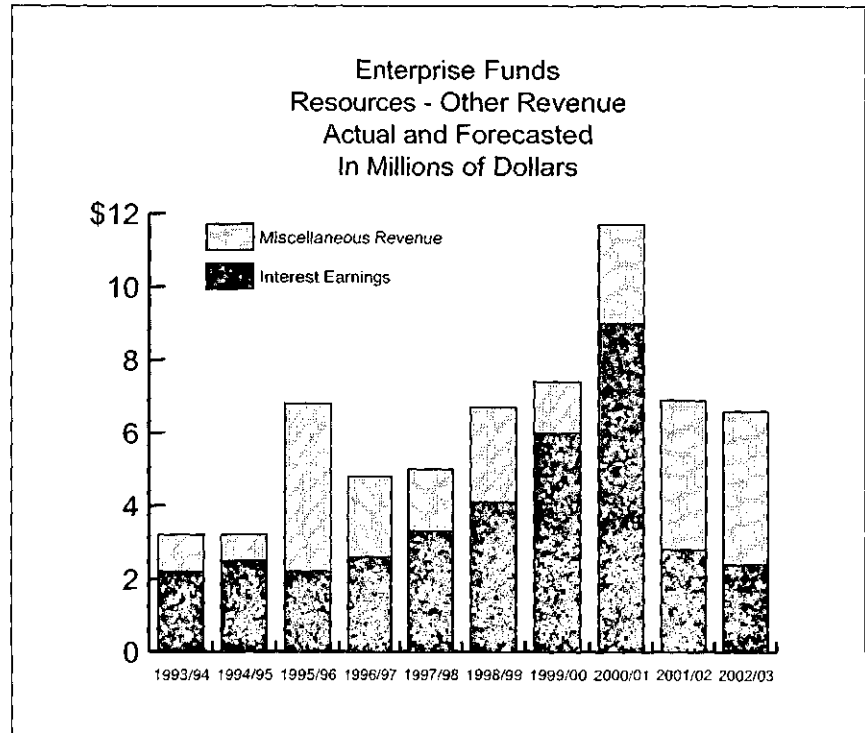
Other Revenues

Interest Earnings

Includes interest earnings on the Enterprise Funds invested cash balance. We expect interest revenue to decline in 2002/03 simply as a function of the relationship between the cash balance and interest rate. The City earns interest on idle funds through various investment vehicles in accordance with Arizona Revised Statutes and City ordinance. The City's investment policy stresses safety above yield and allows investments in U.S. Treasury and Agency obligations, certificates of deposit, commercial paper, bankers' acceptances, repurchase agreements, money market funds, and the State of Arizona's Local Government Investment Pool.

Miscellaneous Revenue

Includes all other miscellaneous receipts including funds received from outside parties to the groundwater treatment cleanup project.



Transfers In

Sewer Development fee revenue is received in the enterprise capital improvement fund, and a portion - \$5 million - is transferred to the operations budget to pay debt service on revenue bonds issued for development-related capital improvements.

A transfer is made from the General Fund as needed to balance revenues and expenditures. This amount has decreased over the years as the Aviation Fund moves toward self-sufficiency.

**Enterprise Funds
Other Revenues Comparison
Actual and Forecasted
In Millions of Dollars**

Fiscal Year	Interest Earnings	Miscellaneous Revenue
1993/94	\$2.2	\$1.0
1994/95	2.5	0.7
1995/96	2.2	4.6
1996/97	2.6	2.2
1997/98	3.3	1.7
1998/99	4.1	2.6
1999/00	6.0	1.4
2000/01	9.0	2.7
2001/02 Forecast	2.8	4.1
2002/03 Forecast	2.4	4.2

Expenditures - Enterprise Funds

Program Budget

The Enterprise program budget for 2002/03 is \$55.2 — \$2.4 million (4.2%) lower than the 2001/02 Adopted Budget and \$1.1 million (2.0%) less than 2001/02 Forecast. Decreases include operational budget corrections for Central Groundwater Treatment Plant and the CAP Water Treatment Plant; a decrease in the operating budget related to the buyout of Scottsdale Water Service Company that shifted the expenditure to debt service to repay bonds issued for the purchase; and elimination of a Water Quality position. Increases include the addition of 2.5 positions — two (2) in solid waste operations, and conversion of part-time employee to full-time at the Airport, and increase in wastewater treatment plant charges paid for sewage treatment.

Debt Service

In addition to the \$55.2 million program budget the enterprise operating budget includes a \$16.3 million debt service budget for a total operating budget of \$71.5 million.

Reserve Appropriation

An allowance of \$5.0 million was included in the legal budget adoption to provide for the potential use of reserves as follows: \$3.5 million for potential use of the Weather Reserve and \$0.5 million for use of the Solid Waste Reserve that will only be expended with City Council authorization during 2002/03; and \$1.5 million as an estimate of open purchase orders from 2001/02 that may carry over into 2002/03 for actual expenditure.

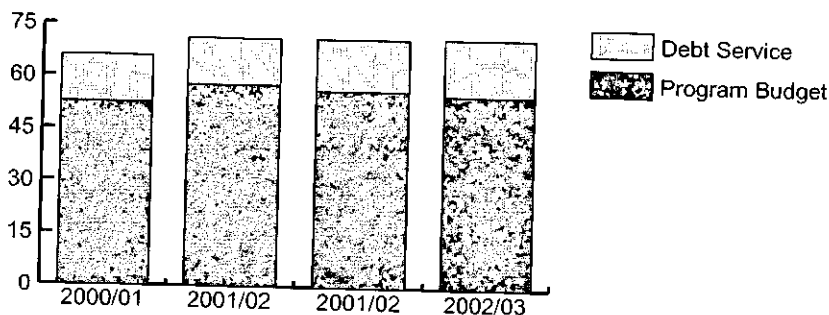
Legally, this appropriation of reserves is necessary in order to provide the ability to use reserves or contingency fund balance during the year, even though there is no definite plan to use the funding.

Transfers

In addition to the budget, the Enterprise Funds will transfer \$49.3 million to other funds — \$15.2 million to the General Fund for services provided to the Enterprise Funds; and \$34.1 million to the Capital Improvement Funds where the capital projects are budgeted.

A further explanation of all these budget components follows in this section. By Broad Goal Budgets, Debt Service and Capital Project sections of this budget also provide additional details about each program, service, debt component, and capital project.

Enterprise Fund Budget Comparison In Millions of Dollars



Enterprise Funds Budget Comparison In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Program Budget	\$52.5	\$57.6	\$56.3	\$55.2
Debt Service	13.4	13.4	14.8	16.3
Total Budget	\$65.9	\$71.0	\$71.1	\$71.5
Reserve Appropriation	-	5.0	-	5.0
Total Appropriation	\$65.9	\$76.0	\$71.1	\$76.5
Transfers				
To General Fund	10.9	14.9	15.0	15.2
To CIP Funds	32.0	39.5	36.6	34.1
To Fleet Fund	-	0.8	0.4	-
Total Transfers Out	\$42.9	\$55.2	\$52.0	\$49.3

The following pages summarize Scottsdale's Enterprise Fund Program Budget expenditures by City Council Broad Goal and by Expenditure Type to provide our readers different perspectives on how budget expenditures are planned.

Expenditures By City Council Broad Goal

Staff developed a budget using a program budget approach, whereby expenditures and revenues are related to the Broad Goals and the programs supporting those goals. If additional funds or staffing are required to implement the work plans, supplemental decision packages are submitted that contain the justification, performance measures, background, and financial detail. Staff were also asked to review their base budget and identify reductions that can be made to provide additional funding to offset their requested additions. Decision packages include requests for service level changes, new positions, or new programs. The performance of each program is then measured as to its success in helping to achieve Broad Goals. Enterprise funds provide the resources to address these and other citizen service goals:

Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained. Solid waste operations support this Broad Goal through residential and commercial solid waste removal, brush removal, recycling programs, and household hazardous waste collection.

The program budget — \$11.9 million, has increased by approximately \$220,000 (1.8%) and two (2) positions. Highlights for 2002/03 include:

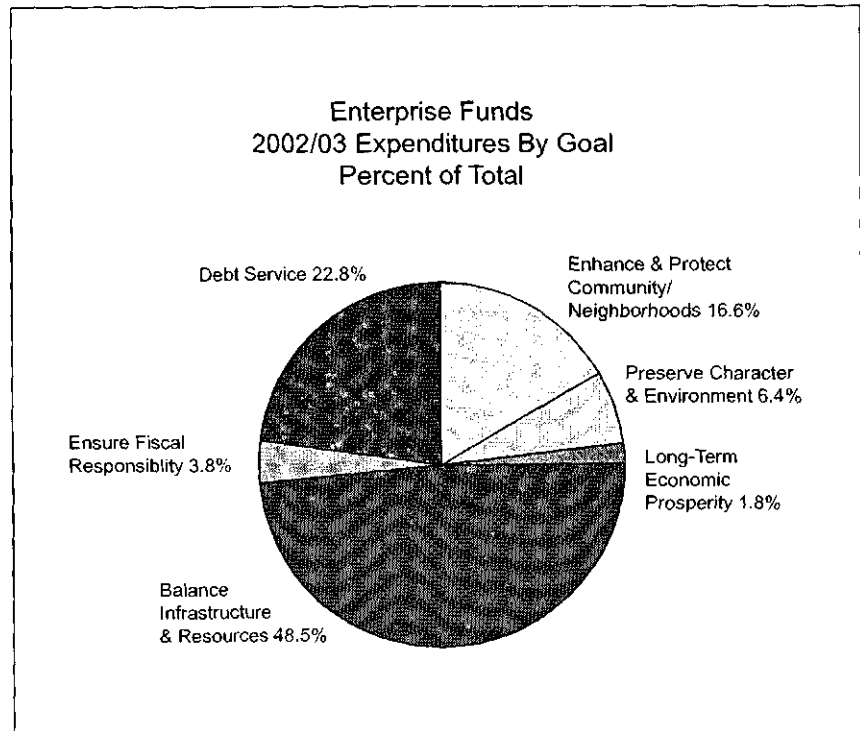
Addition of two positions, an additional side-loader and ½ ton pickup truck, and landfill and transfer charges to provide service to a larger customer base, the cost of which is fully offset by service fees — approximately \$500,000.

Various line item reductions to partially offset by the added expenditures, while maintaining service levels to current customers.

Preserve the character and environment of Scottsdale. Water enterprise funds support this Broad Goal through water conservation and water quality programs.

The operating budget — \$4.6 million, has decreased by \$0.4 million and one position. Highlights include:

Decrease in the Central Groundwater Treatment Facility due to lower volume of samples and using in-house lab rather than contracting for testing, and a reduction in purchased water and chemicals; and



Enterprise Funds Expenditures by Goal In Millions of Dollars

	Forecast 2001/02	Adopted 2002/03
Enhance & Protect the Community/Neighborhoods	\$11.7	\$11.9
Preserve Character & Environment	5.0	4.6
Long-Term Economic Prosperity	1.2	1.3
Balance Infrastructure & Resources	35.9	34.7
Ensure Fiscal Responsibility	2.5	2.7
Debt Service	14.8	16.3
Total	\$71.1	\$71.5

CONTINUED ON PAGE 57

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Elimination of one position in Water Quality.

Position Scottsdale for long-term economic prosperity by diversifying our economic resources.

Aviation enterprise funds support this Broad Goal through Aviation Operations.

The operating budget — \$1.3 million, has increased by approximately \$110,000 (9.9%) and one-half of a position. Highlights include:

Conversion of one part-time Airport Technician position to full-time to assist in collection of landing fees for transient aircraft, the cost of which will be offset by increased collections.

Coordinate planning to balance infrastructure and resource needs within budget. Water and Sewer Enterprise funds support this Broad Goal through Water & Wastewater Operations.

The operating budget — \$34.7 million, has decreased by \$1.2 million (4.8%). Highlights include:

Reduction in water operations budget due to the buyout of Scottsdale Water Service Company – which moved principal and interest out of operations and into the debt service budget;

Reduction in electricity and natural gas use at the Central Arizona Project (CAP) Water Treatment Plant due to operational experience;

Reduction in purchased water – infrastructure limited CAP water use more than anticipated for this year and part of next year; and

Increases in Wastewater Treatment Plant charges paid to Phoenix Subregional Operations Group for treatment of sewage due to improved metering and strength of sewage analysis.

Ensure Scottsdale is fiscally responsible and fair in the management of taxpayer money and City assets.

The Water, Sewer, & Solid Waste Funds support this Broad Goal through the Revenue Collection program.

The operating budget — \$2.7 million, has increased \$215,000 (8.0%). Highlights include:

Increase in credit card merchant fees due to higher usage for payment of utility bills and licensing fees; and

Increase in postage for mailing of utility bills based on additional customers and postage rate increase.

Enterprise Funds

Expenditures By Expenditure Type

Direct Operating Expenditures are divided into four major expense categories plus debt service, contingency, and reserves/rebudget from the prior fiscal year. The pie chart shows the share each type represents of the total budget, while the table shows the four-year comparison of expenditures by type.

Personal Services

Personal Services representing 20.3 percent of the 2002/03 Budget (direct services and debt service) includes salaries and benefits for employees. The proposed personal services budget has increased \$0.2 million from 2001/02 adopted budget or \$0.4 million from forecast. This category of expenditure includes a commitment to our employees by continuing to provide them competitive compensation and benefit programs. The increase includes the salary and benefit cost for new employees not offset by elimination of positions (1.5 net increase); full year funding for positions funded for only a portion of the prior fiscal year; the annualization of increases for market and merit in 2001/02; and health plan and retirement system costs.

Contractual Services

Contractual Services, representing 37.0 percent of the 2002/03 Budget have decreased \$1.5 million (5.2%) from 2001/02 adopted, and \$1.1 million (6.9%) from forecast. Major decreases occur in Water Resources – the shift of contractual dollars to debt service due to the buyout of Scottsdale Water Service Company, and operational budget corrections for Central Groundwater Treatment Plant and the CAP Water Treatment Plant. These decreases more than offset the increases in other contractual obligations.

Commodities

Commodities, representing 19.7 percent of the 2002/03 Budget, have decreased \$1.1 million (7.3%) from adopted and \$0.4 million (2.7%) from forecast. Decreases include a reduction in purchased water at the CAP Water Treatment Plant and other miscellaneous reductions.

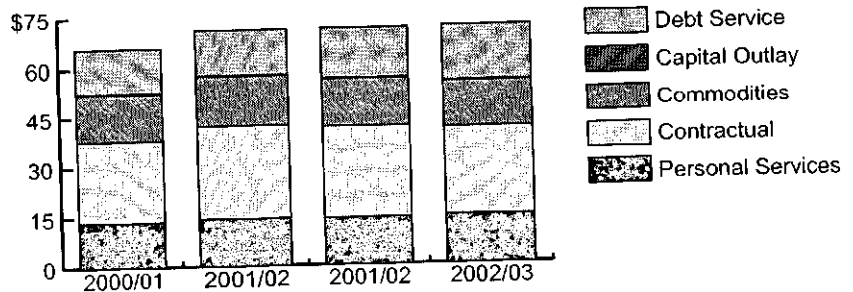
Capital Outlay

Capital Outlay, representing less than 0.2 percent of the 2002/03 Budget decreased by approximately \$15,000 (6.3%) primarily due to the shift of the personal computer replacement expenditures to the capital improvement program for computer purchases, offset by the purchase of a new vehicles.

Debt Service

Debt Service, representing 22.8 percent of the 2002/03 Enterprise Budget, has increased by \$2.9 million (21.6%) from 2001/02 adopted, and \$1.5 million (9.6%) from forecast. Increases relate to the issuance of Municipal Properties Corporation Bonds during 2001/02 to provide funding for the purchase of Scottsdale Water Service Company. The City had maintained a contractual relationship prior to the purchase. Issuance of debt shifted the expense from contractual services to debt service. General Obligation and Revenue Bond debt service, for bonds previously issued, is unchanged. Debt service payments are paid from water and sewer service fees, and an annual transfer of \$4.9 million in sewer development fees from the Capital Improvement Program.

Enterprise Funds
Expenditures By Type Budget Comparison
In Millions of Dollars



Enterprise Funds
Expenditures by Type Budget Comparison
In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Personal Services	\$13.5	\$14.3	\$14.1	\$14.5
Contractual	24.4	27.9	27.5	26.4
Commodities	14.1	15.2	14.5	14.1
Capital Outlay	0.5	0.2	0.2	0.2
Debt Service	13.4	13.4	14.8	16.3
Total	\$65.9	\$71.0	\$71.1	\$71.5

Fund Balance/Reserves

Fund balance represents Scottsdale's net difference of financial resources and uses.

The preceding pie chart identifies reserves and unreserved portions of the total estimated 2002/03 fiscal year-end fund balance and the table compares four years' ending balances.

Weather Reserve

In addition another \$3 million dollars has been reserved to promote more appropriate budgeting yet provide a resource in times of adverse weather swings which can impact this utility. Establishment of this reserve has allowed the Water Resources to budget for average expected weather conditions versus budgeting for adverse weather, thereby keeping the expenditure budget lower than would otherwise be possible.

Water/Sewer Repair Replacement Reserve

Water/Sewer reserves are maintained for replacement of related infrastructure and as a fiscal cushion for periods of adverse weather which result in higher operating costs.

Water/Sewer Reserves include a Replacement/Extension Reserve, which is required by revenue bond indenture to ensure that funds are set aside to preserve the assets, which in turn are the collateral for Water Revenue Bonds. The reserve is required to be at least 2 percent of the revenues received during the year or until the reserve equals 2 percent of the value of total tangible assets. The reserve may be used from time to time for replacement or extension of the assets and may be liquidated when the bonds are paid off.

Solid Water Management Reserve

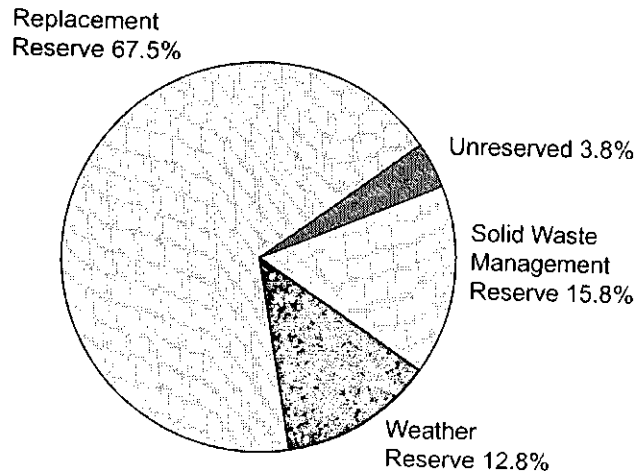
A Solid Waste Management Reserve is maintained to meet unpredictable costs associated with solid waste disposal.

Solid Waste Management Reserve was established in 1993/94 to help meet the unpredictable costs of solid waste management. A portion of the reserve was used in 1998/99 to purchase additional State land adjoining the City's Waste Transfer Station and provide for future expansion.

Water/Sewer Unreserved

The unreserved fund balance represents the net financial resources that are expendable or available for budgeting. Remaining unreserved fund balance becomes a transfer to the Capital Improvement Program in a future year.

Enterprise Funds
2002/03 Fund Balance/Reserve
Percent of Total



Enterprise Funds
Fund Balance/Reserve Comparison
In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Weather Reserve	\$3.0	\$3.0	\$3.0	\$3.0
Water/Sewer Repair/ Replacement Reserve	12.0	14.1	14.1	15.8
Solid Waste Management Reserve	1.3	1.7	2.1	3.7
Water/Sewer Unreserved	7.4	-	1.1	0.9
Fund Balance	\$23.7	\$18.8	\$20.3	\$23.4

Staffing by City Council Broad Goal

A significant part of the City's Program Budget, 51.4 percent, is funding for employees who in turn provide services to our citizenry. The accompanying tables identify full-time equivalent (FTE) positions by Broad Goal.

New and Eliminated Positions

The 2002/03 budget increases full-time equivalent positions by 1.5 positions – the addition of 2.5 positions offset by the elimination of 1.0 position. Changes in staffing include:

Enhance and protect a diverse and family oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained – Solid Waste Management: 2.0 positions

Service Coordinator – effective July 2002

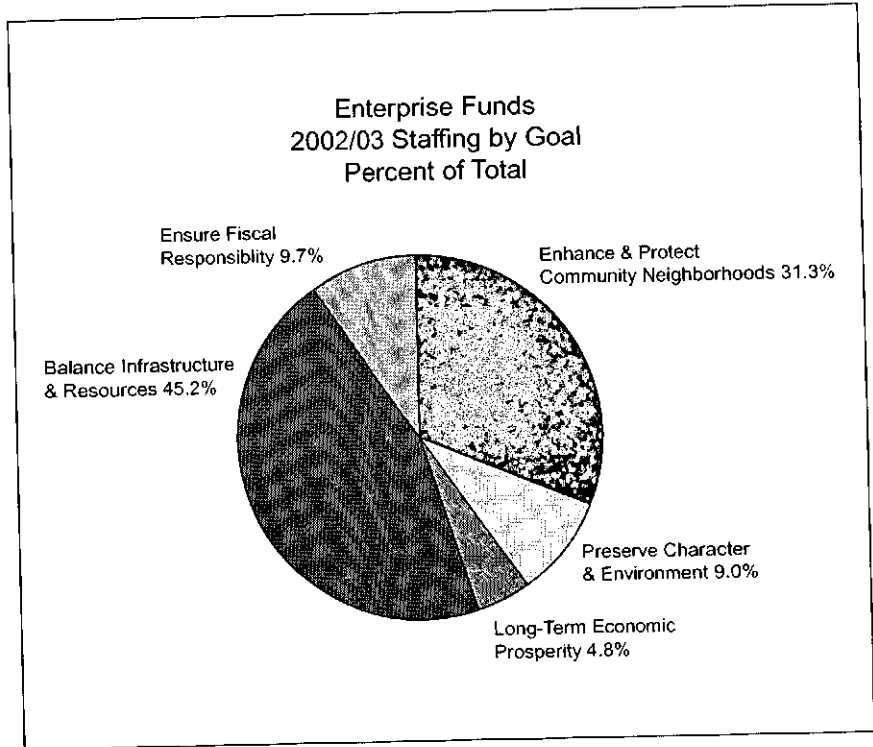
Equipment Operation III – effective January 2003, and Airport Operations – 0.5 positions.

Preserve the character and environment of Scottsdale – Water Conservation & Quality: eliminate 1.0 position

Eliminate Water Quality Director position

Position Scottsdale for long-term economic prosperity by diversifying our economic resources – Airport Operations: 0.5 position

Convert a part-time Airport Technician to full-time



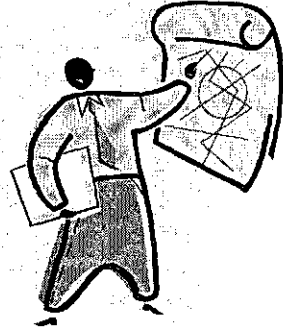
	Forecast 2001/02	Adopted 2002/03	Change
Enhance & Protect the Community/Neighborhoods	78.3	80.3	2.0
Preserve Character & Environment	24.0	23.0	(1.0)
Long-Term Economic Prosperity	11.9	12.4	0.5
Balance Infrastructure & Resources	116.0	116.0	-
Ensure Fiscal Responsibility	25.0	25.0	-
Total Full-time Equivalent Staff (FTE)	255.2	256.7	1.5

Capital Improvement Program & Operating Impacts

The Capital Improvement Program for Enterprise Funds, which is paid from Enterprise Fund revenue — Water and Sewer Rate Charges, Development Fees, Solid Waste Charges, and Contributions is shown the Capital Projects section of this budget. These projects are budgeted in the Capital Improvement fund, but require a cash transfer from the Enterprise operating funds. The estimated operating impact of budgeted projects, once completed is as follows:

	Enterprise Funds Operating Impact by Goal In Thousands of Dollars				
	2002/03	2003/04	2004/05	2005/06	2006/07
Enhance & Protect the Community/Neighborhoods	-	-	-	\$(102.8)	-
Preserve Character & Environment	-	-	\$515.0	2,063.7	\$2,065.6
Long-Term Economic Prosperity	-	\$5.2	11.3	24.2	24.3
Balance Infrastructure & Resources	\$35.1	68.1	88.8	301.4	301.7
Ensure Fiscal Responsibility	-	186.8	195.3	204.7	204.9
Total Operating Impact	\$35.1	\$ 260.1	\$810.8	\$2,491.2	\$2,596.4

Internal Service Funds Highlights



Internal Service Funds are used to account for the financing, on a cost reimbursement basis, of commodities or services provided by one program for the benefit of other programs within the City. The City maintains two internal service funds to account for fleet management and self-insurance activities.

Financial Policies

The City's comprehensive financial policies are shown in a separate section, and in general, apply to all funds. Specific policies relating to Internal Service funds are as follows:

Fleet replacement will be accomplished through the use of a "rental" rate structure. The rates will be revised annually to ensure that charges to programs are sufficient for the operation and replacement of vehicles.

A fleet management reserve will be maintained based upon lifecycle replacement plans to ensure adequate fund balance required for systematic replacement of fleet vehicles. Program will be charged for fleet operating costs per vehicle class and replacement costs spread over the useful life of the vehicles.

Self-insurance reserves will be maintained at a level which, together with purchased insurance policies, will adequately indemnify the City's property and liability risk. A qualified actuarial firm shall be retained on an annual basis in order to recommend appropriate funding levels.

Economic Overview

Economic conditions play a major role in the City's ability to provide services. The Internal Service funds rely on all other funds to provide the resources for their operations. Operating expenditures and the fleet replacement schedules are carefully reviewed and documented annually to ensure that the charges to programs are sufficient for the operation and replacement of vehicles and to adequately indemnify the City's property and liability risk.

Resources - Internal Service Funds

Internal Charges

Internal Charges represent approximately 94% of internal service fund operating resources (revenue and transfers in). These charges are comprised of: a "rental" rate to programs sufficient for the operation and replacement of vehicles, and a self-insurance charge covering general and auto liability/physical damages, workers compensation, and property charges.

Property Tax

Property taxes are levied on the assessed value of all property within the City to help pay for general governmental services, debt service on voter approved bonds, and to reimburse the city for the actual cost of liability claim judgments during the most recent calendar year as allowed by state statute. Claim judgments are paid from the Self Insurance Fund - an Internal Service Fund - and therefore, the reimbursement becomes revenue to this fund. The City's total property tax rate for 2002/03 is \$1.15 per \$100 of assessed valuation. Of this amount, \$0.03 relates to reimbursements of claim judgments; considering all taxable properties within the City of Scottsdale, this will amount to \$1.0 million in revenue for the Internal Service Funds.

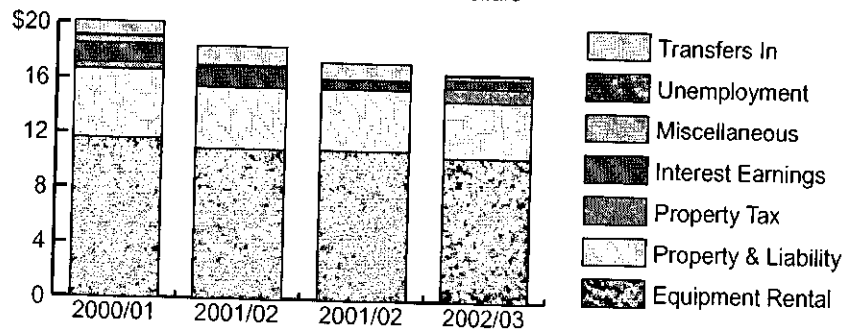
Interest, Miscellaneous, and Unemployment

Includes estimated interest earnings on invested cash balances, and other miscellaneous revenue such as sales of retired fleet vehicles, and unemployment revenue received as withholding from employee earnings and used to provide unemployment benefits.

Transfers In

Transfers to the Fleet Management Fund are for new vehicle purchases budgeted in other funds and transferred to Fleet Management for the actual purchase. No new vehicle transfers are included in the 2002/03 budget; however, new vehicles are budgeted in the General Fund and in Enterprise Funds and a transfer will occur later in the fiscal year.

Internal Service Fund Resource Comparison
In Millions of Dollars



Internal Service Funds Resource Comparison
In Millions of Dollars

Revenue Source	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Internal Charge - Equipment Rental	\$11.6	\$10.9	\$10.9	\$10.5
Internal Charge - Property & Liability	5.0	4.5	4.5	4.1
Property Tax	0.5	-	-	1.0
Interest Earnings	1.4	1.5	0.6	0.6
Miscellaneous Revenue	0.5	-	-	0.3
Unemployment	0.1	0.1	0.1	0.1
Total Revenue Source	\$19.1	\$17.0	\$16.1	\$16.6
Transfers In	1.0	1.4	1.2	-
Total Resources	\$20.1	\$18.4	\$17.3	\$16.6

Internal Service Funds

Expenditures - Internal Service Fund

Program Budget

The Internal Service program budget for 2002/03 is \$17.3 million — \$1.1 million (7.2%) higher than 2001/02 adopted and \$1.2 million higher than 2001/02 forecast. This budget supports maintaining current basic service levels, including normal contract increase obligations, and includes approximately \$0.8 million in projected higher insurance costs due to insurance industry losses related to the 9/11 terrorist attack, and a \$0.7 million increase in the fleet replacement budget due to variations in the replacement schedule. These, and other contractual increases are partially offset by reductions in other line item budget accounts.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Program Budget	\$17.9	\$16.2	\$16.1	\$17.3
Reserve Appropriation	0.4	4.0	-	4.0
Total Appropriation	\$18.3	\$20.2	\$16.1	\$21.3
Total Transfers Out to CIP	\$1.1	\$ 0.2	\$5.7	\$ 0.9

Transfers Out

Transfers to the capital improvement plan include the amount of capital expenditures budgeted in the CIP funds that are funded from internal service funds. The higher amounts in 2000/01 and 2001/02 forecast represent additional transfers to supplement General Fund pay-as-you-go capital.

.....
 • The following pages summarize Scottsdale's Internal Service Funds Program Budget
 • expenditures by City Council Broad Goal and by Expenditure Type to provide our
 • readers different perspectives on how budget expenditures are planned.
 •

Expenditures By City Council Broad Goal

Staff developed a budget using a program budget approach, whereby expenditures and revenues are related to the Broad Goals and the programs supporting those goals. If additional funds or staffing are required to implement the work plans, supplemental decision packages are submitted that contain the justification, performance measures, background, and financial detail. Staff was also asked to review their base budget and identify reductions that can be made to provide additional funding for their requested additions. Decision packages include requests for service level changes, new positions, or new programs. The performance of each program is then measured as to its success in helping to achieve Broad Goals. Internal Service funds provide resources to address the following Broad Goal:

.....
Ensure Scottsdale is fiscally responsible and fair in the management of taxpayer money and City assets. Internal service funds support this Broad Goal through programs such as liability management (self-insurance fund) and organizational support (fleet management fund).

The operating budget — \$17.3 million, has increased \$1.1 million (7.2%) over 2001/02 adopted. Highlights include:

Projected increase in insurance costs due to high insurance industry losses since September 2001 (\$0.8 million); and

Variation in the Fleet replacement schedule (\$0.7 million); and

Reductions in other various line item accounts to partially offset increases.

	Forecast 2001/02	Adopted 2002/03
Ensure Fiscal Responsibility		
Liability Management	4.5	5.3
Organizational Support	11.6	12.0
Total	16.1	17.3

Expenditures By Expenditure Type

Direct Operating Expenditures are divided into four major expense categories.

Personal Services

Personal Services representing 18.0% of the 2002/03 Operating Budget includes salaries and benefits for employees. The proposed personal service budget has increased approximately \$74,000 (2.4%) from 2001/02 adopted and forecast. The increase includes full year funding of 2001/02 increases for market and merit that occurred throughout the year; and health plan and retirement system costs.

Contractual Services

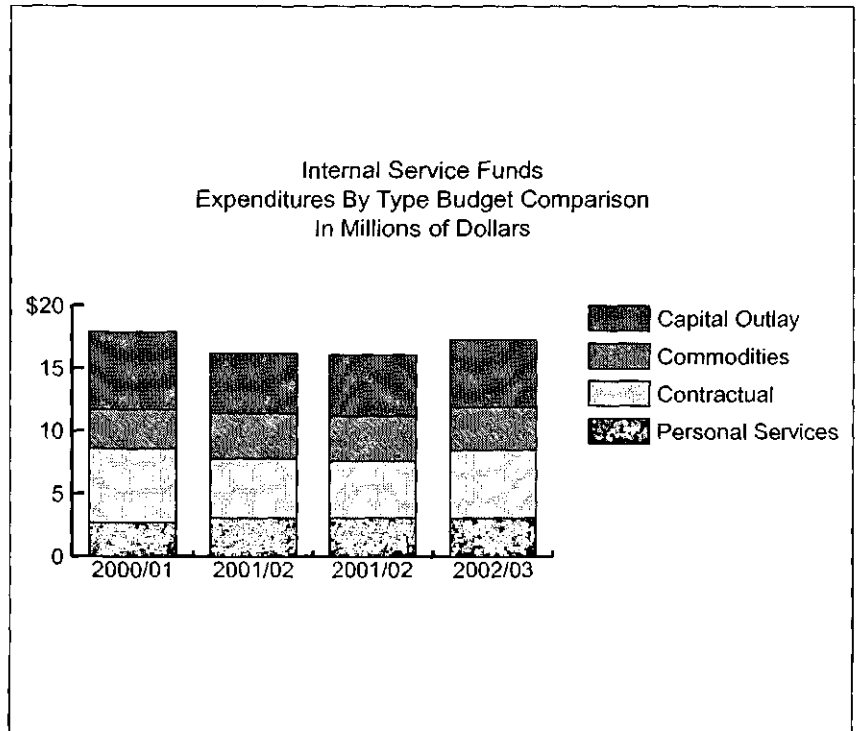
Contractual Services, representing 31.0% of the 2002/03 Operating Budget have increased approximately \$0.8 due to increased insurance costs. This increase has been partially offset by other reductions in contractual accounts.

Commodities

Commodities, representing 20.0% of the 2002/03 budget has decreased by \$200,000 (5.4%) primarily due to a projected decrease in gas and oil prices from what was budgeted in 2001/02.

Capital Outlay

Capital Outlay, representing 31.0% of the budget, has increased \$0.6 million. This increase is due to a variation in the vehicle replacement budget of \$0.8 million, offset by decreases in other line item accounts - \$0.2 million.



Internal Service Funds Expenditures By Type Budget Comparison In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Personal Services	\$2.7	\$3.1	\$3.1	\$3.1
Contractual	5.9	4.7	4.5	5.4
Commodities	3.1	3.6	3.6	3.4
Capital Outlay	6.2	4.8	4.9	5.4
Total	\$17.9	\$16.2	\$16.1	\$17.3

Internal Service Funds

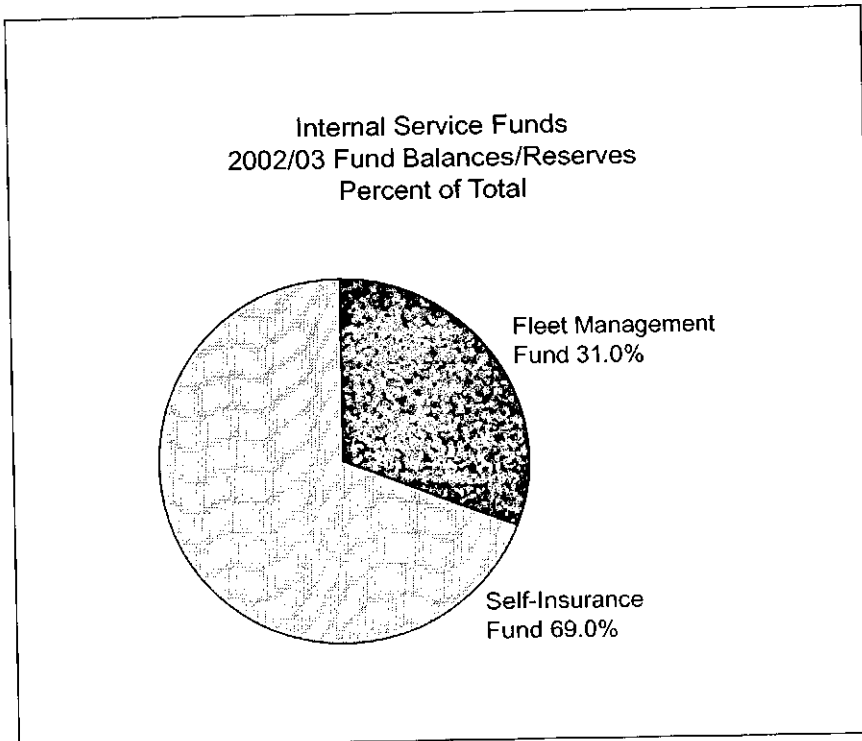
Fund Balance/Reserves

Fund balance represents the net difference of financial resources and uses. Internal Service Fund balances by year are shown on the following table:



Fleet Management Fund

The Fleet Management fund balance varies primarily due to the vehicle replacement schedule. The portion of internal charge to programs for replacement vehicles is evenly spread over the expected life of the vehicles. This charge becomes revenue to the fleet management fund and is representative of the replacement charge for many vehicles with different expected lives. Therefore, the revenue does not vary significantly by year, but the year in which vehicles are purchased may vary significantly if, for example, several large, expensive vehicles are scheduled for replacement in a single year. The fund balance at the end of each year includes the accumulated balance to be used for future year vehicle purchases.



Self-Insurance Fund

The Self-Insurance fund balance is maintained to provide for coverage of unemployment, self-insured benefits, workmen's compensation, property and liability claims. The required fund balance is actuarially determined on an annual basis.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Fleet Management Fund	\$10.5	\$8.6	\$8.3	\$6.5
Self-Insurance Fund	16.7	13.2	14.4	14.5
Fund Balance	\$27.2	\$21.8	\$22.7	\$21.0

Staffing By City Council Broad Goal

The accompanying table identifies full-time equivalent positions by City Council Broad Goal/Program.

New and Eliminated Positions

The 2002/03 budget includes no changes in staffing.

	Forecast 2001/02	Adopted 2002/03
Ensure Fiscal Responsibility		
Liability Management	8.0	8.0
Organizational Support	46.0	46.0
Total FTE's	54.0	54.0

Capital Improvement Program Operating Impacts

The Capital Improvement Program appears in a separate section. Projects are budgeted in the Capital Projects Fund, but require a cash transfer from the Internal Service funds.

The estimated operating impact to the internal service funds once these projects are complete is estimated in this table:



Ensure Fiscal Responsibility

Total Operating Impact

	2002/03	2003/04	2004/05	2005/06	2006/07
Ensure Fiscal Responsibility	-	-	\$15.5	\$15.5	\$15.5
Total Operating Impact	-	-	\$15.5	\$15.5	\$15.5

Debt Service Fund Highlights

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest that are not serviced by the enterprise, general, or special revenue funds. It does not include contractual obligations, accounted for in the individual funds.

Financial Policies

The City's comprehensive financial policies are shown in a separate section. Policies specifically relating to Debt Service are as follows:

The City will seek to maintain and, if possible, improve our current bond rating in order to minimize borrowing costs and preserve access to credit.

An analysis showing how the new issue combined with current debt impacts the City's debt capacity and conformance with City debt policies will accompany every future bond issue proposal.

The City will attempt to develop coordinated communication process with all other overlapping jurisdictions with which we share a common tax base concerning our collective plans for future debt issues.

Debt Service costs (GO, MPC, HURF, Revenue Bond, and Contractual Debt) should not exceed 25% of the City's operating revenue, which includes 5% for Mountain Preservation debt service. Improvement District (ID) and Community Facility District (CFD) debt is not included in this calculation because it is paid by the property owners of the district. Separate policy criteria have been established for both ID and CFD bonds.

General Obligation debt, which is supported by property tax revenues and grows in proportion to the City's assessed valuation or community acceptable property tax rates will be utilized as authorized by voters. Other types of voter approved debt (e.g., water, sewer, and HURF) may also be utilized when they are supported by

dedicated revenue sources (e.g., fees and user charges).

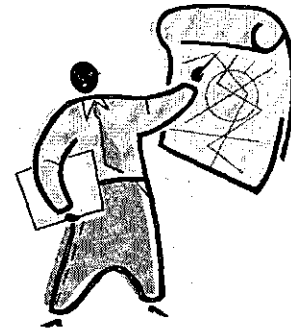
General Obligation debt issuances will be managed on an annual basis to match funds to Capital Improvement Plan cashflow requirements while being sensitive to the property tax burden on citizens. Careful management of bond issuances will allow the City to not exceed \$1.50 property tax per \$100 assessed value.

Improvement District Bonds shall be issued only when there is a general City benefit. Improvement District bonds will be utilized only when it is expected that they will be issued for their full term. It is intended that Improvement District bonds will be primarily issued for existing neighborhoods desiring improvements to their property such as roads, water lines, sewer lines, street lights, and drainage. Improvement District debt will be permitted only when the full cash value of the property, as reported by the Assessor's Office, to debt ratio (prior to improvements being installed) is a minimum of 3/1 prior to issuance of debt and 5/1 or higher after construction of improvements. Should the full cash value to debt ratio not meet the minimum requirements, property value may be determined by an appraisal paid for by the applicant and administered by the City. In addition, the City's cumulative improvement district debt will not exceed 5 percent of the City's secondary assessed valuation. Bonds issued to finance improvement district projects will not have maturities longer than ten years.

Financing should not exceed the useful life of the infrastructure improvement with the average (weighted) bond maturities at or below ten years.

A ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the City's ability to pay short-term obligations.

Bond interest earnings will be limited to funding changes to the bond financed Capital Improvement Plan, as approved by City Council, or be applied to debt service payment on the bonds issued for construction of this plan.



Resources - Debt Service Funds

Property Tax Rates

are levied on the assessed value of all property within the City to help pay for general governmental operation costs and bond debt service. City property taxes are comprised of two parts:

Primary Property Tax

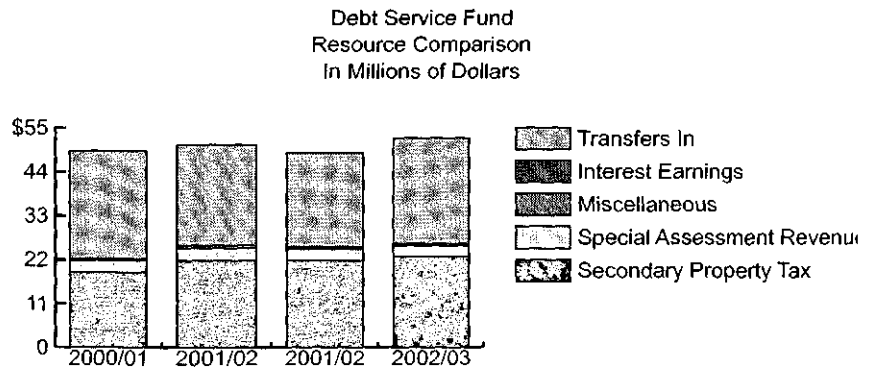
A portion of this tax is used to pay for general city services and becomes revenue to the general fund. The primary property levy is limited to a 2 percent increase per year, plus an allowance for annexations and new construction. Another component of the primary property tax accounts for the reimbursement to the city for the cost of involuntary tort judgments as allowed by state statute, and is reimbursed to the Self-Insurance Fund.

Secondary Property Tax

Is unlimited in growth, is the portion of the property tax that is restricted for use by the City to pay debt service on voter approved general obligation bonds. The debt service for bonds already issued, plus estimated debt service for bonds planned to be issued within the budgeted fiscal year, is levied. This component becomes revenue to the debt service fund. The rate is computed by dividing the total levy by the assessed value/\$100.

Special Assessment Revenue

Special Assessment revenue, representing approximately 10% of debt service revenues results from billings to property owners within an improvement district. Districts are formed to build infrastructure improvements such as roads, water lines, sewer lines, street lights, and drainage. The city issues the debt and bills the property owners within the district based on a ten year debt service schedule. If assessments are not paid, the property is auctioned, and the city Unpaid assessments are subject to be issued for their full term. It is intended that Improvement District bonds will be primarily issued for existing neighborhoods desiring improvements to their property such as roads, water lines, sewer lines, street lights, and drainage. Improvement District debt will be permitted only when the full cash value of the property, as reported by the Assessor's Office, to debt ratio (prior to improvements being installed) is a minimum of 3/1 prior to issuance of debt and 5/1 or higher after construction of improvements. Should the full cash value to debt ratio not meet the minimum requirements, property value may be determined by an appraisal paid for by the applicant and administered by the City. In addition, the City's cumulative improvement district debt will not exceed 5 percent of the City's secondary assessed valuation. Bonds issued to finance improvement district projects will not have maturities longer than ten years.



Interest and Miscellaneous Revenue

Debt Service funds earn interest on invested balances - usually a small amount as the property tax and special assessment revenue is received just prior to the expenditure of these funds for required debt payments. A small amount of miscellaneous revenue is received from a golf surcharge dedicated to pay debt service on bonds issued to provide parking for golf course special events.

Debt Service Funds
Resource Comparison
In Millions of Dollars

Revenue Source	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Secondary Property Tax	\$18.8	\$21.8	\$21.8	\$22.8
Special Assessment Revenue	3.0	3.1	2.8	2.6
Miscellaneous Revenue	0.3	0.3	0.3	0.3
Interest Earnings	0.1	0.3	0.2	0.2
Total Revenue Source	22.2	25.5	25.1	25.9
Transfers In	27.0	25.3	23.6	26.5
Total Resources	\$49.2	\$50.8	\$48.7	\$52.4

CONTINUED ON PAGE 70

Debt Service Funds

CONTINUED FROM PAGE 69

Transfers In

A transfer of \$10.2 million will be made from the General Fund to pay debt service on Municipal Property Corporation bonds.

\$16.0 million will be transferred from the Preservation Privilege Tax Special Revenue Fund to pay debt service on bonds issued for preserve purchases.

\$300,000 will be transferred from the Special Projects Special Revenue Fund to pay debt service on bonds issued for improvements at McCormick Railroad Park.

Expenditures - Debt Service Fund

The expenditure budget shows the debt service by type of bond.

General Obligation

General Obligation bond debt expense relates to the bonds previously issued and, for 2002/03, the new debt service expense relating to \$68 million in new bonds issued in May 2002 — \$40 million related to McDowell Sonoran Preserve purchases and \$28 million for a variety of capital improvements.

Municipal Properties Corporation

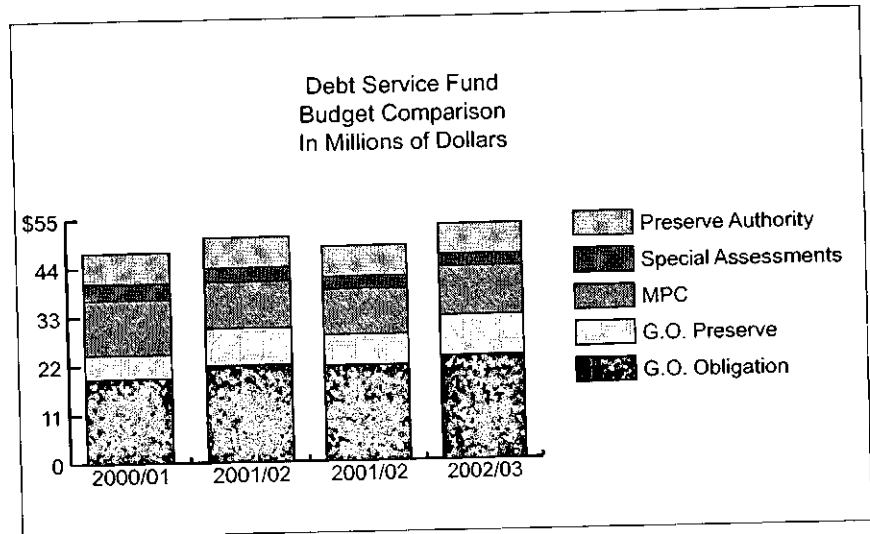
Municipal Properties Corporation bond debt service increases \$0.8 million to provide for the purchase of state land for event parking adjacent to WestWorld, construction of the Scottsdale Loloma Museum, and waterfront improvements. The land purchase will be paid from Tournament Players Club and Princess revenues and museum and water front debt paid by bed tax revenues

Special Assessment

Special Assessment debt service relates to bonds already issued. No new bond issuance is currently planned in 2002/03-2006/07.

Preserve Authority

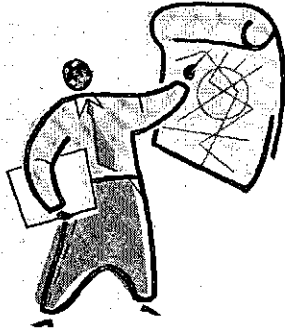
Preserve Authority bonds were issued to acquire land within the preserve boundaries. No new bonds of this type will be issued as voters have approved issuance of general obligation bonds for this purpose.



Debt Service Funds Budget Comparison In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
General Obligation	\$19.0	\$21.8	\$21.5	\$23.3
General Obligation Preserve	5.4	8.4	6.9	9.1
Municipal Properties Corporation	12.4	10.5	10.3	11.1
Special Assessment	3.7	3.1	2.8	2.6
Preserve Authority	6.9	6.9	6.9	6.9
Total Budget	\$47.4	\$50.7	\$48.4	\$53.0

Capital Improvement Funds Highlights



Capital Improvement Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The City maintains several Capital Project funds to ensure legal compliance and financial management for various restricted revenues. Examples of restricted funds are: bond funds – to account for bond proceeds be used only for approved bond projects; transportation privilege tax capital fund – to be used only for transportation projects; grant capital funds to account for the proceeds of capital grants; and enterprise capital funds to account for utility rates and development fees for specific projects. There is also an unrestricted General Capital Fund to account for transfers from the General Fund and for any other activity for which a special capital fund has not been created.



Financial Policies

The City's comprehensive financial policies are show in the Process/ Policies section, and in general, apply to all funds. Specific policies relating to the Capital Projects Funds are as follows:

A five-year Capital Improvement Plan will be developed and updated annually, including anticipated funding sources. Capital improvement projects are defined as infrastructure or equipment purchases or construction which results in a capitalized asset costing more than \$25,000 and having a useful (depreciable life) of two years or more.

The capital improvement plan will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfounded liability.

Proposed capital projects will be reviewed by a cross-departmental team regarding accurate cost (design, capital, and operating), congruence with City objectives and prioritized by a set of deterministic criteria. Financing sources will then be sought for the highest ranking projects.

Capital improvement lifecycle costs will be coordinated with the development of the Program

Budget. Future operating, maintenance, and replacement costs associated with new capital improvements will be forecast, matched to available revenue sources and included in the Program Budget.

Two tenths of a percent privilege tax revenue dedicated for transportation improvements will be restricted for use in providing funding for the purpose of planning, desing, construction and acquisition of new, substantially renovated and enhanced capital improvements for streets, highways, traffic control, transit and aviation.

Pay-as-you-go Capital Improvement Plan financing should account for a minimum of 25 percent of all capital improvement projects for each five-year planning period. Pay-as-you-go financing is defined as all sources of revenue other than City debt issuance, i.e., fund balance contributions, developer contributions, grants, endowments, etc.

Pay-as-you-go contributions up to 10% of \$500,000, whichever is less, may be authorized by City Council towards any single utility undergrounding improvement district. Any unused annual budget authorization may carry forward towards a maximum \$2 million appropriation for utility undergrounding capital projects that benefit the community as a whole.

Five-Year Capital Improvement Plan

The *capital budget* authorizes and provides the basis for control of expenditures for the acquisition of significant City assets and construction of all capital facilities. A five-year Capital Improvement Plan (CIP) is developed and updated annually. Capital budget appropriations lapse at the end of the fiscal year; however, they are re-authorized until the project is complete and capitalized. As capital improvement projects are completed, the operation of these facilities is funded in the program budget.

The *program budget* authorizes and provides the basis for control of operating expenditures for both internal and citizen services. Including operating and maintaining new capital facilities. Program budget appropriations lapse at the end of the fiscal year.

Projects included in the five-year Capital Improvement Plan have been reviewed through an extensive prioritization process. Scottsdale uses a cross-departmental CIP Coordination team to review and prioritize all projects based on twelve criteria:

- Capital Costs
- Annual Operating Costs
- Health and Safety Effects
- Community and Citizen Benefits
- Environmental, Aesthetic, and Social Effects
- Distributional Effects
- Public Perception of Need
- Feasibility of Implementation
- Implication of Deferring the Project
- Uncertainty of Information Supplied
- Effect on Interjurisdictional Relationships
- City Council Broad Goals

In addition, the City's Technology Board, with the assistance of consultants from the Information Systems, reviewed any technology projects. Since some of the issues surrounding technology projects are different than those of traditional construction projects, the Technology Board reviews and recommends changes, where necessary, giving added value to the entire CIP review process.

After all proposed projects are prioritized using the twelve criteria, the list of projects is reviewed from two more viewpoints: (1) Does the list stand an "intuitive check" — do projects fall in the priority order that was "anticipated"?; and (2) Are there any linkages between projects? Are any projects related to one another geographically, or otherwise, such that having them accomplished concurrently would be advantageous? What about sequencing or timing? Are any projects dependent on the completion of other projects? Adjustments to the priority list may be necessary dependent upon this final review.

The prioritized projects are subsequently reviewed by a City Management Team and the recommended five-year CIP Plan is reviewed by the City Manager, City Council and Citizen Budget Review Committee during budget work/study sessions and public hearings prior to budget adoption. The Citizen Bond Review Commission reviews changes to the Bond Program prior to budget adoption.

Resources – Capital Improvement Plan

Resources for the Capital Improvement Plan are budgeted in the period that the revenue is expected to be collected. Funding sources include estimated balances on hand at the beginning of the period as well as revenue expected to be collected during the period. As a result of presenting revenue on the cash basis, funding sources do not equal budgeted expenditures in each period, sometimes creating a fund balance as cash accumulates for larger expenditures in subsequent years.

All potential capital funding resources are evaluated to ensure equity of funding for the Capital Improvement Plan. Equity is achieved if the beneficiaries of a project or service pay for it. For example, general tax revenues and/or general obligation bonds appropriately pay for projects that benefit the general public as a whole. Use fees, development fees, and/or contributions pay for projects that benefit specific users. Other factors considered when funding the capital plan are whether the financing method provides funding when needed and the financial costs associated with the funding source. The following summarizes the funding sources for the 2002/03 Capital Improvement Plan:

General Obligation (G.O.) Bonds (\$75.4 million). G. O. Bonds are secured by the full faith and credit of the issuer, and are secured by a pledge of the issuer's property taxing power; therefore, this type of bond must be authorized by the electorate – whether or not it is the City's intention to actually tax the property owners. In this case, \$60.4 million will be issued in March of 2003 for parks, libraries, law enforcement, flood control and transportation purposes as authorized by voters in

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September 2000. Funds to pay principal and interest on these bonds will become a part of the property tax. Another \$15.0 million will be issued for land acquisition in the McDowell Mountain Sonoran Preserve. The debt service on these bonds will be paid from the 0.2% Preservation Privilege Tax approved in 1995.

Municipal Properties Corporation (M.P.C.) Bonds (\$17.1 million). MPC bonds are issued by the Municipal Property Corporation, a nonprofit corporation established to issue bonds to fund City capital improvements. The debt incurred by the corporation is a City obligation that does not require voter approval; the repayment of MPC debt is financed by pledged excise taxes. Planned bond issuances in 2002/03 include \$9.9 million for land acquisition adjacent to WestWorld Equestrian Facility to provide needed parking; \$3.0 million for the Loloma District Fleischer Museum; and \$4.2 million for issuance of bonds to mitigate the effects of arsenic in the City's drinking water in response to new federal legislation.

Water and Sewer Development Fees (\$28.2 million). This includes normal collections of water, sewer, and water resources development fees of \$17.2 million to provide additional infrastructure and services in new development areas, and a one-time extra capacity development fee of \$11.0 million.

Grants (\$6.0 million). Capital grant revenue may be available during the fiscal year for such projects as bus purchases, bus shelter construction, and other improvements to encourage use of alternate transportation modes. Because most transportation grants are funded at the federal level, availability of this type of grant is not normally known until the federal fiscal year begins in October.

Other Contributions (\$9.5 million). Contributions represent amounts paid by other entities toward capital projects that the City contracts for and builds. For example, some contributions come from developers to pay for capital projects associated with their development such as roadway improvements to provide extra capacity for the added traffic associated with that development.

Bond Interest (\$12.0 million). Interest is earned on invested funds between the time bonds are issued and the proceeds are used for capital projects. Bond interest may be used for any purpose for which the bonds were authorized.

Other (\$0.6 million). Miscellaneous revenue is received from sources such as the sale of surplus property or miscellaneous in lieu developer payments.

Prior Year Rebudgeted Revenue (\$315.0 million). Rebudgeted revenue represents revenue budgeted in a prior year that has not as yet been expended, and some portion may not have been received before year end.

Transfers

Transfers are made from various program funds to provide funding for pay-as-you-go projects. The 2002/03 Capital Projects Budget assumes transfers of \$64.6 million as shown in the accompanying chart and described within the various program funds.

Capital Improvement Plan
Comparison of Funding Sources
on a Cash Flow Basis
In Millions of Dollars

	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07
Bonds/Contracts					
General Obligation	\$60.4	\$58.5	\$59.0	\$60.7	\$49.5
General Obligation - Preserve	15.0	-	50.4	-	-
Municipal Properties Corporation	17.1	5.3	-	2.0	7.1
Municipal Properties Corporation - Arsenic	-	34.9	40.7	-	30.8
Pay-As-You-Go					
Water/Sewer Development Fees	17.2	17.8	18.6	19.4	20.4
Extra Capacity Development Fee	11.0	-	-	-	-
Grants	6.0	5.7	3.0	8.6	-
Other Contributions	9.6	4.2	1.0	1.0	1.0
Interest Earnings	12.0	8.7	7.8	6.8	5.4
Miscellaneous	0.6	0.4	0.1	0.1	0.1
Prior Year Rebudget	315.0	300.0	250.0	175.0	100.0
Transfers In					
General Fund	12.9	12.3	14.7	14.2	12.8
Highway User Fund	0.1	0.1	0.1	0.1	0.1
Special Projects Fund	0.2	0.3	-	-	0.1
Transportation Privilege Tax Fund	16.9	17.6	18.5	19.5	20.7
Aviation Fund	0.6	0.2	1.0	0.7	-
Water/Sewer Funds	33.5	33.7	33.1	33.2	39.8
Solid Waste	-	0.5	2.0	-	-
Internal Service Funds	0.5	0.7	-	-	-
(To) From CIP Fund Balance					
	(\$9.7)	\$48.7	(\$4.8)	\$58.1	\$12.9
Total Funding Sources	\$518.9	\$549.5	\$495.2	\$399.5	\$299.8

Capital Improvement Funds Highlights

Expenditures By Program

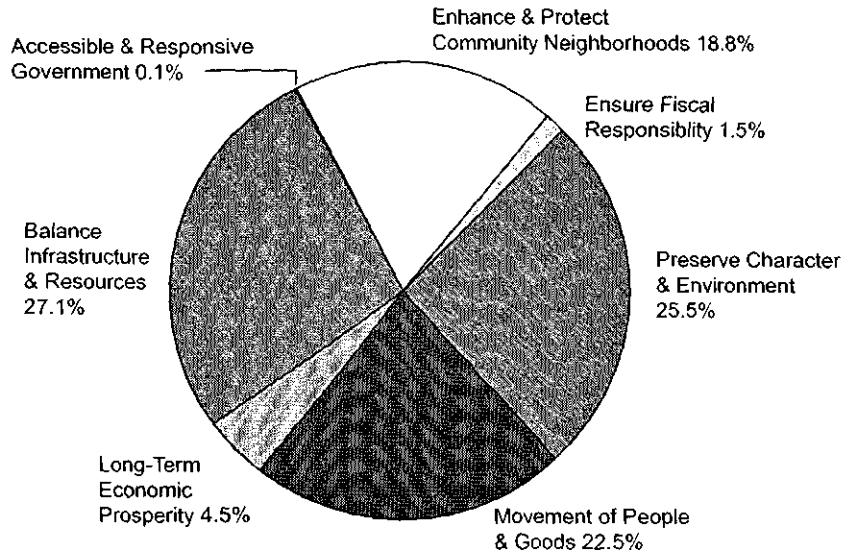
Capital Improvement expenditures are presented on a budget basis rather than a cash flow basis. Governmental budgeting procedures require adequate budget to pay for the entire contract to be available and appropriated in the period in which a contract is entered. However, actual cash expenditures under the contract may take place over more than one period. Highlights of the 2002/03 capital budgets by program are:

Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well-maintained (\$96.8 million). Projects supporting this Broad Goal include public safety projects, parks, libraries, recreational facilities, senior facilities, community arts projects, and neighborhood flood control projects. 2002/03 highlights include completion of the Family Advocacy Center, Police/Fire Training Facility; Fire Stations at Bell Road and 100th Street, Ashler Hills and Pima Roads, Scottsdale Airport, and Alma School Road north of Jomax; CAP Basin Lighted Sports Complex; Civic Center Senior Center Replacement; Arabian Library expansion; and various neighborhood drainage improvement projects.

Preserve the character and environment of Scottsdale (\$131.2 million). Projects supporting this Broad Goal include equestrian facilities and trails, "character" plans, preservation projects, and projects supporting water conservation and quality. Highlights of the 2002/03 capital budget include acquisition of state land adjacent to the WestWorld Equestrian Facility to provide parking for special events; preserve land purchases, and arsenic mitigation treatment.

Provide for the safe, efficient, and affordable movement of people and goods (\$115.8 million). Projects supporting this Broad Goal include roadway improvements, transit improvements, and technology improvements leading to more efficient movement of traffic. Highlights for 2002/03 include improvements on Hayden Road from Cactus to Pinnacle Peak Road; roadway capacity improvements at Scottsdale Road at Frank Lloyd Wright Boulevard and at the intersection of Hayden Road and Shea Boulevard; and expansion of the Intelligent Transportation System – which uses technology to improve traffic movement.

2002/03 Capital Project Budget
By Goal - Use of Funds
Percent of Total



Capital Improvement Plan
By Goal - Use of Funds
In Millions of Dollars

Major Programs	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07
Enhance & Protect Community & Neighborhoods	\$96.8	\$96.7	\$56.8	\$34.2	\$9.6
Preserve Character & Environment	131.2	18.9	26.5	23.9	11.9
Movement of People and Goods	115.8	47.5	60.8	59.7	31.3
Long-Term Economic Prosperity	23.2	1.2	3.8	2.5	0.7
Balance Infrastructure & Resources	139.1	62.0	39.7	21.7	62.7
Accessible & Responsive Government	0.4	-	-	-	-
Ensure Fiscal Responsibility	7.5	3.1	2.7	2.5	3.6
Subtotal	\$513.9	\$229.6	\$190.3	\$144.6	\$119.9
Prior Year Rebudget	-	315.0	300.0	250.0	175.0
Transfers Out to Debt Service	5.0	5.0	5.0	5.0	4.9
Total Use of Funds	\$518.9	\$549.6	\$495.3	\$399.6	\$299.8

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Position Scottsdale for long-term economic prosperity by diversifying our economic resources (\$23.2 million). Supporting this Broad Goal are Scottsdale Airport infrastructure projects, downtown improvements, and other revitalization plans. Highlights for 2002/03 include Scottsdale Aircraft Museum; Downtown Canals/Waterfront Attraction; Loloma District Fleischer Museum and Public Parking Garage; and Scottsdale Papago Streetscape Improvements.

Coordinate planning to balance infrastructure and resource needs within budget (\$139.1 million). Projects supporting this Broad Goal are City facility maintenance projects, City water delivery and wastewater collection systems, and technology infrastructure. Highlights for 2002/03 include Central Arizona Project (CAP) Water Treatment Plant Expansion; Chaparral Water Treatment Plant; Shared Fiber Infrastructure for Public Use; and Facilities Maintenance and Repair budgets.

Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations (\$0.4 million). Projects supporting this Broad Goal relate to public communications projects. Highlights for 2002/03 include Citycable Production Truck Replacement; Kiva Meeting Technology and Space Improvements; and courts Interactive Voice Response System.

Ensure Scottsdale is fiscally responsible and fair in the management of taxpayer money and City assets (\$7.5 million). The capital program supports this Broad Goal through improvement of financial systems and investments in technological improvements. Highlights include a new Utility Billing System; Remittance Processing Transport System; and Computer, Server and Network Replacement Program.

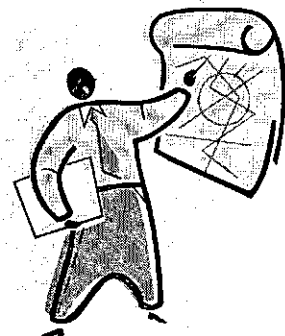
Capital Projects Operating Impacts

The operating impacts of capital projects are analyzed and taken into consideration during the extensive CIP prioritization process. Estimated new revenues and/or operational efficiency savings associated with projects are also taken into consideration during the capital program review. As capital improvement projects are completed, the net operating costs of these projects have been identified and included in the appropriate program budgets. City staff plans and budgets for significant start-up costs, as well as operations and maintenance of new facilities. The operating costs are shown within each of the program budget funds – General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds.

Considerable capital budget information is shown in the Capital Project Budgets section of this budget book, including the project description, funding source for each, and estimated operating impacts.

Expendable Trust Fund

Expendable Trust Fund



Highlights

Trust funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other government units, and other funds.

Resources

The City receives a small amount of trust revenue – revenue held in a trustee capacity – each year for a variety of purposes. For example, a typical case relates to redevelopment activity, whereby the city holds the power of condemnation and can accumulate properties within certain boundaries for a planned development having positive economic and/or social impact. In this case, the City will hold property acquisition funds for the developer, and later use them to purchase the property within the specified boundaries. Budgeted revenue and expenditures for 2002/03 is \$1.3 million and includes:

Redevelopment Revenue (\$760,000). Scottsdale Memorial Hospital is redeveloping the medical campus area located between North Drinkwater Boulevard and Scottsdale Road, north of Osborn Road. As negotiations with the property owners take place or condemnations are carried out, the City uses hospital funds held in trust to purchase the properties.

Streetlight Levy Revenue (\$508,900). Property owners within defined streetlight districts are assessed an amount on their property tax bills to pay for maintenance and operation of their streetlights. The levy is collected by Maricopa County; the County sends the funds to the City; and the City pays the utility companies for maintenance and electricity in each district.

Expenditures

Expenditures By City Council Broad Goal

Expendable Trust Fund budgets are developed based on existing relationships and future anticipated relationships. Unlike program budgets, no prioritization takes place, as the funds are simply a pass-through from one entity to another.

Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained. The Streetlight Expendable Trust supports this Broad Goal by ensuring that streetlights are maintained and functioning. This keeps our neighborhoods well-lit and contributes to public safety. This trust is budgeted at a maximum of \$508,900 for 2002/03 – approximately the same amount as was budgeted in 2001/02.

Position Scottsdale for long-term economic prosperity by diversifying our economic resources.

Scottsdale Memorial Hospital Expendable Trust supports this Broad Goal through revitalization in the medical campus area of the City. This trust is budgeted at \$770,000 for 2002/03, the estimated value of property to be acquired during the fiscal year. The 2001/02 budget for this trust was \$666,000.

Expendable Trust Fund Schedule of Fiscal Activity In Millions of Dollars

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Beginning Fund Balance	\$3.0	\$1.5	\$2.9	\$2.5
Resources				
Trust Revenue	2.7	1.5	0.6	1.3
Transfer from General Fund	0.1			
Expenditures				
Enhance & Protect the Community/Neighborhoods and, Preserve Character & Environment	2.9	1.5	1.0	1.3
Ending Fund Balance	\$2.9	\$1.5	\$2.5	\$2.5

Financial Fund Structure

Scottsdale's accounting and budget structure is based upon Governmental Fund Accounting to ensure legal compliance and financial management for various restricted revenues and program expenditures. Fund Accounting segregates certain functions and activities into separate self-balancing 'funds' created and maintained for specific purposes, (as described below). Resources from one fund used to offset expenditures in a different fund are budgeted as either a 'transfer to' or 'transfer from'. Transfers to and from funds cancel each other out when all funds are combined and presented as the City's Total Budget or Five Year Financial Plan.

Types of Funds Used as Part of the City's Accounting and Budget Structure

- **General Fund** - is the general operating fund of the City. The General Fund exists to account for the resources devoted to finance the services traditionally associated with local government. Included in these services are police and fire protection, parks and recreation, planning and economic development, general administration of the City, and any other activity for which a special fund has not been created.
- **Special Revenue Funds** - are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Examples of restricted revenues that must be spent on specific purposes are Highway User Revenue taxes, State lottery proceeds, Preserve Tax, Transportation Tax, Special Projects, Community Development Block Grants, and Housing Assistance funds.
- **Enterprise Funds** - are used to account for operations, including debt service, that are financed and operated similar to private businesses - where the intent is that costs of services are entirely or predominantly supported by user charges. The City maintains three Enterprise funds to account for Water and Sewer utilities, Solid Waste Management services, and Aviation operations.
- **Internal Service Funds** - are used to account for the financing, on a cost reimbursement basis, of commodities or services provided by one department for the benefit of other departments within the City. The City maintains two Internal Service funds to account for fleet management and self-insurance activities.
- **Debt Service Funds** - are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest not serviced by the enterprise funds. It does not include contractual obligations accounted for in the individual funds.
- **Trust or Agency Funds** - are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other government units, and other funds. These include expendable and non-expendable trusts, and agency funds.
- **Capital Project Funds** - are used to account for financial resources to be used for the acquisition or construction of major capital facilities, except those financed by Enterprise funds. The City maintains several Capital Project funds whose activity details the Capital Budget and Capital Improvement Plan.

The following section presents several schedules detailing Scottsdale's Total Budget for all funds and three year comparative schedules for each of the respective funds to include: General, Special Revenue, Grants, Debt Service, Capital Improvements, and Expendable Trusts.

Following the fund summary presentation is a discussion about Scottsdale's Program and Capital Five Year Balanced Financial Plan.

Fund Summaries

Total 2002/03 Budget Appropriation by Fund

	General Fund	Special Revenue	Enterprise	Internal Service	Debt Service	Trust	Capital	Total
Source of Funds:								
Beginning Balance	28,399.5	15,363.0	20,346.3	22,689.7	7,689.0	2,500.0	231,103.1	328,090.7
Revenues								
Taxes - Local								
Privilege Tax	84,047.5	-	-	-	-	-	-	84,047.5
Privilege Tax - Transportation	-	16,388.1	-	-	-	-	-	16,388.1
Privilege Tax - Preservation	-	16,640.7	-	-	-	-	-	16,640.7
Property Tax	15,410.0	-	-	982.3	22,766.4	-	-	39,158.7
Transient Occupancy Tax	7,600.0	-	-	-	-	-	-	7,600.0
Light & Power Franchise	5,640.6	-	-	-	-	-	-	5,640.6
Cable TV	2,114.1	-	-	-	-	-	-	2,114.1
Salt River Project Lieu Tax	202.9	-	-	-	-	-	-	202.9
Fire Insurance Premium	210.0	-	-	-	-	-	-	210.0
State-Shared Taxes								
Shared Sales Tax	15,793.8	-	-	-	-	-	-	15,793.8
Shared Income Tax	21,048.7	-	-	-	-	-	-	21,048.7
Transportation								
Highway User Tax	-	13,118.1	-	-	-	-	-	13,118.1
Auto Lieu Tax	-	6,700.0	-	-	-	-	-	6,700.0
Local Trans Assistance Fund	-	1,146.3	-	-	-	-	-	1,146.3
Internal Service Charges								
Fleet Management	-	-	-	10,470.4	-	-	-	10,470.4
Self Insurance	-	-	-	4,249.2	-	-	-	4,249.2
Licenses, Permits & Fees								
Development Permits & Fees	15,500.0	-	-	-	-	-	28,211.6	43,711.6
Business Licenses & Fees	1,705.3	-	-	-	-	-	-	1,705.3
Recreation Fees	3,429.8	-	-	-	-	-	-	3,429.8
Fines & Forfeitures								
Court Fines	3,464.9	-	-	-	-	-	-	3,464.9
Parking Fines	137.0	-	-	-	-	-	-	137.0
Photo Radar	1,150.0	-	-	-	-	-	-	1,150.0
Library Fines	445.7	-	-	-	-	-	-	445.7
Interest Earnings/Property Rental								
Interest Earnings	3,000.0	1,000.0	2,380.0	609.9	250.0	-	12,026.7	19,266.6
Property Rental	3,106.8	-	-	-	280.0	-	-	3,386.8
Enterprise User Fees								
Water Charges	-	-	65,852.1	-	-	-	-	65,852.1
Sewer Charges	-	-	27,162.2	-	-	-	-	27,162.2
Solid Waste Removal	-	-	16,115.4	-	-	-	-	16,115.4
Aviation Fees/Charges	-	-	2,386.0	-	-	-	-	2,386.0
Other Revenue								
Grant & Trust	-	25,633.7	-	-	-	1,268.9	6,044.9	32,947.5
Impr Dist Assessments	-	-	-	-	2,562.2	-	-	2,562.2
Miscellaneous	1,956.3	-	-	318.4	-	-	570.1	2,844.9
Special Revenue	-	2,354.8	3,908.8	-	-	-	9,580.7	15,844.3
Bond Proceeds	-	-	-	-	-	-	92,515.0	92,515.0
Less Internal Service Funds Offset	-	-	-	(14,569.5)	-	-	-	(14,569.5)
Subtotal	185,963.4	82,981.7	117,804.6	2,060.7	25,858.6	1,268.9	148,949.0	564,886.8
Transfers In								
Operating Transfers								
From General Fund	2,000.0	3,773.4	24.8	-	10,206.0	-	12,880.3	28,884.6
From Special Revenue Funds	-	-	-	-	16,349.6	-	17,196.8	33,546.4
From Enterprise Funds	-	-	1,000.0	-	-	-	34,083.9	35,083.9
From Internal Service Funds	500.0	-	-	-	-	-	448.6	948.6
From Capital Improvement Fund	-	-	4,958.3	-	-	-	315,013.7	319,972.0
Transfers to Gen Fund from Enterprise								
In Lieu Property Tax	2,316.3	-	-	-	-	-	-	2,316.3
Indirect Cost Allocation	8,045.3	-	-	-	-	-	-	8,045.3
Franchise Fee	4,811.1	-	-	-	-	-	-	4,811.1
Subtotal	17,672.7	3,773.4	5,983.1	-	26,555.7	-	379,623.4	433,608.3
Total Revenues & Transfers In	203,636.1	86,755.1	123,787.7	2,060.7	52,414.2	1,268.9	528,572.4	998,495.1

Total 2002/03 Budget Appropriation by Fund

Fund Summaries

	General Fund	Special Revenue	Enterprise	Internal Service	Debt Service	Trust	Capital	Total
Use of Funds:								
Enhance/Protect Community								
Police Protection/911 Communications	47,254.2	1,451.1	-	-	-	-	16,808.1	65,513.4
Judicial System	5,985.9	132.2	-	-	-	-	486.9	6,605.0
Fire Protection	17,916.5	-	-	-	-	-	5,992.0	23,908.5
Parks and Recreation Programs	12,801.6	1,260.4	-	-	-	-	30,797.6	44,859.6
Social Services	3,699.2	6,176.9	-	-	-	8.9	3,246.5	13,131.5
Community Services Admin Support	4,303.5	-	-	-	-	-	-	4,303.5
Library Services	7,943.7	215.0	-	-	-	-	2,063.8	10,222.5
Community Arts & Cultural Programs	2,780.6	300.0	-	-	-	-	976.5	4,057.1
Neighborhoods	2,112.8	38.0	11,947.0	-	-	500.0	36,424.9	51,022.7
Preserve Character/Environment								
Equestrian Facilities	2,105.1	-	-	-	-	-	13,046.9	15,152.0
Planning & Development	13,188.2	42.5	-	-	-	-	447.3	13,678.0
Preservation	520.0	-	-	-	-	-	89,353.8	89,873.8
Water Conservation & Quality	-	152.0	4,552.8	-	-	-	28,350.5	33,055.3
Movement of People/Goods								
Traffic Enforcement/Event Control	4,049.8	80.1	-	-	-	-	-	4,129.9
Traffic Movement	1,456.7	6,154.0	-	-	-	-	89,749.6	97,360.3
Traffic Reduction	-	10,992.9	-	-	-	-	20,965.5	31,958.4
Street/Right-of-Way Maintenance	-	7,370.3	-	-	-	-	5,060.8	12,431.1
Long Term Economic Prosperity								
Aviation	-	15,210.8	1,263.6	-	-	-	3,390.8	19,865.2
Economic Vitality	695.4	-	-	-	-	-	12,429.5	13,124.9
Revitalization	297.6	-	-	-	-	760.0	7,393.9	8,451.5
Tourism	5,537.7	-	-	-	-	-	-	5,537.7
Balance Infrastructure/Resources								
Facilities Maintenance	10,424.6	-	-	-	-	-	2,834.5	13,259.1
Water & Wastewater Operations	-	-	34,754.0	-	-	-	136,127.6	170,881.6
Capital Project Management	-	-	-	-	-	-	-	-
Geographic Information Systems	968.4	-	-	-	-	-	100.0	1,068.4
Accessible/Responsive Government								
Admin & Legislative Leadership	2,209.7	-	-	-	-	-	-	2,209.7
Customer Service/Communications	539.6	-	-	-	-	-	-	539.6
Public Notification & Communications	6,090.8	-	-	-	-	-	367.7	6,458.5
Human Resource Systems	3,458.7	-	-	-	-	-	-	3,458.7
Ensure Fiscal Responsibility								
Internal Audit	644.1	-	-	-	-	-	-	644.1
Liability Management	2,718.8	-	-	5,317.3	-	-	-	8,036.1
Revenue Collection	2,220.9	-	2,667.9	-	-	-	2,493.8	7,382.6
Organizational Support	8,508.8	-	-	12,019.9	-	-	4,994.9	25,523.6
Less Internal Service Funds Offset	-	-	-	(14,569.5)	-	-	-	(14,569.5)
Subtotal	170,432.9	49,576.2	55,185.3	2,767.7	-	1,268.9	513,903.4	793,134.4
Debt Service								
General Obligation Bonds	-	-	6,230.8	-	23,299.9	-	-	29,530.7
General Obligation Bonds-Preserve	-	-	-	-	9,111.0	-	-	9,111.0
Scottsdale Preserve Authority Bonds	-	-	-	-	6,881.4	-	-	6,881.4
Revenue Bonds	-	3,110.1	6,513.9	-	-	-	-	9,624.0
MPC Bonds	-	-	3,522.7	-	11,093.3	-	-	14,616.0
Special Assessment Bonds	-	-	-	-	2,562.2	-	-	2,562.2
Contracts	3,875.2	955.2	-	-	-	-	-	4,830.4
Subtotal	3,875.2	4,065.3	16,267.5	-	52,947.7	-	-	77,155.6
Total Budget	174,308.1	53,641.5	71,452.8	2,767.7	52,947.7	1,268.9	513,903.4	870,289.9
Transfers Out								
To Capital Improvement Program	12,880.3	17,196.8	34,083.9	448.6	-	-	-	64,609.7
To General Fund	-	-	-	500.0	-	-	-	500.0
To Special Revenue Funds	3,773.4	-	-	-	-	-	-	3,773.4
To Enterprise Funds	24.8	-	-	-	-	-	4,958.3	4,983.1
To Debt Service Fund	10,206.0	16,349.6	-	-	-	-	-	26,555.6
In Lieu Property Tax	-	-	2,316.3	-	-	-	-	2,316.3
Indirect Cost Allocation	-	-	8,045.3	-	-	-	-	8,045.3
Franchise Fee	-	-	4,811.1	-	-	-	-	4,811.1
Subtotal	26,884.6	33,546.4	49,256.7	948.6	-	-	4,958.3	115,594.5
Total Expenditures & Transfers	201,192.7	87,187.9	120,709.4	3,716.3	52,947.7	1,268.9	518,861.7	985,884.0
Ending Balance	\$ 30,842.9	\$ 14,930.3	\$ 23,424.6	\$ 21,034.1	\$ 7,155.5	\$ 2,500.0	\$ 240,813.8	\$ 340,701.1

Fund Summaries

General Fund

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	35,832,384	32,106,237	29,688,158	28,399,507
Revenues				
Taxes - Local				
Privilege Tax	81,108,807	88,564,928	82,064,928	84,047,534
Property Tax	12,889,216	14,312,894	14,312,894	15,410,034
Transient Occupancy Tax	7,587,551	8,057,840	6,300,000	7,600,000
Light & Power Franchise	4,978,764	5,122,021	5,372,021	5,640,622
Cable TV	2,145,258	1,013,441	2,013,441	2,114,113
Salt River Project Lieu Tax	176,258	202,864	202,864	202,864
Fire Insurance Premium	272,747	200,000	200,000	210,000
Taxes - From Other Agencies				
State Shared Sales Tax	15,447,219	16,683,219	15,683,219	15,793,835
State Revenue Sharing	19,559,916	20,754,041	20,354,041	21,048,652
Licenses, Permits & Fees				
Development Permits & Fees	16,850,482	19,000,000	15,500,000	15,500,000
Business Licenses & Fees	1,675,847	1,732,939	1,732,939	1,705,250
Recreation Fees	2,009,619	2,129,765	2,129,765	2,129,765
WestWorld	1,015,891	1,250,000	1,250,000	1,300,000
Fines & Forfeitures				
Court Fines	3,086,835	3,831,643	3,331,643	3,464,909
Parking Fines	142,837	187,000	137,000	137,000
Photo Radar Revenue	1,258,190	1,500,000	700,000	1,150,000
Library Fines	407,002	445,659	445,659	445,659
Interest Earnings/Property Rental				
Interest Earnings	2,841,013	6,320,106	3,500,000	3,000,000
Property Rental	2,811,874	2,987,348	2,987,348	3,106,842
Other Revenue				
Miscellaneous	1,314,848	1,956,346	1,956,346	1,956,346
Subtotal	177,580,174	196,252,055	180,174,108	185,963,425
Transfers In				
In Lieu Property Tax	2,251,593	2,222,382	2,227,245	2,316,343
Indirect Cost Allocation	6,701,812	7,928,274	7,959,659	8,045,269
Franchise Fee	4,370,572	4,758,660	4,777,833	4,811,104
From Solid Waste Fund	69,400	-	-	-
From Water/Sewer Fund	150,000	-	-	-
From Fleet Fund	19,400	-	-	500,000
From Capital Improvement Fund	489,563	-	-	-
From Special Projects Fund	93,506	-	-	-
From Departmental Expenditure Savings	-	-	4,100,000	2,000,000
Subtotal	14,145,846	14,909,316	19,064,737	17,672,716
Total Revenues & Transfers In	191,726,020	211,161,370	199,238,845	203,636,141

Transportation Privilege Tax
Special Revenue Fund

Fund Summaries

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
<u>Source of Funds:</u>				
Beginning Fund Balance	5,818,000	-	1,413,421	-
Revenues				
Privilege Tax	15,830,570	17,001,565	16,001,565	16,388,147
Interest Earnings	417,185	600,000	500,000	500,000
Subtotal	16,247,755	17,601,565	16,501,565	16,888,147
Total Revenues	16,247,755	17,601,565	16,501,565	16,888,147
<u>Use of Funds:</u>				
Transfers Out				
To Capital Improvement Program	19,478,693	17,601,565	17,914,986	16,888,147
To Highway User Fund	1,173,641	-	-	-
Subtotal	20,652,334	17,601,565	17,914,986	16,888,147
Ending Fund Balance	\$ 1,413,421	\$ -	\$ -	\$ -

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Transportation Privilege Tax Fund

• The Transportation Privilege Tax Fund is a special revenue fund used to account for
 • revenues collected from a voter approved 0.2% sales tax dedicated to transportation
 • improvements. All sales tax revenue and interest earnings are transferred at year-end to the
 • Transportation Capital Improvement fund.

Grant
Special Revenue Fund

Fund Summaries

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Beginning Fund Balance	761,106	-	2,777,700	-
Revenues				
Grant Revenue	18,343,310	27,472,598	16,371,383	25,633,657
Subtotal	18,343,310	27,472,598	16,371,383	25,633,657
Transfers In				
From General Fund	235,571	-	-	-
From Highway User Fund	738,642	-	-	-
From Aviation Operating Fund	126,528	-	-	-
From Capital Improvement Program	24,530	-	-	-
Subtotal	1,125,271	-	-	-
Total Revenues & Transfers In	19,468,581	27,472,598	16,371,383	25,633,657
Use of Funds:				
Program Expenditures				
Enhance & Protect Community/Neighborhoods	8,169,235	16,129,615	8,793,083	7,128,175
Preserve Character & Environment	7,440	130,855	16,000	152,000
Movement of People/Goods	7,387,292	2,857,651	3,800,000	3,142,682
Long Term Economic Prosperity	1,794,028	8,354,477	6,500,000	15,210,800
Ensure Fiscal Responsibility	31,401	-	40,000	-
Subtotal	17,389,396	27,472,598	19,149,083	25,633,657
Total Grant Budget	17,389,396	27,472,598	19,149,083	25,633,657
Transfers Out				
To Fleet Management Fund	40,310	-	-	-
To Capital Improvement Program	22,281	-	-	-
Subtotal	62,591	-	-	-
Total Expenditures & Transfers	17,451,987	27,472,598	19,149,083	25,633,657
Ending Fund Balance	\$ 2,777,700	\$ -	\$ -	\$ -

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 • Grant Special Revenue Fund •
 • The Grant Fund is a special revenue fund used to account for restricted revenues such as •
 • Community Development Block Grants, Housing Assistance, Transit and Aviation Grants. •
 •••••

Fund Summaries

Special Projects Special Revenue Fund

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	2,403,041	2,309,535	2,309,535	2,308,879
Revenues				
Miscellaneous Revenue	2,730,617	3,172,372	3,172,372	2,354,791
Subtotal	2,730,617	3,172,372	3,172,372	2,354,791
Transfers In				
From General Fund	-	-	300,000	100,000
Subtotal	-	-	300,000	100,000
Total Revenues and Transfers In	2,730,617	3,172,372	3,472,372	2,454,791
Use of Funds:				
Program Expenditures				
Enhance & Protect Community/Neighborhoods	2,430,975	2,722,712	2,818,198	2,445,503
Preserve Character/Environment	-	42,500	42,500	42,500
Subtotal	2,430,975	2,765,212	2,860,698	2,488,003
Total Operating Budget	2,430,975	2,765,212	2,860,698	2,488,003
Transfers Out				
To General Fund	93,506	-	-	-
To Debt Service Fund	299,642	356,830	356,830	357,260
To Capital Improvement Program	-	255,500	255,500	235,500
Subtotal	393,148	612,330	612,330	592,760
Total Expenditures & Transfers	2,824,123	3,377,542	3,473,028	3,080,763
Ending Fund Balance	\$ 2,309,535	\$ 2,104,365	\$ 2,308,879	\$ 1,682,907

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Special Projects Fund

• The Special Projects Fund is a special revenue fund used to account for activity for which
 • specific revenue sources are identified that are restricted to specific uses, such as
 • donations for library books, donations to the horse patrol, and a surcharge on a moving
 • violation restricted to enhancements to the City Court. The unexpended balance at the end
 • of each fiscal year carries over to the new year to be used for the intended purpose.
 •

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	(1,065,662)	-	-	-
Revenues				
Aviation Fees/Charges	1,448,026	1,481,591	1,481,591	2,386,019
Subtotal	1,448,026	1,481,591	1,481,591	2,386,019
Transfers In				
From General Fund	1,590,814	223,943	228,564	24,830
Subtotal	1,590,814	223,943	228,564	24,830
Total Revenues & Transfers In	3,038,840	1,705,534	1,710,155	2,410,849
Use of Funds:				
Program Expenditures				
Long Term Economic Prosperity	1,157,155	1,153,279	1,146,128	1,263,624
Subtotal	1,157,155	1,153,279	1,146,128	1,263,624
Total Operating Budget	1,157,155	1,153,279	1,146,128	1,263,624
Transfers Out				
In Lieu Property Tax	90,496	72,696	72,696	45,968
Indirect Cost Allocation	178,999	264,461	264,461	254,944
Direct Cost Allocation	420,000	215,098	215,098	234,713
To Aviation Grant Fund	126,528	-	-	-
To Capital Improvement Program	-	-	11,772	611,600
Subtotal	816,023	552,255	564,027	1,147,225
Total Expenditures & Transfers	1,973,178	1,705,534	1,710,155	2,410,849
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

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 • **Aviation Fund** •
 • The Aviation Fund is an enterprise fund used to account for Aviation operations. The goal of •
 • this fund is to recover all costs of the operation through user fees. Although the General •
 • Fund subsidizes this fund, the subsidy is expected to decrease substantially in 2002/03 due •
 • to newly adopted rates and fees. •
 •••••

Fund Summaries

Solid Waste Enterprise Fund

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	1,255,000	1,595,134	1,656,331	2,139,799
Revenues				
Refuse Collection Charges	15,704,652	16,228,835	16,008,836	16,115,445
Interest Earnings	50,733	35,000	20,000	44,013
Subtotal	15,755,385	16,263,835	16,028,836	16,159,458
Total Revenues	15,755,385	16,263,835	16,028,836	16,159,458
Use of Funds:				
Program Expenditures				
Enhance & Protect Community/Neighborhoods	11,611,733	11,829,206	11,810,488	11,946,974
Ensure Fiscal Responsibility	467,532	531,685	576,460	565,264
Subtotal	12,079,265	12,360,891	12,386,948	12,512,238
Debt Service				
Municipal Properties Corporation Bonds	1,028,062	342,993	342,993	341,993
Subtotal	1,028,062	342,993	342,993	341,993
Total Operating Budget	13,107,327	12,703,884	12,729,941	12,854,231
Transfers Out				
Indirect Cost Allocation	1,732,892	1,643,488	1,643,488	1,646,768
In Lieu Property Tax	19,931	17,127	17,127	16,867
To General Fund	69,400	-	-	-
To Fleet Fund	420,000	731,000	331,000	-
To Capital Improvement Program	4,504	801,200	823,812	18,400
Subtotal	2,246,727	3,192,815	2,815,427	1,682,035
Total Expenditures & Transfers	15,354,054	15,896,699	15,545,368	14,536,266
Ending Fund Balance	\$ 1,656,331	\$ 1,962,270	\$ 2,139,799	\$ 3,762,991

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Solid Waste Fund

- The Solid Waste Fund is an enterprise fund used to account for all activity associated with
- refuse and recycle material collection and disposal. User fees and sale of recyclable
- materials cover the cost of the operation. The fund maintains a small fund balance to
- provide for future additional vehicle purchases as routes expand in response to a larger
- customer base, and to provide funding for unexpected expenditures within the fiscal year.

**Water and Sewer
Enterprise Fund**

Fund Summaries

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	22,296,419	22,403,205	22,403,205	18,206,531
Revenues				
Water Charges	57,133,387	62,469,405	63,490,784	65,852,136
Sewer Charges	25,424,434	26,828,738	25,128,738	27,162,211
Interest Earnings	8,691,070	5,300,000	2,750,000	2,335,951
Miscellaneous Revenue	3,438,353	3,756,232	3,756,232	3,908,778
Subtotal	94,687,244	98,354,375	95,125,754	99,259,076
Transfers In				
From Estimated Year End Savings	-	-	1,500,000	1,000,000
From Capital Improvement Program	4,963,394	4,973,319	4,973,319	4,958,281
Subtotal	4,963,394	4,973,319	6,473,319	5,958,281
Total Revenues & Transfers In	99,650,638	103,327,694	101,599,073	105,217,357
Use of Funds:				
Program Expenditures				
Preserve Character & Environment	2,878,678	5,244,940	4,958,243	4,552,758
Balance Infrastructure & Resources	35,202,682	36,825,189	35,878,599	34,754,029
Ensure Fiscal Responsibility	1,858,426	2,030,201	1,938,145	2,102,626
Subtotal	39,939,786	44,100,330	42,774,987	41,409,413
Debt Service				
General Obligation Bonds	6,034,366	6,129,970	6,129,970	6,230,833
Revenue Bonds	6,541,505	6,538,630	6,538,630	6,513,921
Municipal Properties Corporation Bonds	-	-	1,465,744	3,180,725
Contracts Payable	338,151	365,726	365,726	-
Subtotal	12,914,022	13,034,326	14,500,070	15,925,479
Total Operating Budget	52,853,808	57,134,656	57,275,057	57,334,892
Transfers Out				
In Lieu Property Tax	2,141,166	2,132,559	2,137,422	2,253,507
Indirect Cost Allocation	4,369,921	5,805,227	5,836,612	5,908,844
Franchise Fee	4,370,572	4,758,660	4,777,833	4,811,104
To General Fund	150,000	-	-	-
To Fleet Management Fund	185,000	33,000	33,000	-
To Capital Improvement Program	35,473,385	38,735,823	35,735,823	33,453,940
Subtotal	46,690,044	51,465,269	48,520,690	46,427,395
Total Expenditures & Transfers	99,543,852	108,599,925	105,795,747	103,762,287
Ending Fund Balance				
Weather Reserve	3,000,000	3,000,000	3,000,000	3,000,000
Repair/Replacement Reserve	11,988,918	14,099,754	14,099,754	15,847,142
Special Operations Fund Balance	1,936	31,220	217,178	335,826
Unreserved Balance	7,412,351	-	889,599	478,633
Total Ending Fund Balance	\$ 22,403,205	\$ 17,130,974	\$ 18,206,531	\$ 19,661,601

Water and Sewer Fund

The Water and Sewer Utility Fund is an enterprise fund used to account for all activity associated with the city's water delivery and sanitary sewer waste disposal. User fees cover the cost of the operation, payment of debt service, and transfer of funding to the water and sewer capital improvement program for construction of new infrastructure and facilities.

Fund Summaries

Fleet Management Internal Service Fund

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	7,694,631	7,611,987	10,504,904	8,316,958
Revenues:				
Equipment Rental	11,550,710	10,861,504	10,861,504	10,470,441
Misc Revenue	414,619	-	-	318,418
Interest	734,186	700,000	309,149	309,149
Subtotal	12,699,515	11,561,504	11,170,653	11,098,008
Transfers In				
General Fund	355,763	519,000	670,550	-
Water/Sewer Funds	185,000	33,000	33,000	-
Solid Waste Fund	420,000	731,000	331,000	-
Highway User Fund	11,000	105,403	116,403	-
Grant Fund	40,310	-	-	-
Subtotal	1,012,073	1,388,403	1,150,953	-
Total Revenues & Transfers In	13,711,588	12,949,907	12,321,606	11,098,008
Use of Funds:				
Program Expenditures				
Ensure Fiscal Responsibility	9,870,126	11,682,967	11,762,327	12,019,856
Subtotal	9,870,126	11,682,967	11,762,327	12,019,856
Total Operating Budget	9,870,126	11,682,967	11,762,327	12,019,856
Transfers Out				
General Fund	19,400	-	-	500,000
Capital Improvement Program	1,011,789	220,000	2,747,225	437,900
Subtotal	1,031,189	220,000	2,747,225	937,900
Total Expenditures & Transfers	10,901,315	11,902,967	14,509,552	12,957,756
Ending Fund Balance	\$ 10,504,904	\$ 8,658,927	\$ 8,316,958	6,457,210

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 • **Fleet Management Fund** •
 • The Fleet Management Fund is an internal service fund used to account for the •
 • expenditures associated with purchasing and maintaining the city's vehicles. Replacement •
 • and operation of vehicles are assessed as internal operating costs to each program based •
 • on the quantity and type of vehicles used. These charges become revenue to the Fleet •
 • Management Fund. Funds for new vehicles are reflected as transfers in to this fund and •
 • transfers out from funds requiring new vehicles. The fund balance varies based on the •
 • replacement schedule of the vehicles. It is often necessary to build a bigger fund balance in •
 • earlier years to provide for large purchases in future years. •
 •••••

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	16,100,649	12,229,135	16,706,125	14,372,766
Revenues				
Property and Liability	5,032,487	4,500,000	4,500,000	4,099,164
Unemployment	125,000	150,000	150,000	150,000
Interest	667,172	794,894	300,745	300,745
Property Tax	537,963	-	-	982,300
Subtotal	6,362,622	5,444,894	4,950,745	5,532,209
Total Revenues	6,362,622	5,444,894	4,950,745	5,532,209
Use of Funds:				
Program Expenditures				
Ensure Fiscal Responsibility	5,755,216	4,500,838	4,369,933	5,317,330
Subtotal	5,755,216	4,500,838	4,369,933	5,317,330
Total Operating Budget	5,755,216	4,500,838	4,369,933	5,317,330
Transfers Out				
To Capital Improvement Program	1,930	-	2,914,171	10,700
Subtotal	1,930	-	2,914,171	10,700
Total Expenditures & Transfers	5,757,146	4,500,838	7,284,104	5,328,030
Ending Fund Balance	\$ 16,706,125	\$ 13,173,191	\$ 14,372,766	\$ 14,576,945

Self Insurance Fund

The Self-Insurance Fund is an internal service fund used to account for self-insurance expenditures which are in turn charged to programs within the city based on a combination of the program's accident history and the potential for future claims. The fund balance is maintained at an actuarially determined level based on current and estimated future liability claims.

Fund Summaries

Debt Service Fund

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	5,560,000	4,255,286	7,339,000	7,689,000
Revenues				
Property Tax	18,780,999	21,853,229	21,853,229	22,766,364
Property Rental	275,370	280,000	280,000	280,000
Special Assessments	3,048,033	3,072,265	2,770,795	2,562,210
Interest Earnings	64,734	250,000	150,000	250,000
Subtotal	22,169,136	25,455,494	25,054,024	25,858,574
Transfers In				
From General Fund - Privilege Tax	11,332,044	9,423,999	9,523,999	9,824,919
From General Fund - Bed Tax	-	191,453	20,080	381,103
From Special Projects Fund	299,642	356,830	356,830	357,260
From Preserve Sales Tax Fund	15,359,956	15,332,381	13,787,176	15,992,383
Subtotal	26,991,642	25,304,663	23,688,085	26,555,665
Total Revenues & Transfers In	49,160,778	50,760,157	48,742,109	52,414,239
Use of Funds:				
Debt Service				
General Obligation Bonds	18,960,682	21,853,229	21,503,229	23,299,855
General Obligation Bonds-Preserve	5,378,841	8,411,436	6,896,241	9,110,961
Municipal Properties Corporation Bonds	12,378,306	10,502,282	10,330,909	11,093,282
Special Assessment Bonds	3,735,112	3,072,265	2,770,795	2,562,210
Scottsdale Preserve Authority Bonds	6,928,837	6,920,945	6,890,935	6,881,422
Subtotal	47,381,778	50,760,157	48,392,109	52,947,730
Total Operating Budget	47,381,778	50,760,157	48,392,109	52,947,730
Ending Fund Balance	\$ 7,339,000	\$ 4,255,286	\$ 7,689,000	\$ 7,155,509

Debt Service Fund

- The Debt Service Fund is used to account for the expenditures and associated restricted revenues of general long-term debt principal and interest not serviced by enterprise funds.
- The budget for debt service increases \$4.6 million from 2001/02 forecast due to the delay in issuance of General Obligation Preserve bonds originally scheduled for July 2001 issuance, but actually issued in May 2002, as well as the planned issuance of approximately \$73 million in voter-approved bonds in March 2003 — \$15 million for McDowell Sonoran Preserve purchases and \$58 million for miscellaneous improvements such as transportation, parks and libraries, and public safety.

Expendable Trust Fund

Fund Summaries

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Beginning Fund Balance	2,978,248	1,500,000	2,851,500	2,500,000
Revenues:				
Trust Revenue	2,655,210	1,527,402	600,000	1,268,900
Subtotal	2,655,210	1,527,402	600,000	1,268,900
Transfers In				
General Fund	98,039	-	-	-
Subtotal	98,039	-	-	-
Total Revenues & Transfers In	2,753,249	1,527,402	600,000	1,268,900
Use of Funds:				
Program Expenditures				
Enhance & Protect Community/Neighborhoods	653,225	861,402	750,000	508,900
Long Term Economic Prosperity	2,226,772	666,000	201,500	760,000
Subtotal	2,879,997	1,527,402	951,500	1,268,900
Total Expendable Trust Budget	2,879,997	1,527,402	951,500	1,268,900
Ending Fund Balance	\$ 2,851,500	\$ 1,500,000	\$ 2,500,000	\$ 2,500,000

•••••
 • **Expendable Trust Fund** •
 • The Expendable Trust Fund is used to account for assets held by the City in a trustee •
 • capacity. Currently the city hold funds for the Scottsdale Memorial Hospital Redevelopment •
 • District, and funds that are received from property taxes to pay street light utilities within •
 • Street Light Districts. •
 •••••

Fund Summaries

Capital Improvement Funds

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Source of Funds:				
Beginning Fund Balance	212,022,000	265,179,100	236,095,485	231,103,141
Revenues				
Bonds/Contracts				
General Obligation	-	40,000,000	28,000,000	60,400,000
General Obligation Preserve	35,000,000	50,000,000	40,000,000	15,000,000
Municipal Properties Corporation	-	-	-	17,115,000
Pay-As-You-Go				
Water/Sewer Development Fees	26,361,000	18,000,000	16,000,000	17,211,600
Extra Capacity Development Fee	-	-	-	11,000,000
Grants	-	6,000,000	5,000,000	6,044,900
Other Contributions	1,674,000	1,243,300	1,200,000	9,580,700
Interest Earnings	9,910,271	3,500,000	8,500,000	12,026,700
Miscellaneous	-	-	500,000	570,100
Subtotal	72,945,271	118,743,300	99,200,000	148,949,000
Transfers In				
From General Fund	26,557,456	21,112,200	17,127,267	12,880,324
From Highway User Fund	-	-	-	73,184
From Special Projects Fund	-	-	-	235,500
From Transportation Privilege Tax Fund	19,478,693	17,601,565	17,914,986	16,888,147
From Aviation Fund	-	-	11,772	611,600
From Water/Sewer Funds	35,473,385	38,735,823	35,735,823	33,453,940
From Solid Waste Fund	4,504	801,200	823,812	18,400
From Internal Service Funds	1,013,719	220,000	5,661,396	448,600
From Grant Fund	22,281	-	-	-
Total Transfers In	82,550,038	78,470,788	77,275,056	64,609,695
Total Revenues & Transfers In	155,495,309	197,214,088	176,475,056	213,558,695
Use of Funds:				
Program Expenditures				
Enhance & Protect Community/Neighborhoods	13,602,500	104,372,200	34,872,900	96,796,300
Preserve Character & Environment	35,328,600	144,756,200	41,436,300	131,198,500
Movement of People/Goods	18,266,100	79,682,500	18,714,700	115,775,900
Long Term Economic Prosperity	677,600	17,636,200	3,017,400	23,214,200
Balance Infrastructure and Resources	57,574,700	160,389,900	74,942,500	139,062,400
Accessible & Responsive Government	224,900	806,400	491,600	367,700
Ensure Fiscal Responsibility	759,500	6,195,300	3,018,700	7,488,400
Subtotal	126,433,900	513,838,700	176,494,100	513,903,400
Prior Year Unexpended	-	(300,000,000)	-	(315,013,700)
Total Capital Improvement Plan	126,433,900	213,838,700	176,494,100	198,889,700
Transfers Out				
To Water/Sewer Operating Funds	4,963,394	4,973,300	4,973,300	4,958,300
To Grant Funds	24,530	-	-	-
Subtotal	4,987,924	4,973,300	4,973,300	4,958,300
Total Expenditures & Transfers	131,421,824	218,812,000	181,467,400	203,848,000
Ending Fund Balance	\$ 236,095,485	\$ 243,581,188	\$ 231,103,141	\$ 240,813,836

Five Year Balanced Financial Plan

Scottsdale's five-year forecast is a tool for intermediate-range financial planning and policy development. Two benefits of the five-year forecast are to continue our emphasis on strategic planning and to identify the capacity of the city to fund forecasted expenditure requirements (fiscal capacity). Revenue/resource forecasts are based upon the latest available economic and demographic trend data. All significant expenditure issues have also been incorporated into the forecast, e.g. employee compensation changes, population growth, consumer price index changes, and operational costs associated with completion of capital projects. The forecast is not intended to be an exact predictor of what each program will spend over the next five years.

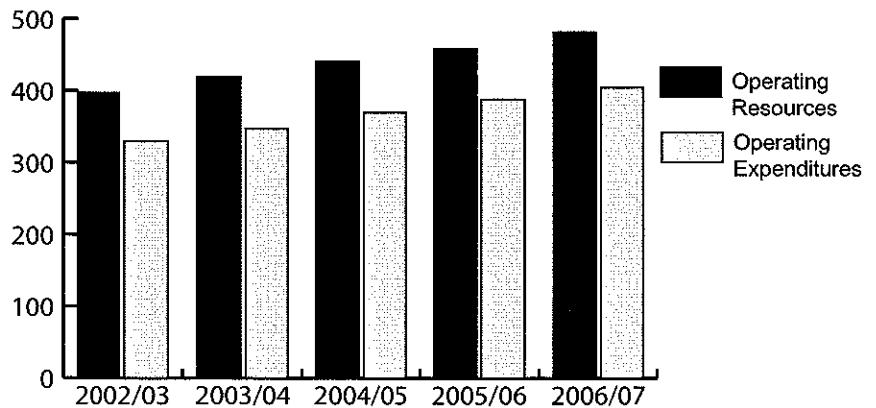
The following graph illustrates Scottsdale's operating resources more than offset City operating expenditures (programs and debt service expense) forecast for the next five years.

Resources in excess of operating expenditures are used to provide for pay-as-you-go capital expenditures and/or to build City reserves and fund balances. During this five year period, \$340.7 million of forecasted resources will be used to help pay for capital project expenses, and another \$15.5 million will be contributed to increasing City fiscal reserves and fund balances.

The development of the five-year financial plan was premised upon conservatively estimated revenues over the five-year period. Program expenditure guidelines are identified and used to help balance the budget and encourage decision making by staff providing direct citizen services. Guidelines were conservatively estimated and include increases expected to maintain current service levels, including the operating impact of new capital projects expected to be completed within the forecast period.

Program expenditure forecasts were developed using a variety of methods such as evaluation of current service levels (modified zero-base budgeting), partnering, process management, use of volunteers, and leveraging of technology. Forecasted expenditures for years two through five of the financial plan are intended for management strategic planning and policy development over the next several years.

**Five Year Balanced Financial Plan
In Millions of Dollars**



**Five Year Balanced Financial Plan
In Millions of Dollars**

	2002/03	2003/04	2004/05	2005/06	2006/07
Operating Resources	\$397.0	\$419.0	\$440.8	\$458.9	\$482.1
Operating Expenditures	\$329.9	\$347.2	\$369.7	\$388.0	\$404.5

- **Capital Improvement Funds (see preceding page)**
- Funding sources for the Capital Improvement Plan are budgeted in the period that the revenue is expected to be collected. Funding sources also include estimated balances on hand at the beginning of the period. Because governmental budgeting procedures require adequate funding to pay for the entire contract to be available and appropriated in the period that a contract is entered it is sometimes necessary to use (transfer) fund balance in anticipation of receiving additional revenue in future periods.

Fund Summaries

Five Year Financial Plan-Operations

	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07
Source of Funds:					
Beginning Balance	94,487,607	97,387,364	103,856,551	105,571,053	108,710,463
Revenues					
Taxes - Local					
Privilege Tax	84,047,534	87,829,673	92,396,816	97,478,641	102,839,966
Privilege Tax - Transportation	16,388,147	17,125,614	18,016,146	19,007,034	20,052,420
Privilege Tax - Preservation	16,640,659	17,522,614	18,433,790	19,447,648	20,517,269
Property Tax	39,158,698	46,322,683	52,109,669	56,581,494	63,192,354
Transient Occupancy Tax	7,600,000	7,980,000	8,379,000	8,797,950	9,237,848
Light & Power Franchise	5,640,622	5,922,653	6,218,785	6,529,725	6,856,211
Cable TV	2,114,113	2,219,818	2,330,809	2,424,041	2,521,003
Salt River Project Lieu Tax	202,864	202,864	202,864	202,864	202,864
Fire Insurance Premium	210,000	220,500	227,115	233,928	240,946
Taxes - From Other Agencies					
State Shared Sales Tax	15,793,835	16,092,500	16,575,275	17,072,533	17,584,709
State Revenue Sharing	21,048,652	21,000,000	21,500,000	22,000,000	22,500,000
Transportation					
Highway User Tax	13,118,064	13,500,000	14,000,000	14,500,000	15,250,000
Auto Lieu Tax	6,700,000	7,000,000	7,350,000	7,700,000	8,100,000
Local Trans Assistance Fund	1,146,323	1,157,786	1,169,364	1,181,058	1,192,868
Transit Funding - HB 2565	-	-	-	-	-
Internal Service Charges					
Fleet Management	10,470,441	11,037,431	11,601,998	11,990,966	12,394,075
Self Insurance	4,249,164	4,450,000	4,650,000	5,100,000	5,150,000
Licenses, Permits & Fees					
Development Permits & Fees	15,500,000	15,500,000	15,500,000	15,500,000	15,500,000
Business Licenses & Fees	1,705,250	1,773,460	1,862,133	1,955,240	2,053,002
Recreation Fees	2,129,765	2,236,253	2,348,066	2,465,469	2,588,743
WestWorld	1,300,000	1,365,000	1,446,900	1,533,714	1,625,737
Fines & Forfeitures					
Court Fines	3,464,909	3,603,505	3,783,680	3,972,864	4,171,508
Parking Fines	137,000	137,000	137,000	137,000	137,000
Photo Radar	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
Library Fines	445,659	454,573	463,664	472,937	482,396
Interest Earnings/Property Rental					
Interest Earnings	7,239,858	6,236,597	6,014,677	5,788,441	6,133,900
Property Rental	3,386,842	3,511,116	3,640,360	3,791,576	3,949,597
Utilities & Enterprises					
Water Charges	65,852,136	71,259,083	76,285,914	79,683,911	82,996,000
Sewer Charges	27,162,211	28,181,171	29,182,684	30,191,970	31,185,328
Refuse/Recycling	16,115,445	16,460,786	16,808,152	17,157,595	17,709,429
Aviation Fees/Charges	2,386,019	2,664,099	2,938,699	3,013,868	3,107,570
Other Revenue					
Improvement District Assessments	2,562,210	2,903,813	2,803,074	1,139,233	1,099,355
Miscellaneous	6,183,542	6,280,162	6,294,597	6,454,233	6,605,577
Special Revenue	2,354,791	3,061,405	3,164,877	3,271,914	3,299,197
Less Internal Service Funds Offset	(14,569,605)	(15,337,431)	(16,101,998)	(16,940,966)	(17,394,075)
Subtotal	389,035,148	411,024,728	432,884,312	450,986,884	474,232,798
Transfers In					
From Capital Improvement Program	4,958,281	4,969,869	4,953,294	4,953,606	4,903,838
From Operating Budget Savings	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Subtotal	7,958,281	7,969,869	7,953,294	7,953,606	7,903,838
Total Revenues & Transfers In	396,993,429	418,994,597	440,837,606	458,940,490	482,136,636

Five Year Financial Plan-Operations, continued

Fund Summaries

	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07
Use of Funds:					
Program Expenditures					
Enhance/Protect Community/Neighborhoods	119,190,430	124,580,466	131,814,576	144,905,051	153,856,009
Preserve Character & Environment	20,408,600	21,229,648	22,141,628	23,094,721	24,090,849
Movement of People & Goods	26,961,039	27,987,755	29,136,418	30,329,142	31,608,687
Long Term Economic Prosperity	7,794,343	7,275,424	7,521,722	7,776,811	8,041,025
Balance Infrastructure & Resources	46,147,061	47,901,643	49,907,151	51,898,129	53,817,483
Accessible and Responsive Government	12,298,796	13,159,961	13,386,071	14,388,530	14,631,106
Ensure Fiscal Responsibility	34,097,691	35,446,384	36,851,825	38,316,533	39,843,139
Less Internal Service Fund Offset	(14,569,605)	(15,337,431)	(16,101,998)	(16,940,966)	(17,394,075)
Total	252,328,355	262,243,849	274,657,393	293,767,950	308,494,223
Debt Service					
General Obligation Bonds	29,530,688	35,006,238	39,581,641	44,707,872	43,572,947
General Obligation Bonds-Preserve	9,110,961	9,802,947	12,936,159	12,224,122	12,179,134
Revenue Bonds	9,623,971	9,623,792	9,648,293	9,663,195	9,637,698
Preserve Authority Bonds	6,881,422	6,863,722	6,860,785	6,840,372	6,838,047
MPC Bonds	14,616,000	14,495,904	16,917,751	13,285,364	16,870,397
Special Assessment Bonds	2,562,210	2,903,813	2,803,074	1,139,233	1,099,355
Contractual Debt	4,830,370	6,223,340	6,298,699	6,370,320	5,828,637
Subtotal	77,155,622	84,919,756	95,046,402	94,230,478	96,026,215
Total Operating Plan	329,483,977	347,163,605	369,703,795	387,998,428	404,520,438
Transfers Out to Capital Program					
From General Fund	12,880,324	12,301,467	14,726,400	14,241,200	12,785,500
From Highway User Fund	73,184	73,477	74,812	73,039	73,675
From Special Projects Fund	235,500	257,500	-	-	79,800
From Transportation Tax Fund	16,888,147	17,625,614	18,516,146	19,507,034	20,652,420
From Aviation Fund	611,600	222,600	970,700	764,200	10,600
From Water/Sewer Funds	33,453,940	33,738,547	33,073,952	33,161,778	39,814,742
From Solid Waste Fund	18,400	468,500	2,018,900	18,300	18,500
From Internal Service Funds	448,600	674,100	38,400	37,100	37,600
	64,609,695	65,361,805	69,419,309	67,802,650	73,472,837
Total Expenditures/Transfers Out	394,093,672	412,525,411	439,123,104	455,801,079	477,993,275
Ending Fund Balance					
General Fund	30,842,972	34,015,203	35,959,876	37,216,340	37,752,717
Special Revenue Funds	14,930,137	15,306,798	14,098,701	14,659,389	16,193,410
Debt Service Fund	7,155,509	7,155,509	7,155,509	7,155,509	7,155,509
Enterprise Funds	23,424,592	27,280,079	28,851,319	32,686,905	36,367,493
Internal Service Funds	21,034,155	20,098,962	19,505,649	16,992,320	15,364,696
Total Ending Fund Balance	\$ 97,387,364	\$ 103,856,551	\$ 105,571,053	\$ 108,710,463	\$ 112,853,824

Fund Summaries

Five Year Financial Plan - Capital

	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07
Source of Funds:					
Beginning Fund Balance	231,103,141	240,813,836	192,150,141	196,903,051	138,758,001
Revenues					
Bonds/Contracts					
General Obligation	60,400,000	58,500,000	59,000,000	60,700,000	49,500,000
General Obligation-Preserve	15,000,000	-	50,400,000	-	-
Municipal Properties Corporation	17,115,000	5,300,000	-	2,000,000	7,135,000
Municipal Properties Corporation-Arsenic	-	34,915,000	40,745,700	-	30,772,300
Pay-As-You-Go					
Water/Sewer Development Fees	17,211,600	17,827,300	18,588,400	19,438,100	20,412,000
Extra Capacity Development Fee	11,000,000	-	-	-	-
Grants	6,044,900	5,673,000	2,943,200	8,596,000	-
Other Contributions	9,580,700	4,241,100	1,000,000	1,000,000	1,000,000
Interest Earnings	12,026,700	8,675,000	7,825,000	6,785,000	5,400,000
Miscellaneous	570,100	389,500	77,600	75,100	76,000
Subtotal	148,949,000	135,520,900	180,579,900	98,594,200	114,295,300
Transfers In					
From General Fund	12,880,324	12,301,467	14,726,400	14,241,200	12,785,500
From Highway User Fund	73,184	73,477	74,812	73,039	73,675
From Special Projects Fund	235,500	257,500	-	-	79,800
From Transportation Privilege Tax Fund	16,888,147	17,625,614	18,516,146	19,507,034	20,652,420
From Aviation Fund	611,600	222,600	970,700	764,200	10,600
From Water/Sewer Funds	33,453,940	33,738,547	33,073,952	33,161,778	39,814,742
From Solid Waste	18,400	468,500	2,018,900	18,300	18,500
From Internal Service Funds	448,600	674,100	38,400	37,100	37,600
Subtotal	64,609,695	65,361,805	69,419,309	67,802,650	73,472,837
Carryover of Prior Year Unexpended	315,013,700	300,000,000	250,000,000	175,000,000	100,000,000
Total Revenues & Transfers In	528,572,395	500,882,705	499,999,209	341,396,850	287,768,137
Use of Funds:					
Program Expenditures					
Enhance & Protect Community/Neighborhoods	96,796,300	96,730,400	56,823,200	34,188,100	9,562,000
Preserve Character & Environment	131,198,500	18,925,100	26,451,700	23,889,900	11,932,900
Movement of People/Goods	115,775,900	47,534,200	60,820,100	59,739,400	31,344,500
Long Term Economic Prosperity	23,214,200	1,227,400	3,779,700	2,503,800	750,000
Balance Infrastructure and Resources	139,062,400	62,046,700	39,690,200	21,725,800	62,719,000
Accessible & Responsive Government	367,700	-	-	-	-
Ensure Fiscal Responsibility	7,488,400	3,099,000	2,728,100	2,541,300	3,595,000
Subtotal	513,903,400	229,562,800	190,293,000	144,588,300	119,903,400
Prior Year Unexpended*	-	315,013,700	300,000,000	250,000,000	175,000,000
Total Capital Improvement Plan	513,903,400	544,576,500	490,293,000	394,588,300	294,903,400
Transfers Out					
To Water/Sewer Operating Funds	4,958,300	4,969,900	4,953,300	4,953,600	4,903,800
Subtotal	4,958,300	4,969,900	4,953,300	4,953,600	4,903,800
Total Expenditures & Transfers	518,861,700	549,546,400	495,246,300	399,541,900	299,807,200
Ending Fund Balance	\$ 240,813,836	\$ 192,150,141	\$ 196,903,051	\$ 138,758,001	\$ 126,718,939

* Prior year unexpended amounts for 2002/03 are estimated and included by program
2003/04-2006/07 unexpended amounts are estimated, but the amount is not known by program

Program Budgets

This section presents the Program Budget by City Council Broad Goal without regard to fund. Detail follows of each program that supports the broad goal to include trend activity, program objectives, accomplishments made during the past year by each program, staffing comparisons, and an expenditure comparison by program/subprogram and type.

Enhance and protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained.

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Preserve the character and environment of Scottsdale.

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Provide for the safe, efficient and affordable movement of people and goods.

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Position Scottsdale for long-term economic prosperity by diversifying our economic resources.

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Program Budgets, continued

Coordinate planning to balance infrastructure and resource needs within budget.

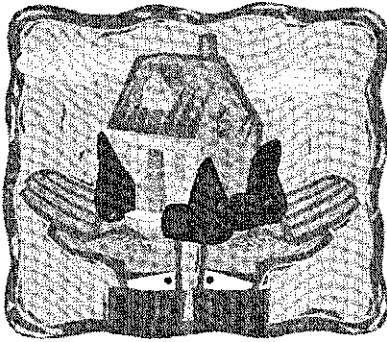
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Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations.

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Ensure Scottsdale is fiscally responsible and fair in its management of taxpayer money and City assets.

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City Council Broad Goal:

Enhance and protect a diverse and family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained.

Programs

- Police Protection/911 Communications
- Judicial System
- Fire Protection
- Parks & Recreation Programs
- Social Services
- Community Services Administrative Support
- Library Services
- Community Arts & Cultural Programs
- Neighborhoods

An increase in the base level of financial support provided for management and operation of cultural facilities and programs.

Transfer of 22 traffic enforcement positions of the Traffic Enforcement Program.

Reduction in overtime budget to be closely monitored throughout the year.

Transfer of utility budget to the Facilities Maintenance Program.

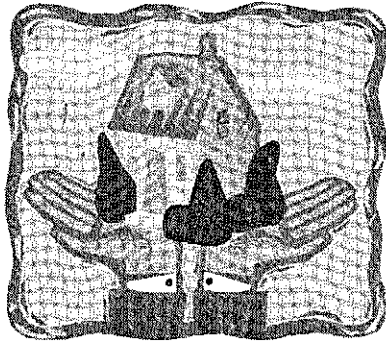
Key Objectives

- Promote community safety, health & wellness
- Provide safe places and activities for children and families
- Link people to information, services, and resources
- Provide clean and well-maintained parks, trails, and public places

Key Budget Highlights

- Addition of 15 positions in 911 Communications, three positions to staff the new Family Advocacy Center, and two positions in Solid Waste Management to address a growing customer base.
- Renewal of Fire Protection contract including the addition of fire captain positions to provide three fire firefighters on every truck.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Program				
Police Protection/ 911 Communications	44,945,880	54,369,280	48,365,502	48,705,372
Judicial System	4,723,130	5,957,893	5,518,342	6,118,088
Fire Protection	15,306,850	16,574,622	16,267,342	17,916,459
Parks & Recreation Programs	11,757,672	14,172,522	13,547,454	14,061,959
Social Services	8,746,124	9,466,122	9,045,754	9,885,109
Community Services Admin Support	7,619,119	7,931,588	7,744,921	4,303,496
Library Services	7,418,474	8,119,775	7,803,139	8,158,680
Community Arts & Cultural Programs	2,980,432	3,570,136	4,056,936	3,080,596
Neighborhoods	12,571,432	14,039,174	13,929,110	14,597,746
Total	116,069,115	134,201,112	126,278,500	126,827,505
Expenditures By Type				
Personal Services	60,662,506	67,963,477	67,583,226	70,049,786
Contractual Services	48,672,333	52,950,686	52,563,422	50,575,251
Commodities	5,198,184	5,468,076	5,530,214	5,872,000
Capital Outlay	1,536,092	7,818,873	601,638	330,468
Total	116,069,115	134,201,112	126,278,500	126,827,505
Staffing				
Total Full-time	986.00	1,038.00	1,055.00	1,053.00
Total Part-time	518.00	520.00	521.00	521.00
Total Full-time Equivalent (FTE)	1,163.77	1,220.30	1,239.51	1,235.51



Police Protection/911 Communications Program

**Supports City Council Broad Goal:
Enhance and Protect the Community and Neighborhoods**

Program Budget Highlights

The budget increases by \$339,870 (0.7%) from 2001/02 Forecast.

This increase includes:

Addition of fifteen (15) positions — twelve Communications Dispatchers, two Communications Supervisors, and a Communications Training Coordinator

Addition of a Police Crisis Intervention Specialist and an Administrative Support position to staff the new Family Advocacy Center scheduled to open October 2002

Reduction in the overtime budget of approximately \$1 million to be closely monitored throughout the year; and

Transfer of 22 traffic control patrol positions to the Traffic Enforcement Program

Subprograms:

Chief of Police

Uniformed Services

Investigative Services

Records/Crime Analysis,
Technology & Special Services

Property/Evidence & Crime
Laboratory

911 Communications

Personnel Development

Emergency Services

Special Programs

Law Enforcement Grants

Trends

Crime Rates

Overall Crime: 6% increase in 2001 (9,912) from 2000 (9,331) with

Property crime: 6% increase in 2001 (9,303) from 2000 (8,762) (includes burglary, theft, motor vehicle theft & arson)

Violent crime: 7% increase (from 569 to 609) (includes homicide, rape, robbery & aggravated assault)

Sex related crimes:

59% increase (+138) to 372 cases in 2000/01 from 1999/00.

Three-year increasing trend of 15% increase (+54) from 1998/99 through 2000/01.

Domestic violence crimes:

20% increase (+204) to 1,252 cases in 2000/01 from 1999/00.

Three-year increasing trend of 65% (+492) from 1998/99 through 2000/01.

37% of all violent crimes reported are related to domestic violence.

Deployment

Patrol units have seen a(n):

5% increase (+7,906) in number of calls for service from citizens and patrol personnel over the past three years (2001/02 162,596 est.; 1999/00 154,690)

15% increase in average response time to emergency calls over the past three years (2001/02 - 6.0 minutes est. from 1999/00 - 5.2 minutes)

47% increase (25 in 2000/01 from 17 in 1999/00) in the number of suspicious devices and/or bomb threat calls for service.

False alarm calls have decreased by 2% to 22,804 in 2000/01 from 23,178 in 1999/00.

Community based policing time continues to decrease to 19% in 2000/01 from the goal of 33%.

5% increase (568,080 to 596,484 est.) in emergency and non-emergency phone calls from 2000/01 to 2001/02.

Traffic

283 formal citizen complaints regarding traffic conditions received and investigated in 2000/01. Patrol Officers handled 60% of the complaints, diminishing their available and community based policing time.

Recruitment

Attrition for police officers increased to an average of 2.82 positions per month in 2001 from 2.25 positions in 2000.

Attrition for civilian staffing increased to an average of 2.55 positions per month in 2001 from 1.67 positions in 2000.

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Key Objectives

Provide family advocacy services to victims of violent crimes - facilitate the remodel & furnishing of the building that will hold the new Family Advocacy Center and prepare for the dedication and opening in October 2002.

Continue to enhance community involvement in crime prevention efforts through shared work with the Block Watch Advisory Council, the Police Chief's Advisory Council, Neighborhood Block Watch organizations, Silent Witness and the monthly Crime Trends meetings.

Reduce false alarms by targeting repeat false alarm abusers and increasing the number of alarm schools to improve user education.

Conduct an organizational and community risk assessment to ensure we are "prepared," can "respond," and can "recover" from any disaster or emergency.

Continue to conduct annual citywide emergency preparedness exercises.

Review/ investigate crime against persons and property crime reports; maintain clearance rates above the Arizona averages.

Improve and maintain communication and relations with the Maricopa County Attorney's Office to assure aggressive prosecution of major crimes.

Improve the quality of life and timely investigations of drug activity in City neighborhoods through the implementation of a grant-funded second narcotics unit.

Continue the instruction of the Students Against a Violent Environment (S.A.V.E.), Second Step, and RESPECT (a program that educates students about the law and how to communicate with officers) programs in an effort to reduce gang related crimes in the community.

Expand program wide crime analysis efforts using crime data to enhance neighborhood crime prevention efforts. Outcomes include the prevention and suppression of crime, and the apprehension of criminals.

Finalize planning and begin construction of the training facility expansion to meet existing needs.

Significant Accomplishments

Implemented a monthly consensus meeting known as "Crime Trends" to focus on known and fugitive criminals in an effort to reduce victimization within the City of Scottsdale.

Reorganized Community Affairs to improve the facilitation of citizen safety programs and information within the community.

Completed the transition and implementation of the Smartzone radio system for improved voice communications and the implementation of the first year of Capital Improvement Program funding for replacement of radio equipment.

Implemented the message switch project that allows mobile computing and migration of mobile computing solutions to a wireless environment.

Successfully completed reaccreditation of the Programs's Crime Lab.

Police Protection/911 Communications Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Chief of Police	1,079,482	1,697,082	1,697,082	2,089,359
Uniformed Services	23,399,516	24,721,198	24,588,090	21,887,180
Investigative Services	8,034,302	9,333,519	9,455,749	10,144,419
Records/Crime Analysis, Technology & Special Services	3,539,446	4,790,839	4,357,995	4,679,397
Property/Evidence & Crime Laboratory	2,068,315	2,012,656	1,958,264	2,061,501
911 Communications	2,336,441	2,312,903	2,245,129	3,515,637
Personnel Development	2,339,696	2,002,144	1,976,084	1,752,583
Emergency Services	348,120	570,886	566,683	819,366
Special Programs	402,306	93,355	93,355	614,288
Law Enforcement Grants	1,398,256	6,834,698	1,427,071	1,141,642
Total	44,945,880	54,369,280	48,365,502	48,705,372
Expenditures By Type				
Personal Services	35,163,025	38,110,803	37,892,592	38,039,139
Contractual Services	7,762,807	8,764,486	8,681,604	8,647,485
Commodities	1,276,479	1,431,334	1,446,552	1,929,048
Capital Outlay	743,568	6,062,657	344,754	89,700
Total	44,945,880	54,369,280	48,365,502	48,705,372
Staffing				
Total Full-time	540.00	569.00	570.00	565.00
Total Part-time	5.00	5.00	5.00	5.00
Total Full-time Equivalent (FTE)	543.10	572.10	573.10	568.10

Police Protection/911 Communications Program Performance Measures

Chief of Police

Goal: Provide effective and efficient police services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve a 95% citizen satisfaction rate or higher.	% of citizens satisfied with police services	93%	91%	94%	95%
	Cost per capita	187.66	201.39	220.62	233.54
	Valley cities cost per capita	221.15	240.29	244.81	248.09

Goal: Maintain a high level of citizen safety from criminal victimization.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Uniform Crime Report Part 1 crimes per thousand against Benchmark Cities and Valley Agencies.	Crimes per thousand	39	43	42	42
	Benchmark City average	43	50	50	50
	Valley average	62	69	69	69

Goal: Re-establish the Crime Prevention Unit's function through community education and participation.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve a 5% increase in public education appearances on crime prevention.	# of Crime Prevention appearances completed	494	545	500	525
Achieve a 5% increase in ongoing BlockWatch programs.	# of ongoing BlockWatch programs	250	282	296	310
Achieve a 5% increase in ongoing Crime Free Multi-Housing Programs.	# of ongoing Crime Free Multi-Housing Programs	49	70	73	77

Uniformed Services

Goal: Ensure citizens receive quality police services in a timely manner.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Monitor calls for services as a benchmark for deployment levels.	# of calls for service & officer generated calls by all patrol personnel	154,690	165,922	162,596	167,333
Provide emergency services to the community within six minutes (Excludes traffic accidents).	Average response time to emergency calls	5.2	5.0	6.0	6.0
Provide officers with appropriate time for Community Based Policing and problem solving efforts 33% of the time.	% of time available for CBP and problem solving	23%	19%	20%	20%

Police Protection/911 Communications Program Performance Measures, continued
Uniformed Services, continued

Goal: Enhance the public safety environment in the downtown area (Bicycle Units).

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide high visibility in the downtown area and addressing community problems.	% of time patrolling the downtown entertainment district	31%	37%	36%	34%

Investigative Services

Goal: Review and/or investigate crimes against persons effectively and maintain clearance rates above the Arizona Standard.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review and investigate sexual assault/domestic violence reports.	# of sexual assault cases	288	84	114	120
	# of domestic violence cases	1048	1,252	1,300	1,360
Maintain a clearance rate above the Arizona average (% of cases cleared compared to Arizona average).	# of total violent crimes	5,198	3,368	3,915	4,130
	Homicides (64%)	25%	100%	90%	90%
	Robbery (20%)	29%	40%	43%	38%
	Sexual Assault (16%)	24%	43%	50%	60%
	Aggravated Assault (40%)	62%	71%	75%	76%
	Violent Crimes per 1,000 population	25	15	17	19

Goal: Effectively review and investigate property crime reports and maintain the property crime rate above the Arizona average.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review and or investigative property crime reports.	# of property crimes reviewed and investigated	8,091	9,841	9,700	12,713
Maintain property crime rates below 49.9 per thousand and below that of other major valley cities.	Property crime rate per 1,000 population	38	43	42	55
	Other Valley agency average per 1,000 population	58	62	63	63
Maintain property crime clearance rates above the Arizona average.	Burglary (7.6%)	6.9%	6.3%	7.6%	7.8%
	Theft (18.9%)	16.0%	14.2%	18.9%	18.9%

Goal: Effectively review and investigate auto theft crime and maintain auto theft clearance rates above the Arizona average.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review and or investigate all auto theft reports.	# of auto theft cases reviewed and investigated	1,057	1,140	1,300	1,320
Maintain auto theft rate at or below 10.9 per thousand.	Auto theft rate per 1,000 population	5.0	5.0	5.0	5.6
Maintain auto theft clearance rate above the Arizona average of 11.1%.	Auto theft clearance rate	21.7%	19.0%	21.7%	21.7%

Police Protection/911 Communications Program Performance Measures, continued
Investigative Services, continued

Goal: Investigate narcotics activity effectively and respond to citizen complaints within 10 days.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Investigate narcotics activity requiring further investigation within 5 days.	# of narcotics activity requiring further investigation	203	133	200	210
	# of citizen complaints	108	107	110	115
	Methamphetamine lab investigations	24	10	12	14

Goal: Provide students and parents with accurate information on substance abuse education and youth life skills education.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Have students successfully complete all requirements of the DARE program.	% of students participating in DARE to a successful conclusion	96%	96%	95%	95%
Provide community awareness training in DARE related issues.	# of hours conducting DARE related instruction to adults	16	16	20	20
Provide additional instruction to students not normally enrolled in DARE.	# of students contacted outside the program's parameters (grades K-4)	8,334	11,006	10,000	11,000

Records/Crime Analysis Technology & Special Services

Goal: Provide quality and timely processing of police reports for internal and external customers.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Process all incoming reports within 72 hours of receipt while maintaining or improving operating efficiency.	# of reports processed	30,989	32,000	33,376	33,750
	% of reports processed within 72 hours	80%	90%	95%	100%
	# of reports per FTE	1,631	1,455	1,391	1,406

Goal: Provide quality service and repairs to all Department personnel on portable and mobile radio issues.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Process all radio service repair requests within 1 workday.	# of service requests	n/a	n/a	310	350
	# of repairs diagnosed and initialized within 24 hours	n/a	n/a	240	240

Goal: Provide quality and timely analysis of crime data to support community policing and to enhance public safety.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide tactical and strategic bulletins.	# of weekly "Hotspots Reports"	n/a	52	52	52
	# of problem spot reports	n/a	12	12	12

Police Protection/911 Communications Program Performance Measures, continued
Property/Evidence & Crime Laboratory

Goal: Provide quality and timely response to crime scenes requiring forensic processing.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Respond and process 90% of all crime scenes requiring forensic processing within 3 hours.	# of crime scenes processed	2,756	2,635	2,688	2,742
	% of crime scenes responded to within 3 hours	80%	79%	78%	84%
	# of crime scenes processed per FTE	394	439	448	392

Goal: Protect and secure impounded property from damage and deterioration.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Safely and securely impound all items.	# of items impounded	28,983	32,551	36,000	39,000
	# of audits conducted to comply with Department Policy & Accreditation Standards	2	2	2	2
Effectively manage impounded items and release those items no long needing to be stored	# of items disposed of according to statutory requirements	21,236	21,581	19,000	20,000

911 Communications

Goal: Provide quality and timely service and support through exceptional communication.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Answer all 911 calls within 3 rings.	Total 911 calls	128,068	134,856	141,599	148,678
	% of 911 calls answered within 3 rings	92%	92%	96%	99%
Answer non-emergency calls within 2 minutes.	Total non-emergency calls	234,634	433,224	454,885	477,629
	% of non-911 calls answered within 2 minutes	90.5%	90.5%	94%	96%

Personnel Development

Goal: Achieve a more diverse work force through the recruitment and hiring of protected and minority class candidates.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Utilize the recently acquired recruiter position to increase protected and minority class hiring.	% hired from protected classes	28%	26%	35%	35%
	% hired from minority classes	18%	18%	15%	20%

Police Protection/911 Communications Program Performance Measures, continued
Emergency Services

Goal: Respond to 100% of citizen Fire/EMS inquiries within 24 hours.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Respond to 100% of citizen inquiries within 24 hours.	# of inquiries	79	98	100	100
	% of responded within standard	100%	100%	100%	100%

Goal: Review 100% of all Fire/EMS exception reports to ensure contract compliance.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review 100% of the exception reports.	# of exception reports received	3,296	3,200	3,200	3,200
	% of reports reviewed	100%	100%	100%	100%

Goal: Monitor cost effectiveness of contracted fire service.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Cost per citizen.	Cost per citizen	\$66.81	\$69.84	\$71.95	\$74.39

Goal: Reduce false alarm response throughout the City.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Reduce alarm response throughout the City.	# of alarms reported as calls for service	23,972	22,804	22,347	21,901
Reduce the number of alarm activations per user.	% of false alarms	99%	89.10%	87%	85%
	# of activations	19,767	20,318	19,442	18,615
	# of permitted users	25,093	26,575	27,638	28,743
	Average activations	.78	0.92	1.0	1.0

Goal: Provide safe and secure City facilities for citizens and employees.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Survey facilities for security issues.	# of security surveys performed	18	12	36	24
Employee training on techniques and methods.	# of training sessions	n/a	n/a	36	30

Police Protection/911 Communications Program

Chief of Police

Provides the leadership, management, strategic planning, and administrative support necessary to ensure the most effective delivery of public safety services to the community. This office is also charged with neighborhood watch programs, crime prevention programs and oversees the pursuit of national reaccreditation.

Objectives

Continue to enhance community involvement in crime prevention efforts in partnership with our new Citizen and Neighborhood Resources related programs through our shared work with the Block Watch Advisory Council, the Chief's Advisory Council, Neighborhood Block Watch organizations, Silent Witness, and the monthly Crime Trends meetings.

Ensure competitive salaries and benefits and offer creative alternative working schedules and environments to attract and retain qualified and diverse staff.

Continue to leverage grant funding to assist in the acquisition of needed resources for our "Emergency Preparedness" efforts and to leverage technology.

Using the recommendations of the Operational Assessment, continue the review of patrol, detective, and support staff deployment levels to identify alternative service delivery methods without decreasing customer service, effectiveness, or efficiency. Implement recommendations as appropriate.

Assist all City programs in conducting an organizational and community risk assessment to ensure we are "Prepared," can "Respond," and can "Recover" from any disaster or emergency.

Fully develop and implement a citywide annual staff inspections program designed to provide quality control of police operations and to meet national accreditation standards.

Focus crime prevention efforts through the continuation of successful programs such as the Self Awareness and Citizen Academy programs and develop new programs/community partnerships with groups such as the Blockwatch Advisory Council.

Accomplishments

Reorganized Community Affairs to improve the facilitation of citizen safety programs and information within the community.

Developed a citywide Emergency Safety and Preparedness Committee representing all City programs to enhance the City's emergency response. The members are now the "safety officers" for their respective programs.

Successfully completed the Police Protection/911 Communications Program strategic plan and a separate technology strategic plan.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	1,007,309	1,591,195	1,591,195	1,969,790
Contractual Services	51,584	72,772	72,772	75,454
Commodities	20,590	33,115	33,115	44,115
Capital Outlay	-	-	-	-
Total	1,079,482	1,697,082	1,697,082	2,089,359
Staffing				
Administrative Secretary	1	1	1	1
Community Affairs Specialist	-	1	1	1
Deputy Police Chief	1	1	1	2
Executive Asst Police Chief	1	1	1	1
Executive Secretary	1	1	1	1
Police Accreditation Mgr.	-	-	-	1
Police Administrative Svc Dir	1	1	1	1
Police Analyst II	1	1	1	1
Police Budget Manager	1	1	1	1
Police Chief	1	1	1	1
Police Lieutenant	-	-	-	1
Police Officer	-	1	1	3
Police Personnel Technician	-	-	-	1
Police Sergeant	-	4	4	3
Total Full-time	8.00	14.00	14.00	19.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	8.00	14.00	14.00	19.00

Police Protection/911 Communications Program

Uniformed Services

Handles general law enforcement responsibilities, completes initial criminal investigations, performs traffic enforcement and control duties, implements community policing strategies, and utilizes mounted, bicycle, and canine officers when their skills are required. The housing and transportation of prisoners is also a component of this bureau.



Objectives

Remain actively involved in the design and redevelopment of the Los Arcos Mall, McDowell Mountain Preserve and the Downtown Redevelopment efforts to ensure public safety elements are included in the design of public areas, including Crime Prevention through Environmental Design (CPTED) elements in the parking and pedestrian areas with the outcome of imparting an atmosphere of safety and security.

Maximize the use of District Two Jail to house short-term sentenced prisoners. This will help control the fees of housing prisoners at Maricopa County Jails.

Accomplishments

Developed and implemented a strategy in the Paiute Park and Holiday Park area to deter crime and enhance communications. This included establishing a citywide distribution list for employees who work in the Paiute Neighborhood and reestablishing a more visible police presence by locating a beat office in the Paiute Neighborhood Center.

Developed a community mediation team with the City's Neighborhood Services and implemented mediation policy guidelines to assist citizens with solving neighborhood conflicts and concerns.

Implemented a monthly consensus meeting known as "Crime Trends" to focus on known and fugitive criminals in an effort to reduce victimization within the City of Scottsdale.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	18,435,287	20,183,737	20,052,429	17,637,846
Contractual Services	4,394,123	4,369,536	4,369,536	4,064,219
Commodities	162,538	167,925	166,125	185,115
Capital Outlay	407,567	-	-	-
Total	23,399,516	24,721,198	24,588,090	21,887,180

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Parking Control Checker	1	1	1	-
Police Aide	30	30	30	29
Police Captain	3	3	3	4
Police Contract Administrator	1	1	1	-
Police Detention Manager	1	1	1	1
Police Detention Officer	17	22	22	23
Police Detention Supervisor	3	4	4	4
Police Lieutenant	9	10	10	8
Police Officer	178	171	192	170
Police Sergeant	25	28	28	24
Secretary	2	2	2	2
Wrangler*	3	3	3	3
Total Full-time	277.00	279.00	300.00	265.00
Total Part-time*	3.00	3.00	3.00	3.00
Total Full-time Equivalent (FTE)	279.10	281.10	302.10	267.10

Police Protection/911 Communications Program

Investigative Services

Addresses criminal activity through undercover operations and surveillance; responds to events requiring the use of special weapons and tactics; locates and serves outstanding criminal warrants; conducts violent crime investigations; proactively investigates youth involved in crime and utilizes intervention strategies; employs gang interdiction and suppression; assists victims and their families; coordinates the investigation of runaway juveniles; provides referral information to persons experiencing problems in social situations; provides education programs, counseling opportunities, and enforcement to middle and high schools through the school resource officer program; and provides Drug Abuse Resistance Education (DARE) training in elementary schools through DARE officers.

Objectives

- Facilitate the remodel of the building that will hold the new Family Advocacy Center and prepare for the dedication and opening in October 2002.
- Review and/or investigate crime against persons and property crime reports effectively; maintain clearance rates above the Arizona averages.
- Improve and maintain communication and relations with the Maricopa County Attorney's Office to assure aggressive prosecution of major crimes.
- Improve the quality of life and timely investigations of drug activity in City neighborhoods through the implementation of a grant-funded second narcotics unit approved in 2000/01.
- Continue the Students Against a Violent Environment (S.A.V.E.), Second Step, and RESPECT programs in an effort to reduce gang related crimes.

Accomplishments

- Received City Council approval for the purchase of a building for the Family Advocacy Center. The project is currently in the remodel phase.
- Served arrest warrants on individuals which resulted in over \$1,000,000 in fines being collected.
- Recovered over \$11.5 million in stolen property.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	6,664,835	7,675,736	7,752,063	8,554,840
Contractual Services	1,141,848	1,496,242	1,521,242	1,340,003
Commodities	176,821	161,541	182,444	224,576
Capital Outlay	50,799	-	-	25,000
Total	8,034,302	9,333,519	9,455,749	10,144,419

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Police Aide	2	2	2	2
Police Captain	-	1	1	1
Police Crisis Intervention Specialist	4	4	4	5
Police Crisis Intervention Supervisor	1	1	1	1
Police Intelligence Analyst	1	1	1	1
Police Intelligence Specialist	-	1	1	1
Police Investigative Svc Clerk	-	1	1	1
Police Lieutenant	3	3	3	3
Police Officer	61	72	80	84
Police Pawn Specialist	2	1	1	1
Police Sergeant	5	9	10	12
Secretary	3	3	3	4
Support Specialist	1	-	-	-
Total Full-time	86.00	99.00	108.00	116.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	86.00	99.00	108.00	116.00

Police Protection/911 Communications Program

Records/Crime Analysis, Technology & Special Services

Provides operational, technical, and administrative support to all Police programs through the following functions: maintenance of records and criminal history databases; analysis of crime trends and patterns; support of computer applications; maintenance of fleet and communications equipment; and project management for the installation of major technology projects.

Objectives

Lead the Police Protection/911 Communication's technology efforts through the implementation of the Technology Strategic Plan and continued partnerships with the City's Information Systems.

Expand program-wide crime analysis efforts using crime data to enhance neighborhood crime prevention efforts. Expected outcomes include the prevention and suppression of crime and the apprehension of criminals.

Establish and sustain program user groups for technology initiatives.

Accomplishments

Completed the transition and implementation of the Smartzone radio system for improved voice communications and the implementation of the first year of Capital Improvement Program funding for replacement of radio equipment.

Implemented the message switch project that allows mobile computing and migration of mobile computing solutions to a wireless environment.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
	Expenditure By Type			
Personal Services	2,140,551	2,465,158	2,465,158	2,659,442
Contractual Services	837,817	1,176,019	1,147,283	1,567,447
Commodities	346,602	481,138	484,103	442,808
Capital Outlay	214,476	668,524	261,451	9,700
Total	3,539,446	4,790,839	4,357,995	4,679,397

Staffing

Records & Crime Analysis

Intern*	-	2	2	2
Police Analyst	-	1	1	1
Police Analyst II	-	1	1	1
Police Crime Analysis Tech	-	1	1	1
Police Crime Analysis Unit Spvr	-	1	1	1
Police Identification Supervisor	1	-	-	-
Police Records Manager	1	1	1	1
Police Records Supervisor	4	4	4	4
Police Support Specialist	25	25	25	25
Switchboard Operator	1	1	1	1

Technology

Intern*	2	-	-	-
Police Analyst	1	2	2	2
Police Analyst II	4	-	-	1
Police Crime Analyst Unit Supervisor	1	-	-	-
Police Commun & Technology Mgr.	-	1	1	1
Police Database Coordinator	-	1	1	1
Police Network Engineer	1	1	1	1
Police Planning & Tech Mgr.	1	1	1	1
Police Records Supervisor	1	-	-	-
Police Support Specialist	2	-	-	-
Sr. Systems Integrator	-	2	2	2

Special Services

Police Communications Tech	1	1	1	1
Police Logistics Support Spec.	-	1	1	1
Police Logistics Technician	2	2	2	2
Police Special Services Mgr.	1	1	1	1
Stock Clerk	1	1	1	1
Total Full-time	48.00	50.00	50.00	50.00
Total Part-time*	2.00	2.00	2.00	2.00
Total Full-time Equivalent (FTE)	49.00	51.00	51.00	51.00

Police Protection/911 Communications Program

Property/Evidence & Crime Laboratory

Gathers and analyzes evidence; and stores and disposes of impounded property/evidence.



Objectives

Begin planning for a new Operational Support building to house Communications, Property/Evidence, and the Crime Laboratory.

Maintain our internal DNA program allowing for casework results to be completed in 30 days versus the 3 to 6 month waiting period when sent to the Department of Public Safety.

Accomplishments

The Crime Laboratory was reaccredited by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board in December 2001.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	1,509,079	1,662,160	1,605,968	1,693,848
Contractual Services	261,357	236,058	236,058	121,585
Commodities	238,570	114,438	116,238	246,068
Capital Outlay	59,309	-	-	-
Total	2,068,315	2,012,656	1,958,264	2,061,501
Staffing				
Property & Evidence				
Police Prop/Evidence Custodian	3	3	3	3
Police Prop/Evidence Mgr.	1	1	1	1
Police Support Specialist	1	1	1	1
Crime Laboratory				
Crime Laboratory Manager	1	1	1	1
Crime Scene Supervisor	1	-	-	-
Criminalist I	-	2	2	2
Criminalist III	2	3	3	3
Fingerprint Technician	3	4	4	4
Police Crime Lab Tech.	2	-	-	-
Police Crime Scene Spec. Supv.	-	1	1	1
Police Crime Scene Specialist	8	8	8	8
Police ID Services Supv.	-	1	1	1
Police Latent Print Exam II	1	1	1	1
Police Lead Latent Print Examiner	1	1	1	1
Police Photo Lab Technician	1	1	1	1
Police Sr. Photo Lab Tech	1	1	1	1
Secretary	1	1	1	1
Total Full-time	27.00	30.00	30.00	30.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	27.00	30.00	30.00	30.00

Police Protection/911 Communications Program

911 Communications

Answers all 911 and non-emergency calls, and dispatches patrol officers as required in response to calls for service.

Objectives

Facilitate hiring and training of Communications personnel to address staffing needs and service issues.

Begin planning for a new Operational Support building to house Communications, Property/Evidence, and the Crime Laboratory.

Accomplishments

Hired and trained nine new dispatchers positions to maintain service delivery for emergency and non-emergency telephone calls for police assistance.

Responded to nearly 600,000 emergency and non-emergency calls, an increase of 5% over 2000/01.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	1,838,868	1,930,390	1,930,390	3,196,192
Contractual Services	455,302	355,242	293,046	274,679
Commodities	37,884	20,691	20,691	34,766
Capital Outlay	4,387	6,580	1,002	10,000
Total	2,336,441	2,312,903	2,245,129	3,515,637
Staffing				
Police Communication Dispatcher	23	34	36	48
Police Communications Manager	2	1	1	1
Police Communications Supv.	5	5	5	7
Police Communications Training Coord.	-	-	-	1
Police Teleserve Specialist	-	-	-	5
Police Teleserve Supervisor	-	-	-	1
Total Full-time	30.00	40.00	42.00	63.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	30.00	40.00	42.00	63.00

Police Protection/911 Communications Program

Personnel Development

Guarantees compliance with all mandated training, ensures a qualified pool of applications to fill existing vacancies through model recruiting practices, and oversees the program's volunteer program.



Objectives

Research alternative recruitment methods including enhanced web site presence to identify, recruit, and hire qualified, diverse candidates consistent with program goals.

Finalize planning and begin construction of the training facility expansion to add classroom space to meet existing needs.

Accomplishments

Increased recruitment and outreach efforts by hiring a Police Recruitment Officer resulting in 30% of applicants participating in police officer employment testing processes.

Purchased and distributed new Glock pistols to replace existing older weapons.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	1,719,501	1,233,141	1,233,141	1,079,970
Contractual Services	444,835	501,134	474,690	406,033
Commodities	175,360	264,053	265,553	266,580
Capital Outlay	-	3,816	2,700	-
Total	2,339,696	2,002,144	1,976,084	1,752,583
Staffing				
Community Affairs Specialist	1	-	-	-
Police Accreditation Manager	-	1	1	-
Police Captain	1	1	1	-
Police Lieutenant	1	-	-	1
Police Officer	9	7	7	6
Police Personnel Specialist	2	2	2	2
Police Personnel Technician	1	1	1	-
Police Personnel Supv.	-	1	1	1
Police Policy Development Spec.	-	1	1	1
Police Sergeant	6	2	2	2
Polygraph Examiner	1	1	1	1
Recruitment Specialist	-	1	1	-
Secretary	1	1	1	1
Total Full-time	23.00	19.00	19.00	15.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	23.00	19.00	19.00	15.00

Police Protection/911 Communications Program

Emergency Services

Provides effective administration of the City's contract for emergency fire and ambulance service with Rural/Metro including fiscal accountability and contract compliance; manages the City's contracts with Maricopa County for emergency management and animal control; provides emergency planning assistance as requested; serves as the facilities physical security coordinator for the City; oversees design and construction of public safety facility initiatives; and administers and tracks the City's false alarm reduction program.



Objectives

Reduce false alarms by targeting repeat false alarm abusers and increasing the number of alarm schools to improve user education.

Ensure continuity of Fire and Emergency Medical Services to the citizens through newly negotiated agreement with Rural Metro, and work with the citizens committee to examine service level provision within the City.

Complete design and construction of four new fire stations: Scottsdale Airport, Troon North; 100th and Bell; and Ashler Hills and Pima.

Assist the City in writing and implementing emergency preparedness and continuity plans.

Continue to conduct annual citywide emergency preparedness exercises.

Perform evaluations and assist in the implementation of workplace safety issues for City-owned facilities, including citywide systems for employee/visitor badges.

Accomplishments

Negotiated a new three-year agreement for fire services.

Implemented a new Emergency Medical Services contract for advanced life support services.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
			Expenditure By Type	
Personal Services	212,743	317,155	317,155	341,527
Contractual Services	103,753	244,683	243,977	472,339
Commodities	30,341	5,100	4,950	5,500
Capital Outlay	1,283	3,948	601	-
Total	348,120	570,886	566,683	819,366

Staffing

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Emergency Services				
Emergency Services Coord.	1	1	1	1
Emergency Services Officer	1	1	1	1
Police Alarm Coordinator	-	1	1	1
Secretary	1	1	1	1
Workplace Security Coord.	1	1	1	1
Total Full-time	4.00	5.00	5.00	5.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	4.00	5.00	5.00	5.00

Police Protection/911 Communications Program

Law Enforcement Grants

Provides an opportunity to address law enforcement goals/objectives by leveraging City funding with Federal and State Funding to provide a variety of programs and benefits to the community.

Objectives

Improve the quality of life and timely investigation of drug activity in City neighborhoods through the implementation of a grant-funded second narcotics unit.

Continue to pursue resources for emergency preparedness efforts.

Continue to pursue technology grants to leverage City funding.

Focus crime prevention efforts through participation in grant funded task forces such as the Gang, Auto Theft, and Drug Enforcement Task Forces.

Continue to leverage School Resource Officer funding through the "Cops in Schools" grant program.

Pursue opportunities to secure grant funding for any law enforcement purpose for which a need and benefit can be demonstrated.

Accomplishments

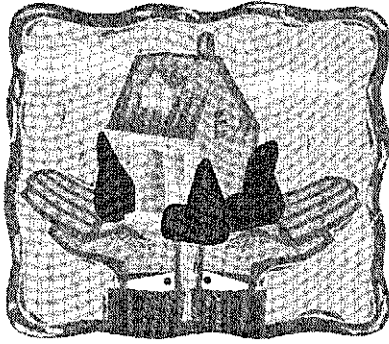
Hired one detention officer and two communications dispatchers to address increasing workloads and staffing shortages. The additional positions promoted and improved quality customer service, reduced the amount of time employees must work beyond their normal work schedule, reduced overtime, and impacted workload concerns. The addition of the Detention officer position addressed the increasing workload of the detention facilities. (LLEBG 2000)

Leveraged \$1.5 million in grant funding to hire 20 patrol officers for basic patrol deployment to meet the needs as outlined in the deployment study. (Cops Universal Phase 4)

Cops Universal Phase 5 grant enabled the program to hire seven narcotics officers to address the increase in citizen complaints of narcotic activity, package interdiction at local shipping companies, and the increase in methamphetamine labs. The total grant award for \$525,000 was supplemented by RICO monies that purchased the majority of the capital equipment needed for the unit.

Grant award of \$250,000 for two school resource officers for the Cave Creek Schools located within the Scottsdale boundaries. This has significantly augmented the Police's ability to provide school resource services to the student population of 3,436 in the four Cave Creek schools located in the City. (Cops in Schools)

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Program				
Gang Task Force	130,965	-	144,300	130,950
Auto Theft Task Force	45,804	3,333	46,128	43,580
Drug Enforcement Task Force	16,060	-	20,000	17,180
Cops More Programs	87,600	276,489	276,489	-
Cops Universal Hiring	815,945	427,603	427,603	236,033
Cops in Schools	-	97,060	97,060	58,694
Forensic Crime Lab	-	-	79,000	-
Local Law Enforcement	133,419	226,174	169,136	56,685
Juvenile Accountability	97,201	44,000	67,905	66,500
Regional Community Policing	47,506	81,450	81,450	-
Other Miscellaneous	23,756	5,000	18,000	-
Future Grants	-	5,379,589	-	532,020
Total	1,398,256	6,834,698	1,427,071	1,141,642
Expenditure By Type				
Personal Services	1,232,547	958,776	851,738	306,412
Contractual Services	72,188	312,800	323,000	320,710
Commodities	87,774	183,333	173,333	469,520
Capital Outlay	5,748	5,379,789	79,000	45,000
Total	1,398,256	6,834,698	1,427,071	1,141,642
Staffing				
Police Communications Dispatcher	2	2	-	-
Police Detention Supervisor	1	-	-	-
Police Officer	34	30	2	2
Police Sergeant	-	1	-	-
Total Full-time	37.00	33.00	2.00	2.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	37.00	33.00	2.00	2.00



Judicial System Program

Supports City Council Broad Goal:

Enhance and Protect the Community and Neighborhoods

Program Budget Highlights

Total budget increases \$599,746 (10.9%) from 2001/02 Forecast.

This increase includes:

Creation of Victim Services Subprogram. Six full-time and one part-time position were transferred into this new subprogram from the Liability Management Program.

Transition of a Victims Assistance Advocate position to the General Fund which was previously funded from a federal grant – total cost \$50,000.

Addition of a Victim Services Counselor position for the new Family Advocacy Center scheduled to open in October 2002.

Subprograms:

Prosecution

Victim's Services

Victim's Assistance Grants

City Court

Trends

31% increase in number of domestic violence victims served in the Victim Services Program during first quarter 2001/02 and 25% increase in number of domestic violence reports written.

Legislation lowered extreme DUI limit from .18 to .15, increasing the number of DUI citations by 21%. Prosecution jury trial caseloads have increased 12%.

Increased City emphasis on providing support, information and resources to citizens and neighborhoods.

Continuing rapid changes in technology and greater volumes of and reliance upon electronic information require technical solutions to improve case, file and records management and provide systems for efficient retrieval to maintain service levels.

Increased demand for the ability to handle court matters through the use of technology. 67% of the customers polled said they would use an automated phone system or the Internet to resolve their court case.

Court filings are expected to decline 24% from the previous fiscal year. Photo Radar filings were down 45% from last year and account for the majority of the reduction.

Increased sensitivity to security needs based on the recent terrorist events.

Anticipated increase of 64% in the use of Public Defenders from the previous fiscal year due to an increase in extreme Driving Under the Influence (DUI) and Domestic Violence cases.

Key Objectives

Advocate for City and citizen interests to enhance and protect a diverse, family-oriented community where neighborhoods are safe and well maintained.

Establish victim advocacy and prosecution services at the Northeast Valley Family Advocacy Center.

Expand and improve customer services, legal representation, and exchange of information through the increased use of technology in helping to make government accessible, responsive, and accountable.

Provide a justice forum that will quickly and fairly resolve cases in an effort to assure its citizens that neighborhoods are safe and protected.

Implement civil traffic video hearings to enable residents and police officers to testify on traffic cases via video conferencing equipment in north area Citizen Service Centers, by December 2002.

Increase the number of criminal cases adjudicated within 100 days from 7,684 to over 9,000, by June 3003.

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Implement an Interactive Voice Response System that will allow customers to access case information from the Internet or telephone, by December 2002.

Continue increased collection efforts for outstanding fines and fees by incorporating internal and external collection activities with an emphasis on cases older than 120 days.

Significant Accomplishments

Implemented new application software enabling automation of many processes and forms that were once manual in nature.

Added personnel to service the new criminal courtroom.

Initiated new community outreach programs.

Developed and implemented a 30-day post-conviction victim telephone case management protocol.

Translated all written Victim Services materials into Spanish.

Completed the remodel of the Justice Center to add additional staff space and an additional courtroom to provide more efficient customer service

Developed and implemented an electronic calendar and notification process to identify and notify Police Officers of their court availability and appearance dates.

Judicial System Program				
	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Prosecution	1,238,375	1,761,171	1,655,819	1,673,444
Victim's Services	887	-	-	458,170
Victim's Assistance Grants	94,268	91,712	45,935	50,352
City Court	3,389,600	4,105,010	3,816,588	3,936,149
Total	4,723,130	5,957,893	5,518,342	6,118,088
Expenditures By Type				
Personal Services	3,601,599	4,719,749	4,523,486	5,092,151
Contractual Services	865,522	860,888	800,945	958,024
Commodities	87,207	88,311	80,841	67,913
Capital Outlay	168,802	288,945	113,070	-
Total	4,723,130	5,957,893	5,518,342	6,118,088
Staffing				
Total Full-time	71.00	85.00	91.00	90.00
Total Part-time	6.00	6.00	7.00	7.00
Total Full-time Equivalent (FTE)	73.88	87.88	94.38	93.38

Judicial System Program Performance Measures

City Attorney - Prosecution

Goal: Resolve cases in a competent, professional, and timely manner through effective prosecution processes.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review and make decisions on Long-Form Complaints within 30 days of receipt	% of submittals processed within 30 days	65%	73%	75%	85%
Respond to Motions and Appeals within legally mandated time frames.	% of motions filed within limits	61%	63%	75%	80%
Appropriately prepare cases for trial, within 20 days of first setting.	% of cases prepared within 20 days	n/a	n/a	n/a	80%

Goal: Conduct community outreach activities to provide increased citizen awareness of programs designed to protect and enhance neighborhoods.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Coordinate and deliver public information regarding prosecution processes, via pamphlets in city libraries and citizen centers, and a web page, on a quarterly basis.	# of programs implemented	n/a	n/a	n/a	100%
Participate in the development and daily operations of the Family Advocacy Center.	# of hours Prosecution staff assigned to Center	n/a	n/a	n/a	800
Coordinate multi-departmental Domestic Violence awareness forums at Citizen Service Centers on a quarterly basis.	# of forums conducted	n/a	n/a	100%	100%
Measure Citizen Satisfaction of Information Provided.	% satisfied or very satisfied	n/a	n/a	75%	80%

Goal: Maintain open and effective communication to insure an atmosphere of cooperation and teamwork among City departments.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide 5 investigation and presentation training sessions to City departments relating to neighborhood safety and maintenance issues.	# of training sessions conducted	n/a	n/a	100%	100%
Provide 12 Police Officer training sessions.	# of training sessions conducted	n/a	n/a	100%	100%
Measure customer satisfaction with training provided.	% satisfied or very satisfied	n/a	n/a	75%	80%

Judicial System Program Performance Measures, continued

City Attorney – Victim’s Services

Goal: Provide professional level victim notification and advocacy services to Scottsdale misdemeanor crime victims

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Deliver Level 4 victim advocacy case management services, as defined by the Arizona Attorney General's Office, to every eligible victim seeking victim assistance services.	Eligible crime victims will receive written notification within statutory guidelines	95%	95%	100%	100%
	Victim will receive phone call within 10 days of the written notification being sent via	n/a	90%	90%	100%
	Invoked victims receive 1:1 support from a victim advocate	100%	100%	100%	100%
	Domestic violence victims will receive 30 day post-conviction follow-up phone call	n/a	95%	100%	100%
	Bilingual staff will be available during 90% of scheduled VSD work hours	80%	90%	95%	100%

Goal: Establish victim advocacy services at the Northeast Valley Family Advocacy Center.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Implement a Victim Services Division program at the Northeast Family Advocacy Center.	A Victim Services Counselor will work a minimum of 20 hours/week at the center	n/a	n/a	100%	100%

Judicial System Program Performance Measures, continued

City Court

Goal: Provide court users with timely resolution of all criminal and civil cases.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Process 90% of criminal cases within 100 days.	# adjudicated within 100 days	5,235	5,319	7,684	9,252
	% adjudicated within 100 days	52%	49%	66%	76%
Reduce the total number of cases that are in pending status more than 360 days to less than 10% of filings.	Total # pending over 360 days	12,898	21,828	9,998	4,167
	% pending over 360 days	14%	27%	16%	6%
Process all mail and drop box payments by the end of the next business day.	% of payments processed by end of the next business day	n/a	99%	99%	100%

Goal: Reduce the delinquent fines outstanding balance by increased enforcement of Court orders resulting in the collection of fines, restitution, and fees.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Monitor internal and external collection efforts to ensure that the Court is continually reducing the delinquent fines outstanding balance.	Amount of Criminal & Civil collections outstanding	\$5,616,167	\$7,226,911	\$8,564,789	\$7,879,606
	% Change	n/a	29%	19%	-8%
	Amount of Photo Radar outstanding	\$340,918	\$541,105	\$695,300	\$451,945
	% Change	n/a	59%	28%	-35%
	Amount of Parking outstanding	\$23,924	\$25,937	\$23,578	\$4,716
	% Change	n/a	8%	-9%	-80%
	Total dollar amount outstanding	\$5,981,009	\$7,793,953	\$9,283,667	\$8,336,267
	% Change	n/a	30%	19%	-10%

Goal: Provide prompt effective customer service in a timely manner, while ensuring equal access to all Court users.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Serve 95% of customers within 15 minutes.	# of customers served at the front counter	45,067	41,687	38,980	41,152
	% of customers served within 15 minutes	100%	100%	100%	100%

Judicial System Program

Prosecution

Provides legal and advocacy services that assist the organization to enhance the quality of life within Scottsdale and build trust in the integrity of city government.



Objectives

Expand and improve customer services, legal representation, and exchange of information through the increased use of technology in helping to make government accessible, responsive and accountable.

Continue to represent the City in all court proceedings required to prosecute and to support the mission and broad goals of the City Council.

Accomplishments

Implemented new application software, enabling automation of many processes and forms that were once manual in nature. This has equated to more efficient use of time and resources.

Added personnel to service the new criminal courtroom.

Initiated new community outreach programs.

Coordinated four domestic violence awareness forums at Citizen Services Centers.

Provided five investigation and presentation training sessions to City programs relating to neighborhood safety and maintenance issues.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	1,087,450	1,608,162	1,546,059	1,564,626
Contractual Services	112,320	66,483	72,053	93,868
Commodities	17,491	27,436	21,548	14,950
Capital Outlay	21,114	59,090	16,159	-
Total	1,238,375	1,761,171	1,655,819	1,673,444

	Prosecution			
City Prosecutor	1	1	1	1
Legal Assistant	3	5	5	5
Legal Secretary	2	2	2	2
Office Coord. Mgr.-Law	1	1	1	1
Prosecution Specialist	3	5	5	5
Prosecutor I	4	6	6	5
Prosecutor II	4	5	5	5
Support Specialist - Law	1	1	1	1
Systems Integrator	1	1	1	1
Total Full-time	20.00	27.00	27.00	26.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	20.00	27.00	27.00	26.00

Judicial System Program

Victim Services

Provides victim notification and victim advocacy for victims of misdemeanor crimes that are prosecuted in the Scottsdale City Court. The eight-member Victim Assistance staff coordinates crime victim identification, notification, assistance and advocacy services on behalf of the City of Scottsdale. In addition to regular phone contact, victim advocates accompany victims to court, assist victims in securing orders of protection and injunctions against harassment, connect victims with community support services and provide victims with information about the functional procedures of the judicial system.

Objectives

Establish victim advocacy and prosecution services at the Northeast Valley Family Advocacy Center.

Provide professional level victim notification and advocacy services to misdemeanor crime victims.

Advocate for City and citizen interest to enhance and protect a diverse, family oriented community where neighborhoods are safe and well maintained.

Accomplishments

Provided statutorily mandated verbal and written notification to all misdemeanor crime victims.

Provided all misdemeanor crime victims the opportunity to meet with a Victim Advocate and, if appropriate, provided three or more community referrals.

Developed and implemented a 30-day post-conviction victim telephone case management protocol.

Translated all Victim Services written materials into Spanish using endowment funds awarded over the past two years.

Surveyed all invoked victims within 15 days of the final disposition of the case; 92% of survey respondents reported being satisfied with services provided.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	-	-	-	425,732
Contractual Services	638	-	-	25,373
Commodities	249	-	-	7,065
Total	887	-	-	458,170
Staffing				
Senior Victim Advocate	-	-	1	1
Victim Advocate	1	1	3	3
Victim Assist Notification Clerk*	-	-	1	1
Victim Assist Notification Specialist	-	1	2	2
Victims Assistance Program Adm	-	-	1	1
Victim Services Counselor	-	-	1	1
Total Full-time	1.00	2.00	8.00	8.00
Total Part-time*	-	-	1.00	1.00
Total Full-time Equivalent (FTE)	1.00	2.00	8.50	8.50

Judicial System Program

City Court

Serves the community by providing a dignified and professional forum for the efficient resolution of cases within its jurisdiction. All persons shall be treated equally and fairly to promote public trust and confidence.

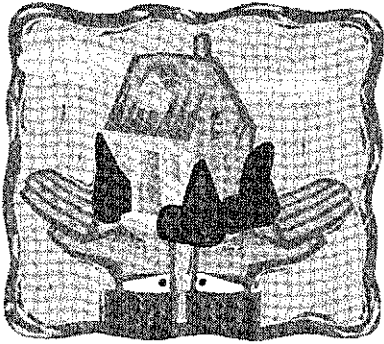
Objectives

- Provide a forum that will quickly and fairly resolve cases in an effort to assure its citizens that neighborhoods are safe and protected.
- Increase number of criminal cases adjudicated within 100 days from 7,684 to over 9,000, by June 2003.
- Implement a civil traffic video hearing project that allows residents and police officers to testify on their traffic cases through video conferencing equipment in north area Citizen Services Centers, by December 2002.
- Implement an Interactive Voice Response System that will allow customers to access case information from the Internet or telephone, by December 2002.
- Continue increased collection efforts for outstanding fines and fees by incorporating internal and external collection activities with an emphasis on cases older than 120 days.

Accomplishments

- Completed the remodel of the Justice Center to add additional staff space and an additional courtroom to provide more efficient service to our customers.
- Increased return on collections by 28%.
- Implemented a new process that eliminates the use of file folders for civil traffic citations.
- Developed and implemented an electronic calendar and notification process to identify and notify Police Officers of their court availability and appearance dates.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	2,419,880	3,065,810	2,977,427	3,101,793
Contractual Services	752,564	748,470	682,957	788,458
Commodities	69,467	60,875	59,293	45,898
Capital Outlay	147,689	229,855	96,911	
Total	3,389,600	4,105,010	3,816,588	3,936,149
Staffing				
Associate City Judge	2	2	2	2
City Judge	1	2	2	2
Court Administrator	1	1	1	1
Court Analyst	1	1	1	1
Court Interpreter	1	1	1	1
Court Security Guard*	1	2	2	2
Court Security Screener	4	4	4	4
Court Security Screener*	2	2	2	2
Court Services Representative	1	1	1	1
Court Services Representative*	27	29	29	29
Court Services Supervisor	1	1	1	1
Deputy Court Administrator	4	4	4	4
Executive Secretary	2	2	2	2
Hearing Officer	-	1	1	1
Revenue Collector	1	2	2	2
Sr. Accounting Technician	1	1	1	1
Sr. Court Services Rep.	1	1	1	1
Systems Integrator	4	4	4	4
Technology Coordinator	1	1	1	1
Total Full-time	1	1	1	1
Total Part-time*	50.00	56.00	56.00	56.00
Total Full-time Equivalent (FTE)	6.00	6.00	6.00	6.00
	52.88	58.88	58.88	58.88



Fire Protection Program

Supports City Council Broad Goal: Enhance and Protect the Community and Neighborhoods

Provides all fire-related services, including fire prevention, public education, emergency medical service, and fire suppression.

Program Budget Highlights

Rural Metro Corporation contractually provides fire services for Scottsdale.

Total budget increases \$1,649,117 (10.1%) from 2001/02 Forecast.

This increase includes:

Renewal of the Fire Protection contract.

Increase for fleet maintenance, operations, and replacement charges.

Addition of two 24 hour Captain positions for the Fire contract, beginning July 1, 2002, for the two remaining, two person fire engine companies currently operating in the Scottsdale system, and operation of new fire station at McDowell Mountain Ranch beginning January 2003.

Continue to maintain or improve established emergency protection service levels for the rapidly developing areas of the community.

Complete design and construction of new fire stations at Scottsdale Airport, Troon North, 100th and Bell, and Ashler Hills and Pima Road.

Conduct long term strategic planning based on recent consultant study.

walls making it much quicker and easier to find a trapped person or locate the source of a hidden fire.

Following the City's policy of acquiring ownership of all the large fire apparatus, purchased five new fire pumpers and a new 75ft. ladder truck.

Through an independent consulting contract, conducted an evaluation of the fire protection program. As a result of this report, new contracts were developed to address the emergency fire and medical operations in the City.

Received approval ratings of 99% for fire service and 98% for emergency medical services on the 2001 annual citizen survey.

Accomplishments

Completed designs for four new permanent City fire stations – McDowell Mountain Ranch, Troon Park, Scottsdale Airport, and northwest corner of Pima and Ranch Roads.

Equipped 12 of the 16 first responding fire units with portable thermal imaging cameras that allow firefighters to "see" heat through smoke-filled rooms and

- Note: These part-time positions are staffed
- by regular full-time City employees;
- therefore these positions are excluded from
- the citywide position count.

Objectives

Provide high quality, cost effective emergency and non-emergency services.

Actively promote proactive community fire protection through the use of effective fire engineering principles, built-in protection and aggressive public education programs.

Promote an active partnership with Scottsdale Police programs to achieve the overall public safety goals that will continue to provide the citizens of Scottsdale a high level of service and protection.

Fire Protection Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	201,972	204,548	204,548	211,564
Fire Contract	14,424,630	15,630,655	15,357,689	16,828,969
Other Contractual Services	603,935	687,219	639,333	808,726
Commodities	45,596	52,200	65,772	67,200
Capital Outlay	30,717	-	-	-
Total	15,306,850	16,574,622	16,267,342	17,916,459
Staffing				
Fire Support Fighter*	36	36	36	36
Fire Support Lieutenant*	4	4	4	4
Total Full-time	-	-	-	-
Total Part-time*	40.00	40.00	40.00	40.00
Total Full-Time Equivalent (FTE)	2.68	2.68	2.68	2.68

Fire Protection Program Performance Measures

Goal: Provide state certified, trained professional staff to serve the citizens of Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide minimum of 240 annual training hours per firefighter.	Average # of annual training hours per firefighter	275	240	240	240
100% of full-time and fill-in personnel achieve State of Arizona Firefighter II Certification.	% of all full-time and fill-in personnel who achieve State Certification	100%	100%	100%	100%
100% of full-time firefighters maintain State Emergency Medical Technician Certification.	% of all full-time firefighters who maintain State EMT Certification	100%	100%	100%	100%

Goal: Provide cost effective, efficient emergency first response for fire and emergency medical service.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain effective annual cost per capita for fire protection.	Annual cost per capita for fire protection	\$66.85	\$69.56	\$72.69	\$74.37
	Structural fires per 1,000 population	2.96	3.00	3.00	3.00
	Total fire calls per 1,000 population	6.03	7.00	7.00	7.00
	Structural Dollar Loss per year	\$904,750	\$2,000,000	\$2,000,000	\$2,000,000

Goal: Respond to emergency calls and general assistance calls expediently.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Answer emergency calls within 4 minutes.	Annual average response time	4:19	4:00	4:00	4:00
Answer general assistance calls within 5 minutes.	Annual average response time	5:08	5:00	5:00	5:00

Goal: Maintain a high approval rating on annual citizen survey for both fire and emergency medical services.

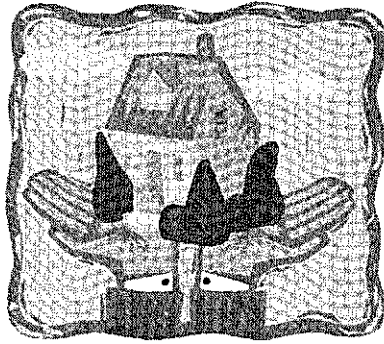
Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain 95% or greater approval rating on annual citizen survey for fire services.	% approval rating on annual citizen survey for fire services	98%	98%	95%	95%
Maintain 95% or greater approval rating on annual citizen survey for emergency medical services.	% approval rating on annual citizen survey for emergency medical services	97%	96%	95%	95%

Goal: Review all building and fire plans submitted within 5 days.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review 100% of submitted fire plans within 5 days.	% of plans reviewed within 5 days	99%	98%	98%	98%

Goal: Provide fire safety demonstrations in Scottsdale Schools.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide a minimum of 125 fire safety demonstrations annually in Scottsdale Schools.	# of school demonstrations	152	125	125	125
	Total # of children instructed	29,983	15,000	15,000	15,000



Parks & Recreation Programs

**Supports City Council Broad Goal:
Enhance and Protect the Community and Neighborhoods**

Program Budget Highlights

The Parks & Recreation Programs budget increase \$514,505 (3.8%) from 2001/02 Forecast.

This budget maintains current service levels in expanded service areas.

Subprograms:

Community Centers &
Recreation Services

Sports, Fitness, & Leisure
Programs/Facilities

Parks & Public Places

Parks & Recreation Grants

Trends

Change in Scottsdale's population demographics resulting in higher percentage of non-English speaking residents; increasing population of older, but more active senior citizens, and a greater number of children in growth areas impacting recreation programs.

Growth areas of Scottsdale are developing with families with youth demanding more lighted recreational facilities and services, in conflict with those preferring passive open spaces with dark skies.

Existing facilities and programs are being modified to provide a greater variety of service choices to meet different family needs for structured programs for adults' and children's busy lifestyles.

Increased awareness of real and perceived threats and demand for security measures in public facilities.

Key Objectives

Complete a Community Needs Assessment for parks, trails, and recreation services in all planning units citywide and use the results to develop a Community Services Facilities Plan to better respond to citizens' needs, by December 2002.

Implement after school programming and summer recreation programs to growth areas throughout the City, so that all neighborhoods have access to similar services and facilities, by September 2002.

Focus on upgrading technology in order to provide a higher-level service to customers and to make services and information more accessible to the citizens by continuing to enhance the automated work order system; continue to improve customer service with the interface of program registration via the Internet and improve the design of the Parks and Recreation website.

Implement a plan to coordinate with Financial Services, City Auditor's Office and the City's enterprise programs to assist in efficient management of on-going maintenance of infrastructure and facilities.

Implement a new Imaging System to help manage all documents relating to park construction, building maintenance, as-builts, and historical documents.

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Evaluate the level of police presence in the parks and make recommendations for any changes or new programs. Work with the Preservation Program for a comprehensive trails system for both the Preserve and the Park System.

Significant Accomplishments

Began the implementation of an update to the Trails Master Plan. For the first time, the analysis will include the planning for neighborhood trails as opposed to trails that appear only on the General Plan.

Completed a new "Master Agreement" with the School District in May 2001. This intergovernmental Agreement updates the 1987 Agreement with specific joint use sections that will assist both City and School District staff in the provision of community-wide recreational programming.

Developed a new mobile recreation program to provide recreational programming in underserved and growth areas throughout the City.

Opened Ironwood Park, Stonegate Equestrian Park, Pinnacle Peak Park and the Jomax Trail connection and La Mirada Desert Park.

Results of this year's citizen survey indicated the percentage of satisfaction for parks and open spaces and recreation programs improved to 96% of citizens rating these services as good or very good.

Received \$823,000 in Arizona State Heritage grants for various park and trail improvements.

Parks and Recreation Programs

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Community Centers & Recreation Services	2,750,808	2,889,491	2,871,601	2,939,500
Sports, Fitness, & Leisure Programs/Facilities	5,951,097	6,038,805	5,823,006	5,954,879
Parks & Public Places	3,050,767	4,668,226	4,852,847	5,167,580
Parks & Recreation Grants	5,000	576,000		
Total	11,757,672	14,172,522	13,547,454	14,061,959
Expenditures By Type				
Personal Services	7,663,223	8,618,063	8,717,205	9,426,284
Contractual Services	2,468,536	3,334,446	3,189,696	2,995,605
Commodities	1,622,238	1,622,513	1,619,053	1,640,070
Capital Outlay	3,675	597,500	21,500	
Total	11,757,672	14,172,522	13,547,454	14,061,959
Staffing				
Total Full-time	120.00	123.00	123.00	125.00
Total Part-time	385.00	385.00	385.00	385.00
Total Full-time Equivalent (FTE)	235.37	240.90	242.61	242.61

Parks and Recreation Programs Performance Measures

Community Centers and Recreation Services

Goal: Respond efficiently and effectively to customer requests for use of Recreation facilities.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide opportunities for citizens to reserve use of Recreation facilities.	# of reserved hours for indoor facilities	61,000	61,662	62,710	63,800
	# of reserved hours for outdoor facilities	152,544	157,976	160,000	160,000
	# of reserved hours for private citizen rentals	31,015	30,403	31,000	31,000
	# of reserved hours for sponsored youth sports groups	59,234	58,221	56,045	56,000

Sports, Fitness, and Leisure Programs/Facilities

Goal: Effectively meet the needs of the community for adapted recreation inclusion services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain appropriate ratios of participants to staff for inclusion purposes.	# of people served	65	84	95	100
	Average Ratios – Staff:Participant	6:1	6:1	6:1	6:1

Parks and Public Places

Goal: Provide mountain park experience at Pinnacle Peak Park and Trailhead (park opened in April 2002).

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain or reduce the cost to provide trailhead and interpretive programming.	# of people on the trail	n/a	n/a	13,000	25,000
	Cost per participant	n/a	n/a	\$8.80	\$4.60

Parks & Recreation Programs

Community Centers and Recreation Services

Provides recreational and socialization opportunities for youth and families in a safe and friendly atmosphere.

Objectives

- Continue to focus efforts on the positive development of our youth with programs and activities throughout the City.
- Develop a new mobile recreation program with new equipment to provide recreational programming in underserved and growth areas throughout the City.
- Renovate stage area and expand program space for teens at Mountain View Community Center.
- Renovate Youth and Family Services building at Indian School Park and add space to accommodate children's programs.

Accomplishments

- Completed Vista del Camino Multi-Use Path Lighting.
- Completed selection of consultant for the preparation of the ADA Transition Plan. By partnering with the Information Systems staff, \$140,000 was saved on the preliminary estimated cost for their services.
- Passed and updated park rules and regulation ordinance in cooperation with the Police Programs.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
			Expenditure By Type	
Personal Services	2,148,869	2,292,065	2,297,506	2,527,260
Contractual Services	303,538	301,728	295,468	140,084
Commodities	298,401	295,698	278,627	272,156
Capital Outlay				
Total	2,750,808	2,889,491	2,871,601	2,939,500
			Staffing	
Maintenance Worker I	6	6	6	4
Maintenance Worker I*	1	1	1	1
Maintenance Worker II	11	11	11	12
Maintenance Worker II*	1	1	1	1
Maintenance Worker III	3	3	3	5
Rec Coord. - Maintenance	3	3	3	3
Recreation Coordinator	1	1	1	1
Recreation Leader I*	19	19	19	19
Recreation Leader II	3	3	3	3
Recreation Leader II*	46	46	46	46
Recreation Leader III	4	4	4	5
Recreation Specialist*	2	2	2	2
Sr. Recreation Coord. - Maintenance	1	1	1	1
Total Full-time	32.00	32.00	32.00	34.00
Total Part-time*	69.00	69.00	69.00	69.00
Total Full-time Equivalent (FTE)	66.63	66.63	66.63	66.63

Parks & Recreation Programs

Sports, Fitness, & Leisure Programs/Facilities

Provides informal as well as structured sports, fitness, and leisure activities and programs over a wide spectrum of ages and interests. Provides a venue for Cactus League Spring Training.

Objectives

Continue to implement the 2000 bond program with Chaparral Shower/Locker Room renovation, aging park renovations and Eldorado Pool renovation projects being initiated.

Continue to take public input and clearly communicate technical information with upcoming bond projects including McDowell Mountain Park and Aquatic Center and Central Arizona Project (CAP) Basin Sports Complex.

Conduct a study with input from youth sports groups regarding maintenance of ballfields in parks and on Scottsdale School District elementary and middle school campuses.

Plan for the preventative maintenance of the City's aquatic facilities to assure that they remain safe and efficient with the new filters, pumps, deck and boilers where and when appropriate.

Assess the results of a new marketing strategy at the Scottsdale Stadium.

Accomplishments

Completed construction of seven lighted sports fields at DC Ranch Park adjacent to Copper Ridge School.

Planning is underway for the potential acquisition of property near WestWorld to accommodate special event parking and lighted sports fields.

Received an Arizona State Heritage Grant in the amount of \$500,000 for the development of the Central Arizona Project (CAP) Basin Lighted Sports Complex.

Implemented a new customer service – "e-connect" allowing citizens to register and pay for leisure classes, leagues and lessons over the Internet.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	3,725,997	3,903,395	3,811,916	3,933,595
Contractual Services	1,292,896	1,520,328	1,400,888	1,409,152
Commodities	930,453	610,082	605,202	612,132
Capital Outlay	1,751	5,000	5,000	-
Total	5,951,097	6,038,805	5,823,006	5,954,879
Staffing				
Assistant Pool Manager*	10	10	10	10
Lifeguard/Instructor*	69	69	69	69
Maintenance Technician II	1	1	1	1
Maintenance Worker II	12	12	12	10
Maintenance Worker III	3	3	3	5
Parks Laborer	1	3	3	3
Pool Manager	2	2	2	2
Pool Manager*	1	1	1	1
Rec Coord. - Maintenance	2	2	2	2
Recreation Coordinator	1	1	1	1
Recreation Leader I*	26	26	26	18
Recreation Leader II*	49	49	49	57
Recreation Leader III	13	13	13	13
Recreation Specialist*	102	102	102	102
Sr. Rec Coord. - Maintenance	2	2	2	2
Sr. Recreation Coordinator	3	3	3	3
Stadium Coordinator	1	1	1	1
Stadium Operations Worker*	1	1	1	1
Support Specialist*	2	2	2	2
Total Full-time	41.00	43.00	43.00	43.00
Total Part-time*	260.00	260.00	260.00	260.00
Total Full-time Equivalent (FTE)	98.59	104.12	105.83	105.83

Parks & Recreation Programs

Parks & Public Places

Plans, coordinates, and facilitates the implementation of parks and trails throughout the City. Serves the local community with parks nestled in neighborhoods, providing opportunities for connections between neighbors and public places.



Objectives

Begin the public input process for Grayhawk Community Park, part of the 2000 bond program scheduled to be funded in 2002/03.

Continue to coordinate the management and implementation of the general plan trails system. Utilize the results of the Trails Master Plan study to update the trails master plan and include a neighborhood trails system, by June 2003.

Continue to work in conjunction with Citizen and Neighborhood Services, merchants and property owners in the Downtown to continually enhance maintenance services.

Develop a plan to implement the results of the parking study completed at McCormick-Stillman Railroad Park.

Continue to enhance the Motorola centralized irrigation system with cross training and upgrades as appropriate to effectively manage water usage.

Accomplishments

Completed construction of two neighborhood parks: Ironwood Park and Stonegate Equestrian Park.

Completed Pinnacle Peak Park Trailhead, Sonoran Hills Park, and La Mirada Desert Park Phase II.

Received an Arizona State Heritage Grant in the amount of \$76,000 for the development of the Pinnacle Peak Trailhead.

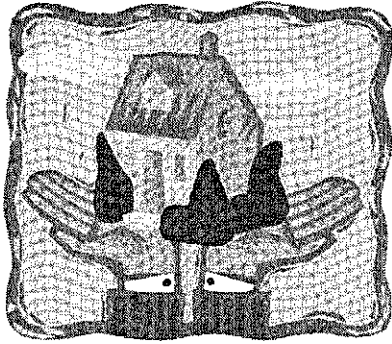
Began Trails Master Plan study, which includes both general plan and neighborhood trail systems. Results will guide trail development priorities in the Capital Improvement Program.

Transitioned from contracted spraying of pesticides and herbicides to in house spraying, saving \$40,000 annually. In addition, planting specifications were established to help with landscape installations for future construction projects.

Completed in-house developed training program on all irrigation controllers and maintenance of centralized irrigation system.

Designated as Tree City USA for the 20th consecutive year.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	1,788,357	2,422,603	2,607,783	2,965,429
Contractual Services	867,102	1,512,390	1,493,340	1,446,369
Commodities	393,384	716,733	735,224	755,782
Capital Outlay	1,924	16,500	16,500	-
Total	3,050,767	4,668,226	4,852,847	5,167,580
Staffing				
Aquatics Maintenance Tech	2	2	2	2
Contracts Coordinator	1	1	1	1
Irrigation Control Technician	-	1	1	1
Irrigation Technician	8	8	8	8
Landscape Maint Supv.	1	1	1	1
Maintenance Technician II	3	3	3	3
Maintenance Worker I	4	4	4	4
Maintenance Worker II*	15	15	15	15
Maintenance Worker III	1	1	1	1
Parks Laborer	1	1	1	1
Parks/Trails Planner	1	1	1	1
Parks/Trails Technician*	1	1	1	1
Rec Coord. - Maintenance	1	1	1	1
Recreation Leader I*	12	12	12	12
Recreation Leader II	1	1	1	1
Recreation Leader II*	36	36	36	36
Recreation Leader III	4	4	4	4
Recreation Leader III*	2	2	2	2
Recreation Specialist*	4	4	4	4
Service Support Worker	1	1	1	1
Sr. Rec. Coord. - Maintenance	1	1	1	1
Sr. Recreation Coordinator	1	1	1	1
Trails Planner	1	1	1	1
Total Full-time	47.00	48.00	48.00	48.00
Total Part-time*	56.00	56.00	56.00	56.00
Total Full-time Equivalent (FTE)	70.15	70.15	70.15	70.15



Social Services Program

Supports City Council Broad Goal: Enhance and Protect the Community and Neighborhoods

Provides an integrated system of services, resources, and opportunities to help people improve their lives, the lives of others, neighborhoods, and the total community.

Program Budget Highlights

Total budget increases by \$839,355 (9.3%) from 2001/02 Forecast.

This budget supports current service levels for this program.

Approximately half of the increase results from an expected increase in social services grants.

Subprograms:

Senior Programs

Emergency Assessment,
Assistance and Referral

Social Service Grants

Trends

The downturn in the economy has resulted in an increase in the number of households in poverty with a substantial increase in Vista del Camino's requests for basic needs assistance; Paiute Neighborhood Center's increase in requests for social services; Seniors continue to experience escalating healthcare costs and social isolation; Youth Services has seen a marked increase in services for families experiencing multiple, and more serious problems. Stresses include economic hardship, living conditions, and more requests from families with few resources for food, clothing and shelter.

Change in Scottsdale's population demographics resulting in higher percentage of non-English speaking residents; increasing population of older, but more active senior citizens, and a greater number of children in growth areas impacting social services.

Employment and population growth in Scottsdale continues to add new demand to the existing housing market with housing costs continuing to outpace increases in median income.

Objectives

Expand and enhance Vista del Camino Center.

Acquire and renovate buildings 4 and 5 at Paiute Neighborhood Center.

Work with the Youth Development Self Managed team in order to identify gaps in services of after school programs, targeting services for youth aged 5 through 14, by March 2003.

Update the Human Service 5 Year Plan and revise the Human Service Indicators Report based on the 2000 Census, by May 2003.

Develop and conduct a survey to determine the critical needs facing Senior Adults in Scottsdale, by June 2003.

Annually update the assessment of the Paiute Neighborhood Center to determine the impact the Center has had on the community and incorporate new services to the senior population or change existing services to meet ongoing needs in the neighborhood.

Update all Brokerage Agency licenses at Human Services Facilities in a consistent format, by June 2003.

Complete the design and programming phase for the replacement of the Civic Center Senior Center and identify uses for the former facility, by June 2003.

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Accomplishments

Updated the assessment of the Paiute Neighborhood Center to determine the impact the Center has had on the community and incorporate new services or change existing services to meet ongoing needs in the neighborhood.

Updated the 5-year planning document, City of Scottsdale Human Services Plan; this document is a strategic plan to assess and address future human service needs in Scottsdale.

Assisted over 4,000 families in need of emergency services for utility assistance, emergency food boxes and financial assistance to prevent eviction and homelessness.

Implemented Scottsdale Healthcare's Neighborhood Outreach Action for Health (NOAH) program at the Paiute Neighborhood Center, and in it's first year of operation it provided 1,300 contact hours of service to 550 pediatric patients, in addition to 1,150 visits for 425 adults who are not eligible for AHCCCS. These individuals were assessed and referred to the Scottsdale Healthcare Family Clinic for medical care. Additionally, 200 dental visits were conducted for 100 children.

Requested and received 20 new Section 8 Vouchers under HUD's Fair Share Allocation process. This award allowed for the housing of twenty additional families on the Section 8 waiting list and brings the total number of units in the program to 607.

Worked extensively with the East Valley Partnership to provide services (mentoring, job shadowing, counseling, social skills and paid work experience) for low-income at-risk teens through the Workforce Investment Act, in a program called Youthworks. Currently 117 teen are enrolled in the program.

Established the Household Emergency Assistance Program (H.E.A.P.) in collaboration with Scottsdale School District, 85 youth, volunteers and staff from both Scottsdale Senior Centers. This program assisted 50 seniors and disabled citizens with household tasks and yard clean up.

Social Services Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Senior Programs	1,007,801	1,275,877	1,244,826	1,316,670
Emergency Assessment, Assistance & Referral	2,185,477	2,508,748	2,348,278	2,699,331
Social Service Grants	5,552,846	5,681,497	5,452,650	5,869,108
Total	8,746,124	9,466,122	9,045,754	9,885,109
Expenditures By Type				
Personal Services	2,859,812	3,117,151	3,064,775	3,412,737
Contractual Services	5,713,590	5,894,844	5,780,950	6,282,940
Commodities	156,764	186,690	192,716	189,432
Capital Outlay	15,958	267,437	7,313	-
Total	8,746,124	9,466,122	9,045,754	9,885,109
Staffing				
Total Full-time	49.00	49.00	49.00	49.00
Total Part-time	25.00	27.00	27.00	27.00
Total Full-Time Equivalent (FTE)	64.75	66.75	66.75	66.75

Social Services Program, continued

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
				Staffing
Senior Programs				
Human Service Coordinator	2	2	2	2
Human Services Manager	1	2	2	2
Human Services Representative	1	1	1	1
Human Services Representative*	2	2	2	2
Human Services Specialist	2	2	2	2
Human Services Specialist*	1	1	1	1
Recreation Coordinator	2	2	2	2
Recreation Leader I*	1	1	1	1
Recreation Leader II*	9	9	9	9
Recreation Leader III	2	2	2	2
Total Full-time	10.00	11.00	11.00	11.00
Total Part-time*	13.00	13.00	13.00	13.00
Total Full-Time Equivalent (FTE)	19.97	20.97	20.97	20.97
Emergency Assessment, Assistance & Referral				
Accounting Supervisor	1	1	1	1
Food Bank Specialist*	1	1	1	1
Housing Development Manager	1	1	1	1
Housing Rehabilitation Coord.	-	1	1	1
Human Service Coordinator	2	2	2	2
Human Services Manager	3	3	3	3
Human Services Representative	6	5	5	5
Human Services Specialist	10	10	10	10
Office Coordination Assistant	1	1	1	1
Recreation Coordinator	1	1	1	1
Recreation Leader I*	4	4	4	4
Recreation Leader II*	6	8	8	8
Recreation Leader III	1	1	1	1
Secretary	1	1	1	1
Service Support Worker	1	1	1	1
Total Full-time	28.00	28.00	28.00	28.00
Total Part-time*	11.00	13.00	13.00	13.00
Total Full-Time Equivalent (FTE)	33.03	35.03	35.03	35.03
Social Service Grants				
Administrative Secretary	1	1	1	1
Community Assistance Mgr.	1	1	1	1
Family Self-Sufficiency Spec*	1	1	1	1
Grant Programs Specialist	3	4	4	4
Housing Coordinator	1	1	1	1
Occupancy Aide	1	1	1	1
Sr. Grant Program Specialist	3	2	2	2
Total Full-time	11.00	10.00	10.00	10.00
Total Part-time*	1.00	1.00	1.00	1.00
Total Full-Time Equivalent (FTE)	11.75	10.75	10.75	10.75

Social Services Program Performance Measures

Goal: Maximize the availability of community resources in City facilities and community centers.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Promote brokerage services in City facilities and community centers.	# of brokerage agencies in City facilities*	78	80	82	84
	Value of space provided to the brokerage agencies	\$428,691	\$460,041	\$474,000	\$488,000

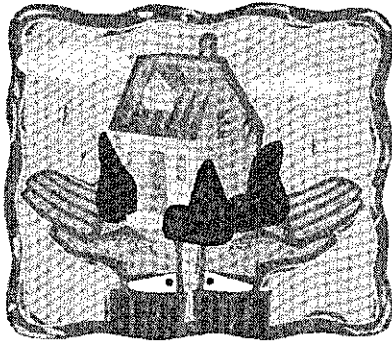
*Note: Includes support groups at the Civic Center and Via Linda Senior Centers.

Goal: Provide youth and employment training and job placement information to participate in work experiences, which promote their positive development.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Support education by providing assessment, job and social skills training, and referrals for youth interested in entering the world of work.	% of youth demonstrating increased job skills knowledge	90%	92%	94%	90%
	% of youth receiving a job referral	98%	96%	96%	98%
	% of employers satisfied with teen job referrals	95%	95%	95%	95%

Goal: Address the needs of the growing senior population by providing older citizens meaningful opportunities to enrich their lives and connect with the broader community.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide social service opportunities at the Scottsdale Senior Centers.	# of support groups offered	19	21	23	25
	# of health related programs offered	19	20	23	25
	# of "other social service programs" offered	34	41	42	44
	# of off-site partnerships	24	28	30	32



Community Services Administrative Support Program

Supports City Council Broad Goal: Enhance and Protect the Community and Neighborhoods

Provides guidance and support, encourages innovative thinking and expanded productivity through efficient use of resources with the overall goals of providing quality service to citizens, and ensuring attainment of City Council Goals.

Program Budget Highlights

Total budget decreases \$3,441,425 (-44.4%) from 2001/02 Forecast.

This decrease includes:

A reduction in Contractual Services (- \$3,858,578) for citywide utilities transferred to the Facilities Maintenance Program within the Balance Infrastructure and Resources goal.

Objectives

Effectively manage and oversee planning, marketing, capital improvement projects and financial activities.

Enhance web sites so that citizens can easily access information related to services, and facilities as well as complete business transactions such as program registrations and facility reservations.

Develop an office space plan recognizing anticipated management and technology staff needs, by December 2002.

Update the strategic plan to reflect new goals, strategies and tactics outlined by City Council and City executive staff, by December 2002.

Work with Scottsdale Cultural Council to locate a funding source to implement the newly developed preventative maintenance plan for public art, by June 2003.

Identify a site and potential funding sources to accommodate a Community Service Center north of the Central Arizona Project (CAP) to facilitate delivery of Recreation and Human Services in growth areas.

Complete the design for the development of a senior center located on the former Smitty's site and incorporate other City services that respond to the desires of the surrounding neighborhoods.

Utilizing the fiscal year 2001/02 consultant study, develop an updated Transition Plan as mandated by the American with Disabilities Act (ADA), and finalize a five year capital improvement plan to remedy the accessibility issues identified in the Transition Plan.

Enhance aging neighborhoods by beginning renovations and upgrades to the following public facilities serving those areas: completely renovate Eldorado Aquatic Center; replace playground equipment at Papago, Pima and Aqua Linda Parks; expand and enhance Vista del Camino Center; acquisition and renovation of buildings 4 and 5 at Paiute Neighborhood Center; renovate Chaparral Aquatic Center Locker/shower facility; renovate the Youth and Family Services building at Indian School Park and add additional space to accommodate children's programs; rebuild aging tennis courts; enhance lighting along Indian Bend Wash bike path from Murray Lane to Indian School and from McDonald to Indian Bend Road; renovate stage area and expand program space for teens at Mountain View Community Center; add study rooms to Mustang Library; and renovate west side of Civic Center Mall and rebuild east amphitheater area.

Trends

There is an increased awareness of real and perceived threats and demand for security measures in public facilities.

Demand from residents for access to emerging technology and ability to do business and obtain information faster, easier, and on their timetable is changing service delivery requirements.

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Complete the plan for the creation of Community Technology Centers in libraries, senior centers and community centers to increase access to electronic resources in Scottsdale.

Accomplishments

Hired a new Parks, Recreation and Facilities Systems Integrator allowing the subprogram to become more efficient in the management of current systems, analyze the need and feasibility of new systems and applications, and to help with future technological needs.

Began the implementation of revising the *Vision 2010, Parks Master Plan*. This plan, with the aid of a consultant will update inventories, policies, and demographics based on citizen input into the new plan.

Responded to maintenance recommendations from the downtown consultant and implemented an enhanced maintenance program for downtown that is acceptable to the merchants.

Completed Ironwood Park, Stonegate Equestrian Park, Pinnacle Peak Park Trailhead, Sonoran Hills Park, La Mirada Desert Park Phase II, Vista del Camino Multi-use Path Lighting and seven lighted sports fields at DC Ranch Park adjacent to Copper Ridge School.

Planning is underway for the potential acquisition of property near WestWorld to accommodate special event parking and lighted sports fields.

Began a Trails Master Plan study, which includes both general plan and neighborhood trail systems. Results will guide trail development priorities in the Capital Improvement Program.

Completed 5-year Facilities

Maintenance Plan for all buildings and facilities citywide.

Implemented a new customer service – “e-connect” allowing citizens to register and pay for leisure classes, leagues and lessons over the Internet.

Updated the 5-year planning document, City of Scottsdale Human Services Plan; this document is a strategic plan to assess and address future human service needs in Scottsdale.

The Community Assistance Office requested and received 20 new Section 8 Vouchers under HUD’s Fair Share Allocation process. This award allowed for the housing of twenty additional families on the Section 8 waiting list and brings the total number of units in the program to 607.

Software was implemented which provides a remote gateway to subscription electronic resources enabling Library users to access information from home, school, or office.

Library management was restructured to address needs identified the “Planning for Results” citizens committee and the changing needs of the library system.

Community Services Administrative Support Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
	Expenditure By Type			
Personal Services	2,004,343	2,203,858	2,342,246	2,303,845
Contractual Services	5,217,393	5,283,171	5,175,291	1,822,161
Commodities	195,729	165,620	180,820	177,490
Capital Outlay	201,654	278,939	46,564	-
Total	7,619,119	7,931,588	7,744,921	4,303,496
	Staffing			
Administrative Secretary	6	6	6	6
Customer Service Rep	-	1	1	1
Department Advisor	2	2	2	2
Facilities Management Coord.	2	1	1	1
Gen Mgr Community Services	1	1	1	1
Human Services Director	1	1	1	1
Human Services Manager	1	1	1	1
Human Services Planner	1	1	1	1
Library Director	1	1	1	1
Library Manager	1	1	1	1
Parks Rec And Facilities Dir	1	1	1	1
Parks Rec And Facilities Mgr	1	1	1	1
Resource Development Spec*	1	1	1	1
Safety/Training Officer	1	1	1	1
Secretary*	1	1	1	1
Service Area Manager	5	5	5	5
Special Projects Mgr	1	1	1	1
Special Projects/Contracts Mgr	1	1	1	1
Support Specialist*	1	1	1	1
Systems Integrator	1	1	1	1
Total Full-time	27.00	27.00	27.00	27.00
Total Part-time*	3.00	3.00	3.00	3.00
Total Full-Time Equivalent (FTE)	28.44	28.44	28.44	28.44

Community Services Administrative Support Program Performance Measures

Goal: Actively seek alternate ways to offer and manage Community Services Department well.

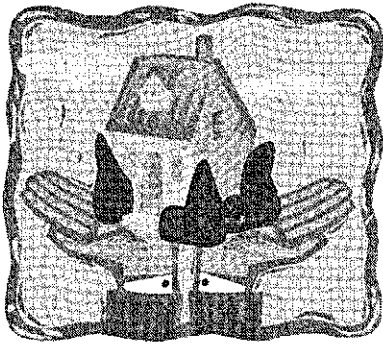
Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Volunteer staffing and involvement will not be less than 10% of the C.S. Dept. staffing commitment.	Community Services FTE count	476.89	496.86	513.39	516.10
	Volunteer staffing	64.55	66.97	66.63	66.00
	Volunteer staffing % of the dept. FTE	13.5%	13.5%	12.9%	12.8%

Goal: Establish an effective capital projects design and installation program.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
New Project Starts: Initiate planning and design on 85% of funded capital projects during the targeted year.	# of projects planned	n/a	0	15	11
	# of projects operating on target	n/a	0	12	11
	% of projects operating on target	n/a	n/a	80%	100%
Project Completions: Complete 85% of projects on time.	# of projects planned for completion	n/a	11	9	13
	# of projects operating on target	n/a	4*	9	13
* 7 projects rescheduled for next yr	% of projects operating on target	n/a	27%	100%	100%

Goal: Resources, services, and facilities are available in support of the needs of Scottsdale families.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Annually 95% of city residents indicate Scottsdale as a good place to raise a family.	Annual Citizen Survey Results	96%	96%	96%	96%



Library Services Program

Supports City Council Broad Goal: Enhance and Protect the Community and Neighborhoods

Provides quality customer service and up-to-date information in a variety of formats. Provides library materials and programs that educate, enrich, and entertain. The Scottsdale Public Library System links citizens with resources and people worldwide.



Program Budget Highlights

Total budget increases \$355,541 (4.6%) from 2001/02 Forecast.

This increase supports current service levels within the Library System.

Trends

Increased public demand for access to computers at the libraries continues.

A current trend in Libraries nationally and statewide is for increased service to teens both in terms of specialized programs and areas set aside for them in libraries.

Continued growth in the community and increasing use of the libraries is stretching resources as citizens make greater demands for library services. Both attendance and circulation of library materials are increasing.

Key Objectives

Implement a computer lab at Mustang Library.

Complete design and public input process for expansion of Arabian Library.

Open all library facilities a minimum of 68 hours per week to meet demand for consistent service hours at every library, by December 2004.

Develop a marketing plan for services to Young Adults and working with community focus groups design and identify funding to create a designated space, private and noise-abated, for use by Young Adults at an existing library facility, by September 2004.

Increase by 5%, library programs on topics of sustained interest to the adult population of Scottsdale

including seniors and retirees, by January 2003.

Partner with Communications and Public Affairs (CAPA) and Information Systems in support of the City listserv to notify citizens of future library and City events.

Complete design and public input process for the expansion of Arabian library and have City Council authorize bid award for construction.

Accomplishments

Established consortium buying for subscription electronic resources, resulting in lowered prices for some products. As part of that negotiation process more accurate reporting statistics will be available from vendors enabling usage to be tracked. Library users can access information from home, school, or office via software installed in April 2001.

Restructured library management to address needs identified by the "Planning for Results" citizens committee and the changing needs of the library system.

Expanded hours of service to 50 hours per week at Arabian Library, bringing it to an equal number of hours with Palomino Library, the other joint-use library.

Established partnerships with the Civic Center Senior Center to provide a "deposit" book collection for an Intergenerational Reading Program — seniors and preschoolers. Other partnerships

Subprograms:

Library Operations

Library Books & Materials

Main Library & Branches

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were established with Vista del Camino for their Return to Work Program and Youth and Family Services. Outreach projects included partnerships with the Office of Diversity and Dialog, One Book Arizona, Downtown Scottsdale, and the Phoenix Zoo.

Library Services Program				
	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Library Operations	1,936,668	2,178,737	2,184,715	2,394,965
Library Books & Materials	1,087,725	1,124,222	1,272,390	1,247,390
Main Library	1,916,200	2,106,823	1,764,110	1,844,436
Branch Libraries	2,389,517	2,665,993	2,526,924	2,633,889
Library Grants	88,363	44,000	55,000	38,000
Total	7,418,474	8,119,775	7,803,139	8,158,680
Expenditures By Type				
Personal Services	4,911,862	5,489,257	5,360,459	5,631,081
Contractual Services	844,751	1,178,514	1,126,062	1,216,233
Commodities	1,380,412	1,249,258	1,282,329	1,311,366
Capital Outlay	281,449	202,746	34,289	
Total	7,418,474	8,119,775	7,803,139	8,158,680
Staffing				
Library Operations				
Graphic Design Associate	1	1	1	1
Graphics Designer	1	1	1	1
Librarian	3	3	3	3
Library Aide	3	3	3	3
Library Assistant I	3	3	3	3
Library Coordinator	3	3	3	3
Library Courier	2	2	2	2
Library Manager	2	2	2	2
Library Tech Plan/Supp Coordinator	1	1	1	1
Secretary	1	1	1	1
Service Support Worker	1	1	1	1
Sr. Account Clerk	2	2	2	2
Sr. Library Coordinator	1	1	1	1
Sr. Systems Integrator	-	1	1	1
Supervising Library Assistant	2	2	2	2
Technology Specialist	2	2	2	2
Main Library				
Librarian	5	5	5	5
Librarian*	2	2	2	2
Library Aide	1	1	1	1
Library Aide*	9	9	9	9
Library Assistant I	8	8	8	8
Library Assistant I*	2	2	2	2
Library Coordinator	2	2	2	2
Library Page*	13	13	13	13
Secretary	1	1	1	1
Sr. Library Coordinator	2	2	2	2
Supervising Library Assistant	3	3	3	3
Branch Libraries				
Librarian	13	13	13	13
Librarian*	1	1	1	1
Library Aide	7	7	7	7
Library Aide*	6	6	6	6
Library Assistant I	7	7	7	7
Library Assistant I*	2	2	2	2
Library Page*	15	15	15	15
Secretary	3	3	3	3
Sr. Library Coordinator	3	3	3	3
Supervising Library Assistant	4	4	4	4
Support Specialist*	1	1	1	1
Total Full-time	87.00	88.00	88.00	88.00
Total Part-time*	51.00	51.00	51.00	51.00
Total Full-time Equivalent (FTE)	121.30	122.30	122.30	122.30

Library Services Program Performance Measures

Goal: Provide quality programming and outreach services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Increase the opportunity for adult/seniors to participate in programming/computer training by 2% annually.	# of program discussion groups, special programs, computer classes	375	598	610	622
	# of persons participating	5,378	6,555	6,686	6,820
	% of increase	50%	22%	2%	2%
Implement additional outreach services and/or sites for all ages.	# of home delivery visits	353	368	380	400
	# of deposit library collections	5	6	8	8

Goal: Provide relevant programs to families with children to meet their informational needs.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Increase the opportunity for children/youth to participate in programming by 2% annually.	# of programs for children/youth	870	912	1,000	1,020
	# of participants	36,334	42,186	43,030	43,890
	% of increase	(-10%)	16%	2%	2%

Goal: Effectively meet the needs of the community for library materials.

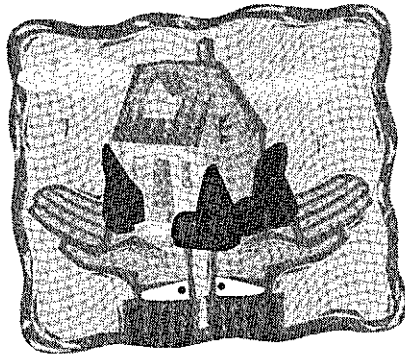
Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain a 95% or higher citizen satisfaction rating.	Citizen survey results	98%	97%	98%	98%

Goal: Meet the needs of the community for library materials.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve the top 25% level for libraries in population centers of 100,000-249,000 as reported in the Public Library Data Service Statistical Report. (2000, 233 libraries reporting)	Population projections	212,980	218,270	223,970	229,340
	Circulation per capita	8.37(8.2 PLDS)	8.6	8.8	8.9
	Materials per capita (not including magazine subscriptions)	3.18 (3.0 PLDS)	3.2	3.3	3.3

Goal: Continue to use volunteer hours to enhance library services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Increase the # of hours volunteers work by 2% yearly.	# of volunteer hours	25,879	27,974	28,533	29,103
	% of increase	1.5%	8%	2%	2%



Community Arts & Cultural Programs

Supports City Council Broad Goal: Enhance and Protect the Community and Neighborhoods

The Scottsdale Cultural Council is a private, nonprofit arts management organization that provides advisory and management services by contract with the City with regard to the arts and cultural programs and facilities of the City, through the Scottsdale Center for the Arts, the Scottsdale Museum of Contemporary Art, the public art program, and Civic Center Mall.

Program Budget Highlights

The budget for the City's commitment to the Cultural Council increases \$371,862 (15%) in 2002/03 as provided for in the operating agreement between the City of Scottsdale and the Cultural Council governing board. The increase includes \$321,862 for the base level of financial support provided for management and operation of Scottsdale's cultural facilities and programs and \$50,000 for a community cultural arts grant program.

The Public Art program, forecasted at \$1.3 million in 2001/02 has been moved to the Capital Improvement Program in 2002/03.

Trends

Continued need to find new revenue resources and to identify new operating agencies to maintain programs for a larger and more diverse population.

Continued increase in Public Art projects requiring more resource commitment to coordinating new projects and maintaining completed projects.

Objectives

Draft a comprehensive plan for the renovation of the Scottsdale Center for the Arts and Phase II of the Will Bruder Conceptual Master Plan Design.

Complete a Public Art Master Plan in order to guide the funding of public art throughout the City.

Continue to develop the City's Fine Art Collection by obtaining significant acquisitions, thereby increasing the prominence as well as the value of the collection.

Develop a comprehensive plan to initiate a fee-based professional arts education program for youth and adults to include classes, lectures and workshops offered throughout the City of Scottsdale providing citizens with hands-on learning opportunities.

Continue analyses and studies to advance opportunities for revitalization to downtown Scottsdale including plans for building a theatre complex, or to be incorporated as part of a theater district in downtown Scottsdale.

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Community Arts and Cultural Programs

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Cultural Council	2,338,577	2,408,734	2,408,734	2,780,596
Special Projects		300,000	300,000	300,000
Public Art Program	641,855	861,402	1,348,202	
Total	2,980,432	3,570,136	4,056,936	3,080,596
Expenditures By Type				
Contractual Services	2,976,361	3,570,136	4,056,936	3,080,596
Commodities	4,071			
Total	2,980,432	3,570,136	4,056,936	3,080,596

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Work with City staff to complete the rehabilitation of the Nevelson Sculpture and renovation of the East Amphitheater at Civic Center Mall, by November 2002.

In conjunction with the Convention and Visitors Bureau and valley arts organizations implement Cultural Tourism plan to attract visitors to the valley.

Accomplishments

Scottsdale Center for the Arts held 500 performances and special events with record ticket sales that doubled the level of the previous year and tripled the level of five years ago.

Scottsdale Museum of Contemporary Art attendance doubled over the previous season resulting in a record-breaking year.

Nearly 100 of the SmoCa docents extended the reach of the museum, by delivering over 225 presentations to nearly 6,000 school children all over the Valley.

The commitment to youth education and community outreach encompassed school matinee performances; *Celebration for the Arts for Special Children*; artist-in-residency program at Paiute Neighborhood Center; ARTability program; Cultural Connections through the Arts; and Cool Kids Camp.

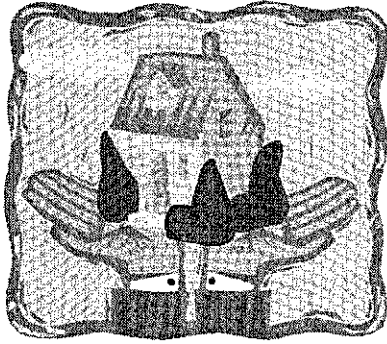
Awarded \$50,000 for nine project grants and three basic operating grants, including the Scottsdale Artists' School, Scottsdale Symphony Orchestra and Greasepaint Scottsdale Youtheatre.

Provided free Sunday music concerts and fun activities at a Sunday A'Fair on the Scottsdale Civic Center to over 55,000 attendees.

Community Arts and Cultural Programs Performance Measures

Goal: Recognize and support the benefit of financial independence to the Scottsdale Cultural Council.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Annually the SCC operating budget is not more than 30% City subsidy money.	Scottsdale Cultural Council budget amount	\$9,006,524	\$9,211,618	\$9,222,564	\$8,909,594
	City financial participation amount	\$2,270,463	\$2,338,577	\$2,408,734	\$2,480,996
	City subsidy % in the SCC budget	25.2%	25.4%	26.1%	27.8%



Neighborhoods Program

**Supports City Council Broad Goal:
Enhance and Protect Community and Neighborhoods**

Program Budget Highlights

Total budget increases \$668,636 (4.8%) from 2001/02 Forecast.

The increase includes:

The addition of an Equipment Operator, Service Coordinator, containers and equipment to provide service to growing customer base, and increase in landfill, transfer, and ADEQ fees.

Subprograms:

Stormwater Management
Solid Waste Management
Neighborhood Services
Neighborhood Grants

Trends

Council goals relating to neighborhoods, small business, "quality of life" issues.

Changes in City's needs as we move toward build-out.

Need for clear focus on customer service and follow-up.

Need to address neighborhood and revitalization issues holistically - not segregated by program or City function.

Key Objectives

Provide effective and responsive leadership that ensures the delivery of safe, efficient and environmentally sound solid waste services to the community.

Respond to on-line service requests on the Solid Waste Internet website within one working day of their receipt.

Maintain current site information with monthly updates.

Continue to provide solid waste resources in support of the Enhanced Alley Maintenance Program.

Provide meaningful, timely information to the citizens of Scottsdale using a variety of media. Aggressively pursue educational opportunities with a special focus on school-aged children.

Educate and assist the public, neighborhoods, and other City programs in floodplain and stormwater management issues.

Coordinate City Capital Project planning and private development planning by completing the Citywide Stormwater Master Plans.

Assist in providing for safe movement within the community by identifying drainage deficiencies, coordinating stormwater projects, and alerting the public to emergency conditions.

Empower citizens and encourage citizen involvement in the issues and processes relevant to their neighborhood and/or community.

Conduct the Neighborhood Beautification Awards (Scottsdale Outlook Program) to recognize exceptional properties in Scottsdale for specified categories of landscape, buildings, and other property maintenance improvements.

Assist low and moderate-income homeowners with major and minor home repairs.

Provide neighborhood mediation services to citizens and groups.

Develop a program to evaluate and implement improvements to signage and street lighting in the City's neighborhoods.

Significant Accomplishments

Completed the Oak Street Storm Drain project, removing 97 homes and two commercial businesses from the floodplain maps

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- Redesigned the Solid Waste Services internet website to include interactive service request forms.
- Began delivering recyclables to the newly completed Material Processing Facility located near the Salt River Landfill.
- Completed the initial phase of replacing alley 300-gallon waste containers.
- Diverted approximately 28 tons of recyclable material from the landfill – approximately 30% of residential waste – at a savings of approximately \$535,000 in landfill tipping fees.
- Created Citizen and Neighborhood Resource related programs with new code enforcement, housing, and neighborhood safety components.
- Integrated Citizen and Neighborhood Resource related information and expanded quarterly Neighborhood Newsletter.
- Held monthly “code clinics” at the Citizen Services Centers to enable citizens to speak to our inspectors regarding any property maintenance issues.
- Expanded monthly neighborhood forums at the Citizen Service Centers to give neighborhoods an opportunity to come together to learn and share information.
- Assisted 55 low and moderate income homeowners with major and minor home repairs.
- Coordinated a partnership with the Library Systems to check-out the Operation Identification engravers and provide the appropriate labels to citizens.
- Completed certification of selected staff in the International Association of Public Participation process.

Neighborhoods Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Stormwater Management				
Solid Waste Management	11,474,859	11,829,206	11,784,461	11,946,974
Neighborhood Services	1,073,829	1,909,968	1,858,113	2,112,772
Neighborhood Grants	22,744	300,000	306,000	538,000
Total	12,571,432	14,039,174	13,929,110	14,597,746
Expenditures By Type				
Personal Services	4,256,669	5,500,048	5,477,915	5,932,985
Contractual Services	7,794,806	7,746,327	7,754,916	7,934,512
Commodities	429,688	672,150	662,131	489,481
Capital Outlay	90,269	120,649	34,148	240,768
Total	12,571,432	14,039,174	13,929,110	14,597,746
Staffing				
Total Full-time	92.00	97.00	107.00	109.00
Total Part-time	3.00	3.00	3.00	3.00
Total Full-time Equivalent (FTE)	94.25	99.25	109.25	111.25

Neighborhoods Program Performance Measures

Stormwater Management

Goal: Improve performance and service levels within approved resource allocations.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Continue to improve service levels.	Citizen Satisfaction of very good and good as reported on annual survey	82%	86%	87%	90%
Develop a plan & implement storm-warning system.	% of storm warning system complete	n/a	n/a	n/a	40%

Goal: Design and support the construction of approved projects on schedule and on budget.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Develop capital project plans.	% of plans accomplished as scheduled on capital budget	70%	50%	80%	100%
Install storm drain markers per bond program.	% of storm drain markers installed	n/a	n/a	n/a	50%

Goal: Create an organizational structure for planning that crosses department lines.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Complete Master Plans.	% of area completed each year	n/a	n/a	10%	20%
Provide technical assistance to other departments.	# of hours billed annually	n/a	n/a	400	350
Map floodplains.	% of floodplains mapped	n/a	60%	10%	10%

Neighborhoods Program Performance Measures, continued
Solid Waste Management

Goal: Maintain or improve operational efficiency to ensure we provide common services uncommonly well.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve a 95% or above approval rating for residential refuse collection services in annual citizen survey.	% of approval rating for residential refuse collection services	93%	95%	95%	95%
Achieve a 90% or above approval rating for residential recycling services in annual citizen survey.	% of approval rating for residential recycling services	88%	89%	90%	90%
Maintain homes collected 2x weekly per employee* at or above 2,800. * not including relief operators	# of residential homes serviced per employee twice-weekly	2,873	2,859	2,829	2,856
Maintain tons of brush collected per employee* monthly at or above 75 tons. * not including relief crew	Tons of brush collected per employee monthly	86	86	78	82
Maintain tons of commercial refuse collected per employee monthly at or above 475 tons.	Tons of refuse collected per commercial employee monthly	488	495	495	495

Goal: Manage solid waste services to ensure compliance with all governmental rules and regulations.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Ensure compliance with terms of State granted variance to mandate twice-per-week collection of residential refuse by conducting and documenting a minimum of 600 refuse container inspections monthly.	# of refuse container inspection conducted and documented monthly	1,881	2,347	2,000	2,000
Provide residents with convenient way to legally dispose of household hazardous waste.	# of citizens served by household hazardous waste program annually * 1999/00 includes Motorola sponsored event ** first year of 2 budgeted collection events annually	976*	720	950**	1,000

Neighborhoods Program Performance Measures, continued
Solid Waste Management, continued

Goal: Help preserve Scottsdale's environment through the use of environmentally friendly programs and technology.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Transfer 50% or more of commercial and residential refuse/recyclables.	% of commercial and residential refuse/ recyclables transferred	51%	57%	56%	57%
Divert 30% or more of the residential waste stream from the landfill through curbside recycling.	% of residential waste stream diverted from landfill	30.0%	29.0%	30.0%	30.5%

Goal: Be fiscally responsible while providing high quality services to the community.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain service cost increases at or below 4%, while meeting customer service goals.	% of residential service fee increase	3.4%	2.9%	0%	0%
	% of commercial service fee increase	3.5%	3.0%	2.5%	0%
	CPI annual % increase	3.38%	2.00%	2.00%	2.00%

Neighborhood Services

Goal: Foster a visible difference in neighborhoods and create opportunities to seek citizen input on significant issues.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Ask citizens to rate the quality of life over the previous year as part of the annual citizen survey.	% of citizens reporting improved quality of life over last year	15%	15%	16%	18%

Goal: In partnership with the Police Department, enhance the Neighborhood Watch Program by developing programs that will sustain as well as increase the number of neighborhoods participating in the program.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Assist with the coordination of the annual GAIN event held in October by expanding the program by integrating other city departments into the event.	# of neighborhood parties held for the GAIN event	38	35	50	65
	% increase in participation	n/a	(.08%)	30%	30%

Neighborhoods Program Performance Measures, continued
Neighborhood Services, continued

Goal: Proactively partner with citizens and neighborhoods to understand issues and provide coordination, resolution and responses.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Attend neighborhood homeowners association meetings and publish literature to introduce staff as contacts for citizens.	# of homeowners association meetings attended	n/a	n/a		
	# of issues Customer Service and Communications participated in and assisted in resolving	n/a	n/a		

Goal: Provide neighborhoods with the tools to enhance and/or preserve their neighborhood through citizen involvement.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Respond to neighborhoods requesting assistance	# of neighborhoods requesting funding from the Neighborhood Capital Improvement Project	30	32	35	40
	# of neighborhoods awarded funding	28	30	32	35
	# of mediations requested	175	350	700	750
	# of mediations resolved	100	250	500	525
Increase citizen involvement and awareness through neighborhood citizen service centers.	# of citizens contacting the Citizen Resource Centers	31,000	35,000	40,000	45,000
	% of Scottsdale population served at Citizen Resource Centers	14.2%	15%	17%	22%
	% of citizens contacting the Citizen Resource Centers that were satisfied or very satisfied with service provided	98%	98%	98%	98%

Goal: Provide timely and quality inspections of reported violations and consistently address violations proactively so as to improve the quality of life in Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Voluntary compliance of identified code violations within 30 days or less (prior to issuance of civil zoning citation).	# of cases handled per year	24,000	26,400	29,040	30,492
	# of cases per FTE	3,428	3,300	3,630	3,811
	% of compliance achieved within 30 days	98%	98%	98%	95%
Conduct site posting for Development Review Board, Zoning, Use Permit, Board of Adjustment and Liquor Licenses.	# of cases handled per year	1,600	1,760	1,848	1,940
	% of cases posted within allotted time frame	100%	100%	100%	100%

Neighborhoods Program

Stormwater Management

Protects the health, safety, and welfare of citizens and neighborhoods by providing effective, efficient, and environmentally sound stormwater management policies, programs, and projects.

Objectives

Protect the community so neighborhoods are safe from flooding and stormwater pollution.

Assist in providing for safe movement within the community by identifying drainage deficiencies, coordinating stormwater projects, and alerting the public to emergency conditions.

Coordinate City capital project planning and private development planning by completing the Citywide Stormwater Master Plans.

Educate and assist the public, neighborhoods, and other City programs in floodplain and stormwater management issues.

Preserve the character and environment of Scottsdale by participation in the Character Area planning process and by identifying and mapping drainage corridors and watersheds.

Completed plans for the Camelback Road (North Canal Bank) Project, which may result in approximately 60 homes being removed from the floodzone, pending agreement from the Federal Emergency Management Agency (FEMA).

Reviewed and completed 22 In-Lieu Fee requests, nine release-of-drainage easements, and six major Master Drainage plans.

Received a Level 7 FEMA Community Rating, resulting in a 15 percent reduction in flood insurance premiums for City residents. Scottsdale is one of eight US cities to receive this high rating.

Completed the annual report and application for renewal of our Environmental Protection Agency (EPA), National Pollutant Discharge Elimination System (NPDES) permit, published a best management practices manual, performed two staff training sessions, and produced two public information events. No violations or fines or letters of reprimand were issued Scottsdale by EPA. Scottsdale was the only one of the seven NPDES communities in Arizona to not receive at least a EPA letter of notification.

Received a grant from FEMA to participate in the Hazard Analysis (HAZUS) flood prediction computer model, one of 9 Cities in the United States to participate.

Accomplishments

Completed the Oak Street Storm Drain project - 97 homes and two commercial businesses removed from the floodplain maps.

Initiated the Storm and Weather Warning Emergency Management Plan and the Citywide Stormwater Management Plan.

Completed 12 mitigation and retrofit stormwater systems within the Stormwater Management Improvements program, with the assistance of Municipal Services.

Completed plans for the Villa Adrean, Villa D'Este and Whitwood neighborhood retrofit plan.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	-	296,229	296,229	333,204
Contractual Services	-	-307,524	-306,408	-335,944
Commodities	-	7,786	7,786	2,740
Capital Outlay	-	3,509	2,393	-
Total	-	-	-	-
Staffing				
Public Works Planner	2	2	2	2
Sr. Public Works Planner	1	2	2	2
Total Full-time	3.00	4.00	4.00	4.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	3.00	4.00	4.00	4.00

Neighborhoods Program

Solid Waste Management

Provides quality, responsive and environmentally sound solid waste management services to the Scottsdale community. We will meet or exceed all government regulations; utilize resources wisely; proactively address issues and opportunities; and focus on customer service.

Objectives

Provide effective and responsive leadership that ensures the delivery of safe, efficient and environmentally sound solid waste services to the community. Assure that staff has the training and knowledge to efficiently perform their job responsibilities.

Respond to on-line service requests on the Solid Waste Internet website within one working day of their receipt. Maintain current site information with monthly updates.

Maintain and strengthen existing partnerships with the Salt River Pima-Maricopa Indian Community, and seek future opportunities.

Continue to provide solid waste resources in support of the Enhanced Alley Maintenance Program.

Provide meaningful, timely information to the citizens of Scottsdale using a variety of media. Aggressively pursue educational opportunities with a special focus on school-aged children.

Accomplishments

Completely redesigned the Solid Waste Internet website to make it more citizen-friendly. The improved website contains five interactive service request forms.

Solid Waste collection vehicles began delivering recyclables to the newly completed Material Processing Facility located by the Salt River Landfill.

Completed initial phase of alley 300-gallon replacement program completed.

Replaced 420 unsightly/unsanitary containers in the southern part of the City. Second phase to be completed, by January 2003.

Diverted approximately 27,960 tons of recyclable material from the landfill through Scottsdale's Curbside Recycling Program. This is approximately 30% of the residential waste stream, and enabled the City to avoid approximately \$535,000 in tipping fees. 98.9% of the City's residential households participate in the curbside program.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	3,463,540	3,804,090	3,781,957	3,932,643
Contractual Services	7,593,616	7,372,202	7,385,689	7,392,522
Commodities	401,521	629,226	613,207	389,041
Capital Outlay	16,182	23,688	3,608	232,768
Total	11,474,859	11,829,206	11,784,461	11,946,974
Staffing				
Administrative Secretary	1	-	3	3
Citizen Service Representative	3	3	2	2
Container Repairer	2	2	2	2
Equipment Operator I	9	11	11	11
Equipment Operator I*	3	3	3	3
Equipment Operator II	9	10	10	10
Equipment Operator III	38	38	39	40
Municipal Svcs Office Coordinator	-	1	1	1
Solid Waste Director	1	1	1	1
Solid Waste Program Rep	3	3	3	3
Solid Waste Service Coordinator	1	4	5	6
Solid Waste Systems Coordinator	5	1	1	1
Total Full-time	72.00	74.00	76.00	78.00
Total Part-time*	3.00	3.00	3.00	3.00
Total Full-time Equivalent (FTE)	74.25	76.25	78.25	80.25

Neighborhoods Program

Neighborhood Services

Seeks opportunities to participate in community meetings and invite representatives of other programs to those neighborhood meetings. This program offers a variety of services to either resolve issues or provide necessary information by creating links with other programs within the City to provide coordinated responses and quality service.

Objectives

Build a community culture of mutual trust and respect between City government and citizens.

Empower citizens and encourage citizen involvement in the issues and processes relevant to their neighborhood and/or community.

Preserve and enhance the physical and social environment of neighborhoods and or the community.

Maximize the access to and effectiveness of public and private services relevant to the needs of the neighborhood.

Maximize the potential value of public and private neighborhood and community resources and assets (individual, groups, economic, social, cultural, recreational)

Enhance the Neighborhood Safety program following community policing and home safety initiatives identified by the Police and Fire by assisting with Block Watch and other programs.

Hold community dialogue to get input from the neighborhoods as to what their ideas and issues are for keeping their neighborhoods safe and well maintained.

Expand education outreach efforts to community service groups, PTO/PTA's, HOA groups, churches, and professional organizations.

Coordinate the Neighborhood College programs.

Coordinate events with the Scottsdale Pride Committee, such as "Adopt-a-Road" and "Treasures'n Trash."

Conduct the Neighborhood Beautification Awards (Scottsdale Outlook Program) to recognize exceptional properties in Scottsdale for specified categories of landscape, buildings, and other property maintenance improvements.

Assist low and moderate income homeowners with major and minor home repairs.

Provide mediation services to citizens and groups.

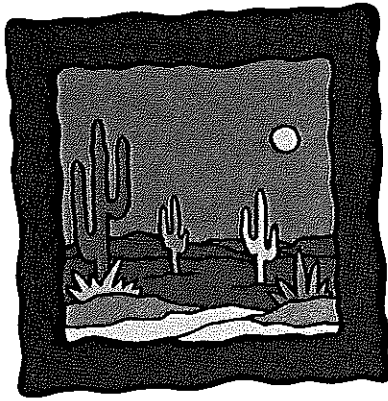
Accomplishments

Expanded monthly neighborhood forums at the Citizen Service Centers to give neighborhoods an opportunity to come together to learn and share information.

Held monthly "code clinics" at the Citizen Service Centers to enable citizens to speak to our inspectors regarding any property maintenance issues.

Assisted 55 low and moderate income home owners with major and minor home repairs.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	793,129	1,399,729	1,399,729	1,667,138
Contractual Services	178,446	381,649	395,099	377,934
Commodities	28,167	35,138	35,138	67,700
Capital Outlay	74,087	93,452	28,147	-
Total	1,073,829	1,909,968	1,858,113	2,112,772
Staffing				
Citizen Services Specialist	6	6	6	6
Code Enforcement Manager	-	1	1	1
Code Enforcement Specialist	1	1	1	1
Code Inspector	7	8	8	8
GM Citizen/Neighborhood Services	1	1	1	1
Neighborhood Education Manager	-	-	1	1
Neighborhood Resource Center Mgr.	-	-	1	1
Neighborhood Safety Specialist	-	-	3	3
Neighborhood Services Coord.	-	-	1	1
Neighborhood Svcs/Preserv Director	-	-	1	1
Office Coordination Manager	-	-	1	1
Secretary	2	2	2	2
Total Full-time	17.00	19.00	27.00	27.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	17.00	19.00	27.00	27.00



City Council Broad Goal:

Preserve the character and environment of Scottsdale.

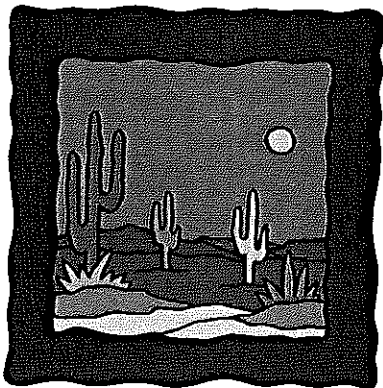
Programs

- Equestrian Facilities
- Planning and Development
- Preservation of Mountains, Desert, and Historic Sites
- Water Conservation and Quality

Key Objectives

- Acquire lands within the Preserve boundaries
- Identify and preserve scenic view corridors
- Promote environmentally sensitive building practices
- Preserve our equestrian heritage and character
- Ensure development is compatible with adjacent neighborhoods and business areas

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Program				
Equestrian Facilities	1,779,508	1,893,294	1,799,347	2,105,171
Planning & Development	12,692,926	13,443,361	13,114,145	13,230,692
Preservation of Mountains, Desert & Historic Sites	857,839	486,602	447,190	519,979
Water Conservation & Quality	2,878,678	5,375,795	4,838,178	4,704,758
Total	18,208,951	21,199,052	20,198,860	20,560,600
Expenditures By Type				
Personal Services	11,623,805	13,253,074	12,714,499	13,099,521
Contractual Services	4,819,973	4,768,964	4,863,515	4,973,445
Commodities	905,707	2,853,009	2,559,009	2,438,934
Capital Outlay	859,466	324,005	61,837	48,700
Total	18,208,951	21,199,052	20,198,860	20,560,600
Staffing				
Total Full-time	207.00	204.00	200.00	193.00
Total Part-time	-	-	1.00	1.00
Total Full-time Equivalent (FTE)	207.00	204.00	200.75	193.75



Equestrian Facilities Program

Supports City Council Broad Goal: Preserve Character and Environment

Provides recreational opportunities and family entertainment for citizens and visitors to the Valley of the Sun at WestWorld, a nationally recognized premier equestrian and special event facility.

Program Budget Highlights

Total budget increases by \$305,824 (16.9%) from 2001/02 Forecast.

This increase includes:

Addition of 1.7 full time equivalent seasonal office and maintenance contract employees to support WestWorld events. Cost is fully recovered through fees.

Addition of Lily spreader and mowers to replace borrowed equipment no longer available.

Purchase of irrigation reel to replace current irrigation system.

Exchange of one full time position for a 0.75 position during 2001/02 resulting in 0.25 lower staffing in 2002/03 budget.

Trends

Increased events and spectators at WestWorld events will mean increased economic impact to the region.

The number and type of events held at WestWorld will increase annually.

Requests for facility use for special events will increase and highlight the need to update the Master Plan to determine the facility improvements and additions necessary to host a multitude of different events.

Partner with State and Federal officials to finalize the acquisition of the state land adjacent to WestWorld for event parking and other recreational uses.

Accomplishments

WestWorld continued to successfully host over 100 events including the Barrett-Jackson Classic Auto Auction, Sun Country Circuit Quarter Horse Show, and the Scottsdale Arabian House Show. In recent years WestWorld hosted two new signature events, the Festival of the West and Parada Del Sol Rodeo, in addition to several other special events.

Objectives

Continue to implement the recommended objectives listed in the 1998 WestWorld Business Plan with an emphasis on updating the Master Plan, enhanced programming, capital improvement projects, and developing a marketing plan.

Update the Facility and Operations Management Plan for WestWorld with the Bureau of Reclamation, by 2003.

Equestrian Facilities Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
	Expenditures By Type			
Personal Services	737,526	906,050	834,429	858,698
Contractual Services	868,869	778,221	768,051	979,163
Commodities	166,056	195,863	194,863	218,610
Capital Outlay	7,057	13,160	2,004	48,700
Total	1,779,508	1,893,294	1,799,347	2,105,171

Equestrian Facilities Program Performance Measures

Goal: Provide a quality venue and services with emphasis on equestrian events.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Make improvements to WestWorld facilities and services/provide enhanced public equestrian uses/develop a marketing strategy.	# of equestrian events	76	82	85	87
	# of equestrian use days	241	252	263	275

Goal: Attract additional special events to WestWorld to provide recreational and entertainment opportunities to our community and target market visitors.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Develop a marketing plan. Work with the master plan consultants, facility users, community, and city staff to determine what facility improvements and additions are needed to create a more flexible year round facility.	# of special events	22	24	25	28
	# of special event use days	115	133	166	175

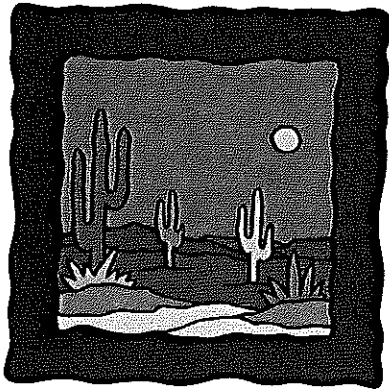
Goal: Provide a positive economic impact for the City of Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide well-maintained facilities and exemplary services to events.	Estimated annual economic impact of WestWorld's events (In Millions)	\$20.9	\$22.0	\$23.1	\$24.3

Equestrian Facilities Program, continued

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
				Staffing
Administrative Secretary*	-	-	1	1
Assistant Operations Coordinator	1	-	-	-
Contract Officer	1	1	1	1
Customer Service Representative	1	2	1	-
Equestrian Events Manager	-	1	-	-
Facilities Manager	1	1	1	1
General Manager Westworld	-	1	-	-
Maintenance Worker I	6	1	-	-
Maintenance Worker II	1	5	6	6
Maintenance Worker III	2	2	3	3
Office Coord.ination Manager	1	1	-	-
Secretary	1	-	-	-
Westworld Events Contract Coordinator	1	1	1	1
Westworld Events Manager	-	-	1	1
Westworld GM/Facilities Advisor	-	-	1	1
Westworld Technician	-	-	1	1
Total Full-time	16.00	16.00	15.00	15.00
Total Part-time*	-	-	1.00	1.00
Total Full-time Equivalent (FTE)	16.00	16.00	15.75	15.75

* One full time position exchanged with Water Resources for a 0.75 FTE position during 2001/02.



Planning & Development Program

**Supports City Council Broad Goal:
Preserve Character and Environment**

Program Budget Highlights

Total budget decreases by \$212,669 (1.6%) from 2001/02 Forecast.

This change results from:

Positions transferred during 2001/02 – four code inspectors to Community and Neighborhood Resources, one position to Preservation, and one position to Municipal Services.

Increase in contractual accounts of \$52,500 to provide for improved notice to neighbors of proposed developments.

Reallocation of six vacant positions due to a modest reduction in general development activity resulting in a \$300,773 savings.

Additional reduction in various line items resulting in a \$50,000 savings.

Trends

The activity and focus of planning and development services is changing as the community matures from a growing place to one that focuses more on sustaining its high quality of life. Trends can be grouped into three principal categories: community involvement and communication, growth and development, and organization.

Community Involvement and Communication

The community desires expanded awareness of development proposals, a greater role of input on the form and direction of development proposals, as well as expects additional information and details as part of the consideration and deliberation process.

Public interest and involvement is expanding to include site plan and architectural issues, Development Review Board, liquor licenses, special events and inspections.

To more effectively address local issues, residents are requesting locally focused planning efforts, such as Strategic Area Plans, Neighborhood and Local Area Master Plans.

The public seeks greater access to City processes and information through new technologies.

Growth and Development

Increased emphasis on revitalization of existing areas, particularly in the Downtown and in the Los Arcos areas.

The volume of remodeling and renovation activity is increasing at a fast pace.

Custom home construction represents a greater share of activity as multifamily housing activity declines.

Commercial and business growth remains relatively strong, in part due to completion of the Pima Freeway.

The complexity of zoning cases is increasing due to infill and edge relationships while development review activity remains strong.

There is an increase in the number of permits issued for utility construction.

City and school district generated construction activity remains strong.

There is increasing development intensity along or near much of the City's border.

Organization

The time needed to review development applications has increased due to the complexity of revitalization and custom home construction, recent mandates by other levels of government and a greater focus on details.

The number of ordinance interpretations and appeals continues to increase.

The Integrated Voice Response (IVR) system for scheduling inspections remains popular while Internet based requests are increasing.

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More of the development industry and public access to the City is being focused on the Internet and other forms of digital technology.

Key Objectives

Community Involvement

Promote community interaction in the development processes managed by the City of Scottsdale.

Provide a user-friendly website that encourages access to active cases and planning information.

Increase the coverage and extent of public notice for all processes that lead to public hearings.

Prepare Strategic Area Plans.

Complete Neighborhood/Local Area Master Plans.

Policy Improvements

Update the ordinances that relate to development to improve their effectiveness and respond to current community conditions.

Complete the planning and design phases of the Scottsdale Road enhancement project.

Improve, implement, and provide education/awareness on Scottsdale Sensitive Design standards.

Support the Downtown revitalization effort.

Process Improvements

Use information systems technologies, such as the Community Development System (CDS), Land Information System (LIS), and Geographic Information System (GIS), to insure a comprehensive analysis/review of all development applications and further expand access to development related information.

Focus on process improvements that encourage revitalization of homes and businesses.

Explore ways to manage the development processes to be flexible and adaptable to changes in the economy and community.

Significant Accomplishments

Community Awareness

Hosted the second annual lecture series: "Sense of Community 2001."

Conducted planning and development classes in association with Scottsdale Community College.

Policy Improvements

Completed the General Plan Update, as required by recent State law.

Completed a comprehensive update to the Environmentally Sensitive Lands (ESL) ordinance.

Completed a "Big Box" ordinance.

Completed Wireless Communications text as it applies to the McDowell Sonoran Preserve.

Process Improvements

Took a more proactive role in public involvement on active development cases and inspections.

Instituted a credit card transaction system for inspection and permit fees.

Developed a Digital Submittal program that allows the staff to use digital software to review development plans.

Added provisions to monitor Natural Area Open Space (NAOS) requirements.

Incorporated a Barricade Management System into the City's Geographic Information System to improve management of the City's right-of-way.

Planning & Development Program				
	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Customer Services & Administration	483,049	558,761	693,801	859,415
Planning, Environment & Design Services	2,324,827	1,612,263	1,574,548	1,598,452
Current Planning Services	4,148,035	2,267,279	2,187,926	2,107,226
Plan Review & Permit Services	1,183,762	4,131,812	3,957,524	3,954,374
Inspection & Land Survey Services	4,553,252	4873,246	4,700,346	4,711,225
Total	12,692,926	13,443,361	13,114,145	13,230,692
Expenditures By Type				
Personal Services	9,325,072	10,514,220	10,316,556	10,408,251
Contractual Services	2,819,930	2,418,245	2,507,585	2,573,503
Commodities	227,773	240,504	240,504	248,938
Capital Outlay	320,151	270,392	49,500	-
Total	12,692,926	13,443,361	13,114,145	13,230,692
Staffing				
Total Full-time	169.00	163.00	157.00	151.00
Total Part-time	-	-	-	-
Total Full-time Equivalent (FTE)	169.00	163.00	157.00	151.00

Planning and Development Program Performance Measures

Planning, Environment, and Design

Goal: Achieve complete coverage of the City with Strategic Area Plans.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
3-5 strategic area plans underway at all times.	# of active plans	6	4	5	4
Complete 2-4 strategic plans per year.	# of strategic plans approved	2	1	1	2
Actively integrate policies & strategic plans with CIP and neighborhood plans.	# of implementation actions approved	1	1	0	3

Goal: Institute an active neighborhood and local area-planning program.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Encourage citizen involvement & participation.	# of citizens participating in plans	n/a	400	1,000	1,500
Complete 2-4 neighborhood/local area plans per year.	# of plans approved	n/a	0	1	3

Goal: Provide complete and up-to-date demographic and planning information for the organization and community.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Update population/housing projections twice per year.	# of times the official projections are updated	4	4	4	4
Encourage use of the web-site access demographic information.	# of website hits	n/a	200	500	1,000

Goal: Conduct events that provide opportunities to stimulate community and staff dialogue and awareness on design and environmental, and planning.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Offer a variety of events to increase public and staff participation.	# of events	19	31	40	43
	# of participants	3,895	1,865	1,800	2,400

Goal: Continually improve environmental awareness, compliance and responsive within the organization.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Promote operational and policy changes to support regional environmental issues.	% of employees participating in the city's Trip Reduction Program	21%	22%	25%	27%
	% of eligible fleet vehicles complying with city's First Fuels Policy (CNG use)	55%	76%	77%	80%

Planning and Development Program Performance Measures, continued
Planning, Environment, and Design, continued

Demonstrate environmental sensitivity in City operations and programs.	# of permits issued under the Scottsdale Green Building program	32	60	100	150
	% of work units using EMS tools	10%	20%	40%	70%
	# of Environmental Management System objectives implemented	12	30	50	60

Current Planning Services

Goal: Provide thorough research, review, analysis, conditions, reports, graphics, and presentations of development requests.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide applicant with pre-application meeting within 30 days of submitting request.	# of pre-application requests received	487	472	410	410
	% of meetings held within 30 days	99%	99%	99%	99%
Coordinate cases through public hearing process.	# of cases presented to:				
	City Council	327	280	210	210
	Planning Commission	202	170	150	150
	Development Review Board	263	272	250	250
	Board of Adjustment	7	10	10	10

Plan Review and Permit Services

Goal: Provide quality, timely, and friendly permitting and development related services to customers and citizens of the City of Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Issue Residential remodels, additions, and additions to standard plans reviewed in 3 working days.	# of plan reviews completed within 3 working day	1,549	1,121	1,300	1,339
	% of permits issued within 3 working days	100%	100%	100%	100%
Review sign permit applications within 3 working days.	# of sign permit applications reviewed within 3 working days	784	608	603	621
	% of sign permit applications reviewed within 3 days	99%	99%	99%	99%
Issue minimum charge permits via phone and internet web site requests from clients.	# of permits issued	2,781	2,901	3,000	3,100
	% issued within 48 hours	100%	100%	100%	100%

Planning and Development Program Performance Measures, continued
Plan Review and Permit Services, continued

Issue building permits and encroachment permits to walk-in clients at the service counter.	# of permits issued at counter per year	14,838	10,186	19,016	19,586
	% of permits issued within 3 working days	100%	100%	100%	100%

Goal: Provide efficient and effective development records services for all internal and external customers.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Respond to all customer requests (walk-in or phone) within 24 hours.	# of walk-in customers served	12,113	14,388	12,749	13,131
	# of phone calls answered including fax requests	51,749	46,676	50,358	51,869
	% of customer requests responded to within 24 hrs.	100%	100%	100%	100%
Address plats within five days of receipt and address individuals immediately.	Efficiency: Number of addresses assigned per FTE:				
	A. Individual	867	459	380	391
	B. Plats	37	83	45	48
	% of individual addresses completed immediately	100%	100%	100%	100%
	% of plat addresses completed within 5 working days	100%	100%	100%	100%

Goal: Provide efficient and effective plan review for all single family, multi-family, commercial, industrial, and subdivision projects.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review building projects within and average of 15 working days.	# of building projects	8,068	8,196	8,000	8,000
	Average days per project	15	15	15	15
Review infrastructure projects within and average of 15 working days.	# of infrastructure projects	838	504	500	500
	Average days per project	10	14	18	20
Review 85% of projects in 3 review cycles.	Average hours per project	5	6	8	10
	% reviewed in 3 cycles	90%	85%	85%	85%
Provide priority service to home improvement projects.	# of home improvement projects	582	601	500	500

Goal: Provide quality and timely support for internal and external customer.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Process all work by the end of the day while maintaining or improving operating efficiency.	# of Certificates of Occupancy issued within 24 hours	4,599	4,337	3,600	3,600
	% of C. of O's completed within 24 hours	100%	100%	100%	100%

Planning and Development Program Performance Measures, continued
Inspection and Land Survey Services

Goal: Perform quality and timely building inspections on all structures to ensure compliance with codes.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Perform requested inspections by the end of the next workday while maintaining or improving operating efficiency.	# of building inspections	244,769	201,967	194,092	194,092
	% of inspections completed within 24 hours	99%	99%	99%	99%

Goal: Assure quality infrastructure construction; consider public safety, compliance with plans/specifications, and long-term consequences of today's actions and decision.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Perform requested inspections by end of the next work day while maintaining or improving operation efficiency.	# of public works inspections	20,869	20,040	21,656	21,656
	% of inspections completed within 24 hours	99%	100%	100%	100%

Goal: Accurately locate new City-owned assets for the Geographic Information Systems.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Perform as-built inspections within 48 hours of request.	# of as-built inspections	6,950	5,919	4,913	4,913
	% of inspections completed within 48 hours	74%	100%	100%	100%

Goal: Perform quality and timely inspections of all single-family, multi-family, commercial, and subdivision projects to ensure compliance with project stipulations, Environmentally Sensitive Lands, Native Plant Ordinances, and site plan requirements.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Perform requested inspections by the end of the next workday while maintaining or improving operating efficiency.	# of planning inspections	17,999	21,389	19,056	19,056
	% of inspections completed by end of the day	99%	97%	97%	97%

Planning & Development Program

Customer Services and Administration

Develop programs and services that achieve City Council Broad Goals.

Objectives

- Provide direction to all subprograms of the Planning & Development Program.
- Involve the community to define its vision of Scottsdale and provide professional guidance to achieve that vision.
- Make community goals our first priority.
- Use teamwork and collaboration to achieve community expectations.
- Deliver exceptional, consistent, dependable, and meaningful customer service based on a common-sense approach.
- Keep all stakeholders informed with timely and accurate communication.
- Provide comprehensive and consistent analysis of all projects/ issues, always providing our best effort.
- Continuously validate community expectations.
- Develop a concierge center to assist customers in accessing and understanding the City's planning and develop process. The center will greet and work with customers one-on-one, assist in streamlining the review of development applications and provide timely follow up.
- Conduct (5th Year) the Planning and Community Development Course at Scottsdale Community College with a new focus on revitalization.

Accomplishments

- Created a new Customer Services & Administration Subprogram from existing staff.
- Implemented a continuous improvement action plan that identifies ways to deliver objective, consistent, value-added service.
- Created a Customer Service Specialist position to trouble-shoot customer concerns and identify ways to improve processes.
- Developed an annual work plan that lists priorities based on City Council goals.
- Increased public participation and dialogue.
- Provided opportunities for proactive citizen engagement.
- Conducted planning and development classes in association with Scottsdale Community College.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	373,245	467,489	454,255	713,208
Contractual Services	93,973	66,498	230,391	139,257
Commodities	8,775	6,350	6,350	6,950
Capital Outlay	7,056	18,424	2,805	-
Total	483,049	558,761	693,801	859,415
Staffing				
Administrative Assistant	1	1	1	1
Chief Development Officer	-	-	-	1
Chief Planning Officer	-	-	-	1
Department Advisor	-	-	-	1
Gen Mgr. Planning Systems	1	1	1	1
Office Coord.ination Manager	1	1	1	-
Planning & Dev Director	-	-	-	1
Planning Comm & Cust Rel Mgr.	-	-	-	1
Planning Cust Rel Associate	-	-	-	1
Sr. Community Planner	1	1	1	-
Total Full-time	4.00	4.00	4.00	8.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	4.00	4.00	4.00	8.00

Planning & Development Program

Planning, Environment and Design Services

Focuses on the design, and environmental character, and long-range visions of the community.

Objectives

- Monitor and update the General Plan as needed and required.
- Continue to complete Strategic Area Plans across the City.
- Begin the Neighborhood Planning process and complete two Neighborhood Plans in the upcoming year.
- Conduct special planning studies such as the Scottsdale Road Bond Project and Scenic Corridors policy.
- Provide outreach and educational programs on design, environmental and sustainability issues for citizens, policy makers, the business community, and City staff.
- Implement a residential renovation program that includes design assistance, educational events, and design guidelines.
- Update the design guidelines for Environmentally Sensitive Lands.
- Manage a centralized permit and compliance program for underground storage tanks, air quality, and other programs affecting City properties, facilities, and operations.
- Continue citywide implementation of the Environmental Management System (EMS).
- Complete a review of International Energy Conservation Code for adoption in summer of 2002.
- Develop a "Green Building" supplement to the International Building and Residential Codes for adoption in 2002.
- Implement a Commercial Green Building Program.
- Assist the City of Phoenix in establishing a Valley Development Review "System" Coordination Committee for improved City communications.

- For the third year, deliver the Sustainable/Green Building Course at Scottsdale Community College.
- Promote the Scottsdale Sensitive Design Program by compiling existing City policies and guidelines on design related issues into a comprehensive communication piece.
- Continue the design guideline program with the development of guidelines for office, pedestrian systems, and landscape.
- Assure a thorough and timely review of the design aspects of development proposals.
- Support the Environmental Quality Advisory Board and the Green Building Program Committee.

Accomplishments

- Completed the General Plan Update as required by recent State Law.
- Completed a comprehensive update to the Environmentally Sensitive Lands (ESL) ordinance.
- Developed a Green Building rating system for residential and commercial buildings.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	1,584,520	1,206,109	1,193,215	1,158,975
Contractual Services	631,848	313,982	325,976	382,727
Commodities	45,465	48,744	48,744	56,750
Capital Outlay	62,994	43,428	6,613	-
Total	2,324,827	1,612,263	1,574,548	1,598,452
Staffing				
Administrative Secretary	2	2	-	2
Associate Planner	-	-	2	-
Building Coord.ination Manager	1	1	1	1
Community Development Administrator	1	1	-	-
Community Planner	4	4	4	-
Design Studio Planner	-	1	1	1
Environmental Consultant	1	1	1	1
Environmental Coordinator	1	1	1	1
Environmental Planner	1	1	1	1
Planning & Dev. Director	1	1	1	1
Principal Planner	-	-	1	1
Public Information Coordinator	-	-	-	1
Records Manager	1	-	-	1
Recycling Specialist	1	-	-	-
Sr. Community Planner	1	1	1	-
Sr. Planner	2	1	1	-
Sr. Redevelopment Planner	2	2	1	-
Total Full-time	-	1	2	5
Total Part-time*	18.00	17.00	16.00	15.00
Total Full-time Equivalent (FTE)	18.00	17.00	16.00	15.00

Planning & Development Program

Current Planning Services

Provides professional implementation of the community vision for the development application process per the General Plan, Zoning Ordinance, and Scottsdale Design Guidelines for the benefit of the neighborhoods, community, and its citizens.

Objectives

Provide full public access to development requests through further enhancements to the citizen notification process.

Comprehensively revise the Zoning Ordinance over the next two years to make the Ordinance easier to use and more accessible to citizens, all in accordance with the community vision.

Support City Council, Planning Commission, Development Review Board, and Board of Adjustment in the development request public hearing process.

Assure compliance with the Zoning Ordinance and City Code through case management, plan review, and inspections.

Provide leadership in the implementation of a strategic approach to land use, open space, infrastructure, and development.

Proactively lead the City's Master Planning efforts and coordinate with the Transportation, Preservation, Water Resources, and Community Services.

Accomplishments

Implemented an enhanced communications effort with neighbors of proposed developments.

Completed a "Big Box" ordinance.

Completed Wireless Communications text amendment as it applies to the McDowell Sonoran Preserve.

Took a more proactive role in public involvement on active development cases and inspections.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	3,448,956	1,844,865	1,794,478	1,562,206
Contractual Services	527,062	367,978	362,440	497,220
Commodities	44,507	26,800	26,800	47,800
Capital Outlay	127,510	27,636	4,208	
Total	4,148,035	2,267,279	2,187,926	2,107,226
Staffing				
Associate Planner	5	4	4	3
Civil Engineer	4	1	1	1
Engineering Tech I	-	-	-	1
Planner	1	3	3	3
Planning Assistant	5	4	4	4
Principal Planner I	-	-	-	1
Project Coordination Manager	4	4	4	4
Project Manager	1	1	1	-
Secretary	3	2	2	1
Sr. Civil Engineer	1	2	2	2
Sr. Development Engineer	-	1	1	-
Sr. Development Planner	1	1	1	-
Sr. Planner	3	3	3	3
Zoning And Design Mgr.	1	1	1	1
Total Full-time	29.00	27.00	27.00	24.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	29.00	27.00	27.00	24.00

Planning & Development Program

Plan Review & Permit Services

Provides quality customer service to the community while ensuring that requests for development are received, reviewed, and required permits are issued in a timely manner. Furnishes accurate and timely information concerning development of the community via public records and the One Stop Shop.

Objectives

Apply creativity and innovation to the organizational structure and the delivery of public services.

Promote interactive community and organizational involvement in liquor license and special event permit processing.

Continue to leverage technology, such as a document imaging system, which will improve security and enhance public access to development records.

Continue to provide timely and accurate communication via the One Stop Shop website.

Conduct architectural, engineering, planning and fire safety examinations of 7,000 new construction projects including their edge relationship to existing development.

Accomplishments

Developed a Digital Submittal program that allows the staff to use digital software to review development plans.

Instituted a credit card transaction system.

Utilized web technologies for daily operations and communications.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	772,711	3,345,790	3,261,927	3,328,235
Contractual Services	275,037	581,833	568,385	549,057
Commodities	77,942	103,561	103,561	77,082
Capital Outlay	58,072	100,628	23,651	-
Total	1,183,762	4,131,812	3,957,524	3,954,374
Staffing				
Administrative Secretary	1	2	1	-
Associate Planner	6	6	6	3
Building Coord.ination Mgr.	1	1	1	-
Building Official	-	-	-	1
Building Plans Reviewer	1	1	1	1
Citizen Service Assistant	1	1	1	1
Civil Engineer	3	3	3	3
Civil Plans Reviewer	4	1	1	-
Development Services Coordinator	2	-	-	-
Development Services Director	1	1	1	-
Development Services Manager	-	2	2	2
Development Services Rep	5	5	5	4
Engineering Coord.ination Mgr.	1	1	1	1
Engineering Technician I	3	4	4	2
Office Coord.ination Manager	-	-	-	1
Planner	3	3	3	3
Planning & Dev Director	-	-	-	1
Planning Coord.ination Mgr.	1	1	1	1
Plans Coordinator	1	1	1	1
Plans Examiner	5	5	5	6
Principal Planner	-	-	-	1
Project Review Director	1	1	1	-
Secretary	2	1	1	1
Sign InSpec.tor	1	1	1	1
Sr. Building Plans Reviewer	1	-	-	-
Sr. Civil Engineer	2	3	3	3
Sr. Planner	2	2	2	2
Sr. Plans Examiner	1	5	5	5
Sr. Structural Engineer	-	1	1	1
Structural Plans Examiner	-	1	1	1
Systems Integrator	1	1	1	1
Technology Coordinator	-	-	-	1
Total Full-time	50.00	54.00	53.00	48.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	50.00	54.00	53.00	48.00

Planning & Development Program

Inspection & Land Survey Services

Ensures that Scottsdale's unique character and environment are protected and preserved by the best use of all its economic resources. Through the inspections and surveys, we add value to our neighborhoods and perpetuate integrity, safety, and the achievement of our community vision. Our motto: We are accessible, responsive, and accountable.

Objectives

Provide continuous technology advancements to ensure that inspection data is accurate and current for internal and external customers.

Provide construction inspection and oversight management to assure the value and durability of City infrastructure.

Ensure that all new construction in the City complies with project stipulations, Environmentally Sensitive Lands Ordinance, and Native Plant Ordinance to preserve the unique visual character and environment in Scottsdale.

Measure and document the City's infrastructure.

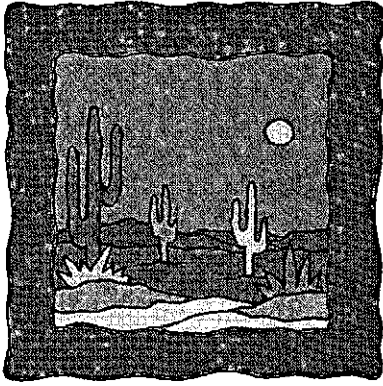
Preserve the character and environment of our neighborhoods, provide protection and ensure public safety through community compliance with building codes and amending ordinances.

Accomplishments

Incorporated a Barricade Management System into the City's Geographic Information System to improve management of the City's right-of-way.

Leveraged technology such as the Integrated Voice Response (IVR) system and the Internet for scheduling inspections.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	3,145,640	3,649,967	3,612,681	3,645,627
Contractual Services	1,292,010	1,087,954	1,020,393	1,005,242
Commodities	51,084	55,049	55,049	60,356
Capital Outlay	64,519	80,276	12,223	-
Total	4,553,252	4,873,246	4,700,346	4,711,225
Staffing				
Building Inspection Manager	1	1	1	1
Building Inspection Supv.	2	2	2	2
Building Inspector	19	19	17	16
Building Inspector Coordinator	-	-	1	1
Citizen Service Assistant	2	2	2	2
Citizen Service Representative	3	3	3	3
Code Enforcement Specialist	1	1	-	-
Code Inspection Supervisor	1	-	-	-
Code Inspector	7	2	-	-
Field Engineering Coordinator	2	2	2	2
Field Engineering Manager	1	1	1	1
Inspection Services Director	1	1	1	-
Land Survey Coordinator	1	1	1	1
Land Survey Manager	1	1	1	1
Neighborhood Services Liaison	1	-	-	-
Office Coordination Manager	1	1	1	1
Planning & Dev. Director	-	-	-	1
Planning Inspection Coord.	1	1	1	1
Planning Inspection Manager	1	1	1	1
Planning Inspector	6	6	6	5
Public Works Inspector	7	7	7	8
Survey Technician I	2	2	2	2
Survey Technician II	6	6	6	6
Survey Technician III	1	1	1	1
Total Full-time	68.00	61.00	57.00	56.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	68.00	61.00	57.00	56.00



Preservation of Mountains, Desert, & Historic Sites Program

Supports City Council Broad Goal: Preserve Character and Environment

Provides the focus for the acquisition, preservation, and stewardship of the McDowell Sonoran Preserve for the benefit of this generation and those to follow; and celebrates and acknowledges the community's rich heritage and unique character through increasing public awareness and pride of Scottsdale's past, and through the preservation of historical and archaeological resources.

Program Budget Highlights

Total budget increases by \$72,789 (16.2%) from 2001/02 Forecast.

This increase results from:

Transfer of one position from the Planning Development Program during 2001/02, and miscellaneous increases necessary to maintain current service levels for this Program.

Trends

Preservation of natural open space and historical and cultural resources is a high Council priority. Scottsdale has grown rapidly over the last ten years. To ensure the City is successful in protecting all land in the voter approved planned Preserve boundary, it has been necessary for the Preservation Subprogram to move expeditiously to acquire land.

Over the past seven years the number of acres owned by the City has increased 267% from 2,860 acres to 10,500 acres.

The Preservation Subprogram greatly benefits from a close partnership with the McDowell Sonoran Land Trust and is growing a relationship with Scottsdale Community College's Center for Native and Urban Wildlife. The Trust, through a group of certified Preserve stewards, works in conjunction with the City's Preserve Manager to manage and maintain the 36,000 acres in the existing and planned Preserve. It is conservatively estimated this cooperative arrangement saves the City thousands of dollars in personnel time and in materials.

The number of properties on the Scottsdale Historic Register has gone from zero to eleven in two years. This number is expected to double over the next two years. For each property on the Register a preservation plan must be adopted by the Commission and all planned alterations must be reviewed by staff and potentially by the Commission. In 1999 Council adopted the Archaeological Resources Ordinance. In two and a half years, staff have reviewed 240 surveys of development sites and developed in conjunction with archaeologists 6 mitigation plans.

Objectives

McDowell Sonoran Preserve

Complete acquisition of all remaining private land in the Preserve boundary by the end of 2002.

Develop a strategy for ensuring recently reclassified and remaining State Trust land is preserved and added to the McDowell Sonoran Preserve.

Ensure Scottsdale is a good steward and sets a positive example on the land it owns in the Preserve.

Create learning opportunities in the Preserve.

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Historic Preservation

Add properties to the Scottsdale Historic Register.

Safeguard the communities historic and archaeological resources.

Program-wide

Strive to inform as many citizens as possible about the McDowell Sonoran Preserve, opportunities to experience the Sonoran Desert, rules and regulations adopted to ensure the environmental character of the Preserve is maintained, and the City's rich heritage.

Accomplishments

McDowell Sonoran Preserve

Acquired 1,132 acres in 1999, 532 acres in 2000, and 514 acres in 2001 for inclusion in the McDowell Sonoran Preserve.

Achieved reclassification of over 13,000 acres of State Trust land in far north Scottsdale through the State Land Commissioner's August 2001 Arizona Preserve Initiative Order.

Completed construction of the first six miles of trail in the Preserve in partnership with the McDowell Sonoran Land Trust in 2000 and seven trail maintenance projects in 2001.

Completed 17 stewardship maintenance/restoration projects, including five Eagle Scout projects and the Brown's Ranch re-vegetation, in 2001.

Historic Preservation

Added the first six properties to the Scottsdale Historic Register in 2000 and five properties in 2001.

Surveyed 750 post war commercial buildings to identify potentially significant commercial buildings associated with important historic themes in the development of downtown.

Prepared ten historic preservation plans in 2001.

Completed 230 archaeology survey reviews and 3 mitigation plans between mid 1999-2000, and 82 survey reviews, 23 records checks and 2 mitigation plans in 2001.

Designated a Certified Local Government (CLG) by the U.S. Department of Interior.

Program-wide

Provided staff support to two commissions and six committees.

Issued updated *Preserve Brochure*, an updated *Access Area Bulletin*, three issues of *The Overlook* and miscellaneous information regarding the historic preservation and archaeological resources preservation programs to inform interested citizens and others about the community's preservation goals and programs.

Preservation of Mountains, Desert, and Historic Sites Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	233,852	244,571	244,571	297,937
Contractual Services	114,389	228,562	192,496	213,042
Commodities	7,639	4,600	4,600	9,000
Capital Outlay	501,959	8,869	5,523	-
Total	857,839	486,602	447,190	519,979
Staffing				
Administrative Secretary	-	-	1	1
Community Planner	1	1	1	1
Preservation Director	1	1	1	1
Preservation Manager	1	1	1	1
Total Full-time	3.00	3.00	4.00	4.00
Total Part-time*	-	-	-	-
Total Full-Time Equivalent (FTE)	3.00	3.00	4.00	4.00

Preservation of Mountains, Desert, and Historic Sites Program Performance Measures

Goal: Acquire land for inclusion to the McDowell Sonoran Preserve.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Acquire private land in the Recommended Study Boundary.	# of acres acquired	1,132	532	514	750

Goal: Develop & implement programs and strategies for the management, preservation, and appropriate public use of the McDowell Sonoran Preserve.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Promote & implement the Preserve Ordinance to ensure the appropriate use of the Preserve and users familiarity with the ordinance's provisions.	# of information signs placed in the Preserve (Reclassified boundary)	50	40	60	50
	# of educational meetings with and programs for user groups	40	12	12	12
Develop & implement activities to increase the public's knowledge of, active, involvement in, and support for the Preserve.	# of community service projects completed by Preserve volunteers, school groups, Eagle Scouts, etc.	20	24	26	26
	# of educational programs, hikes, interpretive activities	10	15	12	15
	# of public outreach activities (i.e. homeowners assoc. groups, public events, special interest groups)	25	24	24	24
Increase opportunities for access and appropriate public use of the Preserve.	# of miles of trails to be built in the Preserve	4	2	2	4

Goal: Enhance the role of preservation as an amenity to strengthen the City as a tourism destination.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Increase tourism use and knowledge of the Preserve.	# of partnership projects & events with the Tourism Commission, local resorts & Chamber of Commerce	2	2	2	2

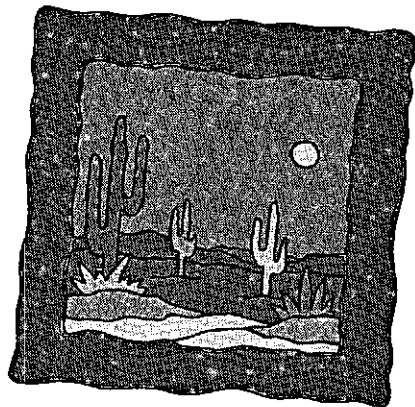
Preservation of Mountains, Desert, and Historic Sites Program Performance Measures, continued

Goal: Identify, protect, and recognize significant historical resources in Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Designate significant historic resources as historic property and place on the Scottsdale Historic Register.	# of historic resources listed on Scottsdale Register	0	6	4	5
Complete Historic Preservation Plans for historic resources on the Scottsdale Register.	# of Preservation Plans completed	0	3	8	4
Promote awareness of Scottsdale's historic and cultural resources.	# of informational items prepared and distributed	0	3	6	4
	# of events celebrating Scottsdale's past	0	3	5	3

Goal: Identify, protect and recognize significant archaeological resources in Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Continue to implement the archaeological protection ordinance requirements for field surveys, reports, and plans for archaeology.	% of survey reports reviewed within 7 day timeframe	100%	100%	100%	100%
	% of mitigation plans reviewed within 10 day timeframe	100%	100%	100%	100%
Promote awareness and respect for archaeological resources through public information materials, events, presentations, etc.	# of informational items prepared and distributed	0	1	2	3
	# of meetings attended in Arizona on archaeology when papers/reports on Scottsdale resources are presented	0	3	3	3



Water Conservation & Quality Program

Supports City Council Broad Goal: Preserve Character and Environment

Manages mandated drinking water and wastewater compliance programs to safeguard the public health. These programs include Drinking Water and the Water Quality Laboratory. Additionally, Water Quality professionals forecast potential impacts of emerging issues and regulations.

Program Budget Highlights

Total budget decreases by \$133,420 (3.0%) from 2001/02 Forecast.

This change results from:

Elimination of a vacant Water Quality Director position.

Decrease of \$417,000 in the Central Groundwater Treatment Facility due to a lower volume of samples and using in-house lab rather than contracting for testing, and a reduction in purchased water and chemicals.

Trends

State and federal unfunded mandates such as Arsenic Mitigation to safeguard public health continue to increase the cost of complying with such mandates.

The cost of complying with ADWR's Non-Per Capita Conservation Program will continue to increase.

The demand for financial, legal, technical and administrative resources to effectively manage Water Quality programs continues to increase significantly.

Laboratory sampling requirements for Drinking Water, Industrial Pretreatment and Treatment to comply with unfunded Federal and State mandates continues to increase significantly.

Objectives

Promote and encourage a viable water conservation program through the Arizona Department of

Water Resources Non-Per Capita Conservation Program (NPCCP).

Plan, manage and operate the Drinking Water, Industrial Pretreatment, Superfund and Water Quality Laboratory programs in compliance with Federal and State regulations to safeguard the public health.

Support the biennial revision and update of the City water, and wastewater quality master plans to meet anticipated demand and regulatory changes.

Implement a Commercial Pretreatment Program to prevent oil and grease from entering the sanitary sewer system, to monitor and inspect commercial food preparation facilities, and to safeguard the public health by reducing the number of sewer blockages and overflows.

Comply with EPA storm water pollutant discharge elimination regulations through drainage structure inspection and maintenance.

Water Conservation & Quality Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Water Conservation & Quality	2,871,238	5,244,940	4,707,323	4,552,758
Water Grants	7,440	130,855	130,855	152,000
Total	2,878,678	5,375,795	4,838,178	4,704,758
Expenditures By Type				
Personal Services	1,327,356	1,588,233	1,318,943	1,534,635
Contractual Services	1,016,784	1,343,936	1,395,383	1,207,737
Commodities	504,240	2,412,042	2,119,042	1,962,386
Capital Outlay	30,298	31,584	4,810	-
Total	2,878,678	5,375,795	4,838,178	4,704,758
Staffing				
CGTF Coordinator	-	1	1	1
Chemist I	3	3	3	3
Chemist II	5	5	5	5
Drinking Water Program Coord.	3	3	-	-
Lab & Water Quality Manager	1	1	1	1
Quality Assurance & Reg Comp Supv	1	1	1	1
Senior Chemist	-	-	1	1

Water Conservation & Quality Program, continued

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
			Staffing (continued)	
Water Campus Compliance Spec	-	-	2	2
Water Conservation Spec	-	-	3	3
Water Maintenance Tech	-	1	1	1
Water Quality Director	1	1	1	-
Water Quality Program Coord.	-	-	-	1
Water Quality Sampler	2	2	2	2
Water Quality Specialist	3	4	3	2
Total Full-time	19.00	22.00	24.00	23.00
Total Part-time*	-	-	-	-
Total Full-Time Equivalent (FTE)	19.00	22.00	24.00	23.00

Water Conservation and Quality Program Performance Measures

Goal: Manage the Drinking Water Regulatory Program to safeguard the public health. Identify & communicate drinking water quality results to regulators, operators of the system, & the public. Provide quality customer service.

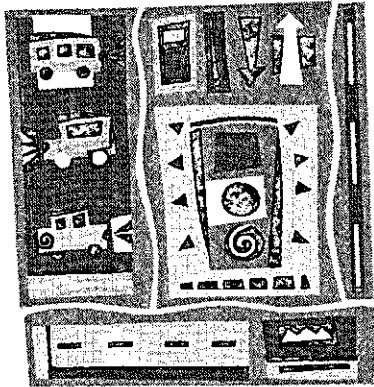
Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve Drinking Water program sampling requirements.	# of wells sampled	32	121	126	125
	# of drinking water system compliance points sampled	100	100	100	100
	# of bacteriological samples collected in the drinking water system	1,580	1,539	1,589	1,810
Provide quality customer service & comply with EPA water quality reporting requirements.	# of annual water quality reports distributed	100,000	108,500	117,000	125,000

Goal: Manage the Water Quality Laboratory to perform analyses, providing necessary data for compliance & process control.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide data for the Water Resources Department.	# of samples received	2,692	6,650	6,500	6,500
	# of tests performed	n/a	17,670	19,350	20,000
Insure water quality in all new mains.	# of samples collected	n/a	1,504	1,600	1,600

Goal: Encourage our water customers, through education & incentives, to practice water conservation in accordance with Arizona Department of Water Resources (ADWR) requirements.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
To stay in compliance with ADWR Non Per Capita Conservation Program (NPCCP) regulations. To promote water conservation to our customers through education & incentives.	% of days in compliance	100%	100%	100%	100%
	# of Irrigation & Xeriscape workshops provided	17	20	28	28
	# of participants in the workshops	454	1,000	1,287	1,300
	# of Water Conservation brochures distributed	64,162	169,526	132,000	135,000
	# of plumbing & landscape rebate requests	150	184	213	250



City Council Broad Goal:

Provide for the safe, efficient and affordable movement of people and goods.

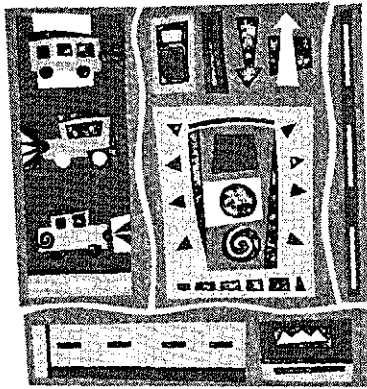
Programs

- Traffic Enforcement
- Traffic Movement
- Traffic Reduction
- Street/ROW/Maintenance

Key Objectives

- Provide alternate modes of transportation
- Seek effective solutions to traffic congestion
- Integrate land use and transportation planning
- Promote and enforce safe driving practices

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Program				
Traffic Enforcement	1,422,452	2,231,818	2,255,918	4,129,838
Traffic Movement	12,172,077	6,288,584	9,576,268	6,153,973
Traffic Reduction	7,340,143	10,708,425	10,468,983	10,992,917
Street/ROW Maintenance	7,619,788	9,345,600	9,009,289	8,826,993
Total	28,554,460	28,574,427	31,310,458	30,103,721
Expenditures By Type				
Personal Services	5,083,912	5,694,561	5,349,442	7,031,755
Contractual Services	14,793,802	19,309,714	19,012,317	19,298,401
Commodities	1,286,760	948,400	984,564	808,091
Capital Outlay	7,389,985	2,621,752	5,964,135	2,965,474
Total	28,554,460	28,574,427	31,310,458	30,103,721
Staffing				
Total Full-time	78.00	86.00	86.00	107.00
Total Part-time	-	-	-	-
Total Full-time Equivalent (FTE)	78.00	86.00	86.00	107.00



Traffic Enforcement Program

Supports City Council Broad Goal: Movement of People and Goods

Handles traffic accidents and traffic related issues requiring special investigative skills; enforces speed and traffic laws; and provides traffic control for special events.



Program Budget Highlights

Total budget increases \$1,873,920 from 2001/02 Forecast.

Changes include:

An increase in personnel costs due to the transfer of 22 positions from Police Protection Program to Traffic Enforcement.

Increase in overtime budget to support special event traffic control.

Increase in expected Traffic Enforcement grants.

Subprograms:

Traffic Enforcement/Event Control

Traffic Enforcement Grants

Trends

4% decrease in reportable traffic accidents from 4,687 in 1999/00 to 4,514 in 2000/01.

Objectives

Deploy traffic enforcement assets to target specific high accident and neighborhood locations for directed traffic enforcement efforts to further reduce injury collisions.

Strategies include:

The continued use of existing photo-enforcement speed cameras and red light cameras to aid in the reduction of accidents.

The deployment of a nighttime traffic enforcement unit targeting evening hours and offenders who drive under the influence of alcohol or drugs.

Remain actively involved in the design and redevelopment of the Los Arcos Mall, McDowell Mountain Preserve, and downtown redevelopment to ensure public safety elements are included in the design of public areas, and that effective large event traffic plans are considered.

Support legislative efforts toward more effective photo-enforcement.

Accomplishments

Successfully negotiated a new photo enforcement contract for four speed enforcement vehicles and six red light camera systems, thereby continuing the Focus on Safety program to reduce vehicle accidents.

Investigated 283 formal citizen complaints regarding traffic conditions in 2000/01:

40% were handled by the Traffic Enforcement Unit

60% were handled by Patrol Services

Traffic Enforcement Program Performance Measures

Goal: Ensure citizens receive quality police services in a timely manner.

Strategy:

Ensure safe roadways through traffic enforcement by patrol officers.

Reduce traffic collisions by proactive enforcement.

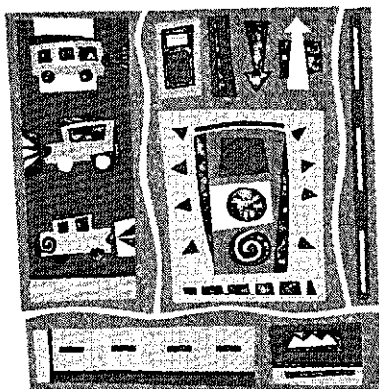
Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
# of moving and non-moving citations issued by patrol personnel	38,502	38,139	40,427	42,448
# of reportable traffic collisions	4,687	4,514	4,567	4,000

Traffic Enforcement Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Traffic Enforcement/Event Control	1,397,803	2,231,818	2,231,818	4,049,750
Traffic Enforcement Grants	24,649	-	24,100	80,088
Total	1,422,452	2,231,818	2,255,918	4,129,838

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	390,489	383,080	383,080	2,099,082
Contractual Services	1,000,215	1,817,288	1,841,388	1,928,668
Commodities	31,749	31,450	31,450	49,628
Capital Outlay	-	-	-	52,460
Total	1,422,452	2,231,818	2,255,918	4,129,838

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Parking Control Checker	-	-	-	1
Police Aide	-	-	-	1
Police Contract Administrator	-	-	-	1
Police Lieutenant	1	1	1	2
Police Officer	-	-	-	15
Police Sergeant	-	-	-	3
Total Full-time	1.00	1.00	1.00	23.00
Total Part-time*	-	-	-	-
Total Full-Time Equivalent (FTE)	1.00	1.00	1.00	23.00



Traffic Movement Program

**Supports City Council Broad Goal:
Movement of People and Goods**

Program Budget Highlights

Total budget, excluding grants decreases \$32,535 (-0.5%) from 2001/02 Forecast.

Changes include:

The elimination of a vacant Transportation Issues Manager position.

Reduction in various line item accounts to offset other proposed line item increases.

Subprograms:

Transportation Administration

Transportation Planning

Traffic Engineering

Traffic Management

Transportation Grants

Trends

Traffic Movement programs and services continue to be a City priority. Citizens responding to the annual survey again rated growth and traffic as Scottsdale's two biggest issues.

Citizens in the 2001 Citizens Survey ranked traffic flow and signalization a high priority, but with only 66% customer satisfaction, up from 50% in 2000.

Public policy focus on Downtown vitality is increasing, including the need for improving mobility and parking.

Neighborhood-level transportation planning has become a priority.

Development project reviews almost always require traffic analyses, and while the numbers of projects coming in for review is declining, participation by Transportation staff is increasing.

The transportation industry continues to innovate technological solutions to enhance the capacity of roadways, and use of mass transportation solutions to reduce congestion and increase mobility.

Right-of-Way management continues to be a priority for the program and the City as private and public entities compete for space "between the curbs" to construct communication systems.

Citizens indicate a desire to be involved early and often in project development process.

Key Objectives

Provide accurate and thorough responses to all requests for data collection and analysis for traffic control changes, and for inquiries from citizens, neighborhoods, City Council and other City programs.

Optimize traffic signal coordination and reduce average vehicle delay for intersections on major streets.

Expand the Intelligent Transportation System to provide further real-time elements, including additional video monitoring at primary intersections.

Establish benchmark Scottsdale transportation system performance measures for use as a decision making tool.

Complete a Streets Master Plan that will serve as a blueprint for making decisions about Scottsdale's roadway network.

Develop a comprehensive transportation network with defined service levels and standards.

Enhance understanding of noise issues as they relate to traffic; and develop strategies for mitigating the negative effects of increased noise that results from traffic.

Complete a Downtown parking master plan that will include strategies for maximizing existing parking, identify new parking opportunities and recommend mobility and pedestrian enhancement opportunities.

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Significant Accomplishments

Implemented a new approach to assessing the traffic impacts of new development. On-call traffic engineers now conduct traffic analyses as outlined in the Traffic Impact and Mitigation Analysis Guidelines.

Initiated concept design plans on over 40 capital projects.

Completed the Pima Freeway through Scottsdale on April 8, 2002.

Continued to significantly improve traffic operations and accident analysis through video and computer enhancements.

Installed over 220 new sidewalk ramps, with an additional 290 in final design.

Began a new fee-supported Traffic Impact Mitigation Analysis process for assessing the traffic impacts of development.

In partnership with Inspection and Land Survey Services, implemented Barricade Management System to better coordinate and track road construction street closures and restrictions.

Traffic Movement Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Transportation Administration	756,965	806,898	692,630	601,931
Transportation Planning	6,097,147	241,887	110,434	396,120
Traffic Engineering	1,432,827	1,492,457	1,668,486	1,620,219
Traffic Management	3,862,638	3,747,342	3,707,458	3,528,203
Transportation Grants	22,500	-	3,397,260	7,500
Total	12,172,077	6,288,584	9,576,268	6,153,973
Expenditures By Type				
Personal Services	2,860,977	2,984,239	2,950,931	2,985,376
Contractual Services	8,100,439	2,434,928	2,390,142	2,584,957
Commodities	1,069,935	747,608	768,772	583,640
Capital Outlay	140,727	121,809	3,466,423	-
Total	12,172,077	6,288,584	9,576,268	6,153,973
Staffing				
Total Full-time	45.00	48.00	48.00	47.00
Total Part-time	-	-	-	-
Total Full-time Equivalent (FTE)	45.00	48.00	48.00	47.00

Traffic Movement Program Performance Measures

Transportation Administration

Goal: Install effective processes for getting and using information from other City departments, neighborhood residents and the general public related to transportation and storm water project design and program or service operation.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Resource and control Transportation operations to achieve defined results.	Aggregate % of citizens surveyed who believe Transportation Department programs provide very good and good services	168%	185%	212%	230%
Enhance opportunities to inform and involve citizens.	# of Transportation and Airport commission meetings	18	32	28	36
	# of neighborhood and public meetings held	11	36	50	60
	# of visits to the department's Internet site	n/a	31,083	49,304	65,000

Transportation Planning

Goal: Develop a comprehensive transportation network.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Plan/implement the bicycle system network.	# of miles in bicycle system	84	88	100	110

Goal: Improve the coordination of transportation and land use planning.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
	Average commute SOV trips - miles	11.8	13.3	14	12
	Average commute time - minutes	22.4	23.4	24.0	23.5

Traffic Movement Program Performance Measures, continued
Traffic Engineering

Goal: Effectively operate the City's roadways to provide for the safe and efficient movement of people and goods.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review appropriateness of traffic control devices on an on-going basis.	% of traffic control device reviews completed on schedule	60%	58%	45%	50%
Maintain control of activities in the road rights-of-way.	# of barricade plans and traffic control plans approved within 48 hours of receipt	65%	72%	85%	90%
Maintain an optimal traffic flow.	% of signalized intersections operating at level of service E or better during the a.m. and p.m. peak hours	90%	92%	91%	90%
	# of signals connected to the Traffic Management Center with video monitoring capability	2	2	2	5
	Maintain average vehicle delay at or below 1999 levels	n/a	n/a	40	45

Traffic Movement

Goal: Preserve the character and environment of Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Sweep 100% of residential streets 18x/yr.	% of residential streets swept 18x/yr	98%	87%	99%	100%
Sweep 100% of commercial streets 52x/yr.	% of commercial streets swept 52x/yr	100%	100%	100%	100%
Maintain dust-controlling surface on unpaved lots and roads over 130 ADT.	% of unpaved lots and roads maintained with dust controlling surface	n/a	100%	100%	100%
Control weed growth in unpaved alleys below 6" in height.	% of alleys with weed growth maintained under 6"	n/a	n/a	100%	100%
Maintain dust-controlling surface in unpaved alleys.	% of unpaved alleys maintained with dust controlling surface	73%	89%	100%	100%

Goal: Provide for the safe, efficient and affordable movement of people and goods.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Perform maintenance on 50% of the City's sign inventory annually.	% of signs maintained	45%	43.5%	48.5%	50%
Re-mark all city roadways and intersections annually	% of re-marking completed	95%	93%	98%	97%
Perform preventive maintenance on each city traffic signal 4 times annually.	% of preventive maintenance plan completed	100%	100%	100%	100%
Maintain ratio of traffic signals to maintenance employee at industry standard level of 34 to 38.	# of traffic signals maintained per employee	36	37	33	34
Ensure traffic signals remain in operation 100% of the time.	% of time traffic signals are in operation	99.9932%	99.9934%	99.9935%	99.9936%

Traffic Movement Program

Transportation Administration

Directs the resources of the program to accomplish the goals of the City Council. Provides leadership, direction and support for the program and our commissions, and forms responsive links among program staff, City Council, and citizens.

Objectives

Exceed citizen and City expectations in stewardship of resources through innovative and timely operational analysis, monitoring, and reporting.

Continuously improve communications with the public and City Council by excellent website and graphic design.

Provide exceptional support to the Transportation Commission.

Provide exceptional budget, accounting, purchasing, and contract administration support.

Administer the annual Transportation Survey.

Accomplishments

The Transportation Commission's "Let's Get Moving" public outreach led to the formation of a transit committee and the Scottsdale Transit Plan.

Initiated the Neighborhood Traffic Management Program to provide a systematic process to help find solutions to neighborhood traffic problems.

Initiated a "Cops and Ops" program to coordinate public safety and transportation operations.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	526,341	577,963	556,252	458,396
Contractual Services	140,574	191,647	80,457	127,135
Commodities	18,610	13,600	34,764	16,400
Capital Outlay	71,440	23,688	21,157	-
Total	756,965	806,898	692,630	601,931
Staffing				
Department Advisor	-	1	1	1
Engineering Tech II	1	1	1	1
General Manager, Transportation	1	1	1	1
Graphics Designer	1	1	1	1
Office Coordination Manager	2	2	2	2
Secretary	1	1	1	-
Transportation Issues Mgr.	1	1	1	1
Total Full-time	6.00	7.00	7.00	6.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	6.00	7.00	7.00	6.00

Traffic Movement Program

Transportation Planning

Anticipates and plans for Scottsdale's long-term mobility needs in a manner which will sustain Scottsdale as a livable community and protect its interests in federal, state, and regional transportation issues. Offers real transportation choices in a way that meets the needs of individuals, neighborhoods, and the community as a whole.

Objectives

Develop transportation choices through master plans and project plans that respect the character of the surrounding community, meet Scottsdale's high standards for aesthetics and design, and improve the coordination of land use and transportation.

Complete a Downtown Parking Master Plan that will include strategies for maximizing existing parking, identify new parking opportunities and will include recommendations for enhancing mobility and pedestrian opportunities.

Complete a Streets Master Plan that will serve as a blueprint for making decisions about Scottsdale's roadway network.

Enhance understanding of noise issues as they relate to traffic.

Develop strategies for mitigating the negative effects of increased noise that results from traffic.

Accomplishments

Completed another phase of a Major Investment Study to address the City's growing travel demand and to maintain the potential to connect to a regional transit system.

The Transportation Commission endorsed a series of improvements that addresses long-standing neighborhood concerns about traffic along Chaparral Road.

Installed over 220 new sidewalk ramps, with an additional 290 in final design.

The Development Review Board approved a new bus shelter concept, and over 70 sites are in final design.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	398,035	195,306	195,306	264,219
Contractual Services	5,639,927	40,857	-86,134	131,501
Commodities	17,658	460	460	400
Capital Outlay	41,528	5,264	802	-
Total	6,097,147	241,887	110,434	396,120
Staffing				
Neighborhood Transp. Planner	-	1	1	1
Public Information Coordinator	1	-	-	-
Public Works Planner	2	2	3	3
Transportation Planning Director	1	1	1	1
Total Full-time	4.00	4.00	5.00	5.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	4.00	4.00	5.00	5.00

Traffic Movement Program

Traffic Engineering

Operates the City's roadways to provide for the safe and efficient movement of people and goods; develops and uses technology to manage congestion, optimize traffic flow and provide traffic information to the public; and provides technical support for the planning, design and construction of roadways.

Objectives

- Operate transportation infrastructure in a manner that meets public needs.
- Balance the requirements of the transportation network and neighborhoods.
- Provide accurate and thorough responses to all requests for data collection and analysis for traffic control changes, and for inquiries from citizens, neighborhoods, City Council and other City programs.
- Optimize traffic signal coordination and reduce average vehicle delay for intersections on major streets.
- Expand the Intelligent Transportation System to provide further real-time elements, including additional video monitoring at primary intersections.
- Establish benchmark Scottsdale transportation system performance measures for use as a decision-making tool.
- Work collaboratively with citizens, neighborhoods, Scottsdale School District, City Council, and other City programs to provide engineering, enforcement and education programs that contribute to safer streets in Scottsdale.

Accomplishments

- Implemented a new approach to assessing the traffic impacts of new development. On-call traffic engineers now conduct traffic analyses as outlined in the Traffic Impact and Mitigation Analysis Guidelines.
- Began a new fee-supported Traffic Impact Mitigation Analysis process for assessing the traffic impacts of development.
- Submitted final design plans for two comprehensive neighborhood traffic-calming projects, each requiring extensive neighborhood involvement.
- In partnership with Inspection and Land Survey Services, implemented Barricade Management System to better coordinate and track road construction street closures and restrictions.
- Completed ten turn-lane improvements, with 12 more awaiting construction and an additional 12 in final design.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	615,482	722,072	722,072	752,075
Contractual Services	788,894	709,330	888,431	842,144
Commodities	8,674	21,886	21,886	26,000
Capital Outlay	19,777	39,169	36,097	-
Total	1,432,827	1,492,457	1,668,486	1,620,219
Staffing				
ITS Analyst	2	2	2	2
ITS Technician	1	1	1	1
Sr. Traffic Engineer Analyst	-	1	1	1
Traffic Engineer Tech Supvr	1	1	1	1
Traffic Engineering Analyst	2	2	2	2
Traffic Engineering Director	1	1	1	1
Traffic Engineering Tech.	3	3	3	3
Total Full-time	10.00	11.00	11.00	11.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	10.00	11.00	11.00	11.00

Traffic Movement Program

Traffic Management

Maintains and repairs all City-owned traffic signals and streetlights; fabricates, maintains, and installs traffic control and street name signs; installs and maintains traffic control markings on City streets; and responds to street related emergencies.

Objectives

Support the construction of approved transportation infrastructure on schedule and on budget by performing in-house analyses and by administering consultant contracts for detailed planning and design concept reports.

Ensure cross-program citizen involvement in the planning and coordination of transportation capital projects.

Position the traffic signal section to begin maintenance of the City's new Intelligent Transportation System.

Work closely with the Downtown stakeholders to develop improvements for street lighting, signs and parking.

Develop a program to evaluate and implement improvements to signage and street lighting in the City's neighborhoods.

Accomplishments

Completed the conversion of red and green traffic signal indications to light emitting diodes. The program will be completed one year ahead of schedule, and will also include conversion of the walk/don't walk indications as well.

Installed uninterruptible power supplies at 25 of the City's busiest intersections.

Took delivery of a new state-of-the-art airless roadway striping machine. The new machine will improve the quality of the City's striping and increase productivity by approximately 5%.

Initiated the Neighborhood Traffic Management Program to provide a systematic process to help find solutions to neighborhood traffic problems.

Continued to significantly improve traffic operations and accident analysis through video and computer enhancements.

Initiated a "Cops and Ops" program to coordinate public safety and transportation operations.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditure By Type				
Personal Services	1,298,618	1,488,898	1,477,301	1,510,686
Contractual Services	1,531,044	1,493,094	1,484,888	1,476,677
Commodities	1,024,993	711,662	711,662	540,840
Capital Outlay	7,983	53,688	33,607	-
Total	3,862,638	3,747,342	3,707,458	3,528,203

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Citizen Service Representative	1	1	1	1
Field Services Manager	2	2	2	2
Maintenance Coordinator	1	1	1	1
Maintenance Tech I - FS	3	3	3	3
Maintenance Worker II - FS	5	6	6	6
Traffic Signal Elect Tech	3	3	3	3
Traffic Signal Tech I	6	6	6	6
Traffic Signal Tech II	2	2	2	2
Traffic Signals Supv.	1	1	1	1
Transit Coordinator	1	1	-	-
Total Full-time	25.00	26.00	25.00	25.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	25.00	26.00	25.00	25.00

Traffic Reduction Program Performance Measures

Goal: Plan and implement an effective, efficient transit system.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Improve transit service and quality levels.	Satisfaction levels as measured by the annual citizen survey	43%	53%	60%	63%

Traffic Reduction Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Transit	-	7,850,774	7,611,332	7,937,823
Transit Grants	7,340,143	2,857,651	2,857,651	3,055,094
Total	7,340,143	10,708,425	10,468,983	10,992,917
Expenditures By Type				
Personal Services	388	163,481	163,481	171,063
Contractual Services	130,628	8,037,451	7,803,240	7,901,290
Commodities	-	7,550	4,550	7,550
Capital Outlay	7,209,126	2,499,943	2,497,712	2,913,014
Total	7,340,143	10,708,425	10,468,983	10,992,917
Staffing				
Administrative Secretary	1	1	1	1
Contract and Grant Coordinator	-	-	1	1
Public Works Planner	2	2	1	1
Transit Planner	1	-	-	-
Total Full-time	4.00	3.00	3.00	3.00
Total Part-time*	-	-	-	-
Total Full-Time Equivalent (FTE)	4.00	3.00	3.00	3.00

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Continue to evaluate and focus on landscape enhancements, specifically within the older inventories in the southern section of the City from Shea Boulevard to McKellips Road.

Continued evaluation of the partnership with Homeowner Associations for the maintenance of streets within their subdivisions.

Continue to provide assistance and tracking of volunteer bag pick up of debris through the Keep America Beautiful Organization.

Minimize roadway hazards by quickly responding to City street repair issues.

Wherever possible utilize street overlay materials that reduce traffic noise in surrounding neighborhoods.

Protect neighborhood air quality through a frequent City street sweeping schedule.

Accomplishments

Worked closely with both City staff and the downtown partnership to develop a comprehensive maintenance plan designed to improve the overall landscape of the Downtown area by increasing service levels.

Worked to reduce the cost of labor with assistance from the Maricopa County Sheriff's Chain gang and the Arizona Department of Corrections work release program. Combined, these programs provided over 17,000 hours of labor in the past year.

Enhanced and added landscaping upgrades in specific sight line triangles, provided traffic calming neighborhood assistance, and upgraded neighborhood medians throughout the City.

Began Enhanced Alley Maintenance Program.

Established contract for weed control in alleys.

Added a second night sweeper to increase service in the downtown commercial district.

Automated inspection of City's drainage structures as required by federal mandates using field computer and GPS.

Initiated use of Land Information System based Pavement Management System for planning and notification of planned pavement treatments and street cut moratoriums.

Maintained dust abatement compliant surfaces on particulate matter-10 regulated dirt roads.

Street/ROW Maintenance Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	1,832,059	2,163,761	1,851,950	1,776,234
Contractual Services	5,562,521	7,020,047	6,977,547	6,883,486
Commodities	185,076	161,792	179,792	167,273
Capital Outlay	40,132	-	-	-
Total	7,619,788	9,345,600	9,009,289	8,826,993
Staffing				
Contracts Coordinator	1	1	1	1
Equipment Operator II - FS	1	1	1	1
Equipment Operator III - FS	6	7	7	7
Irrigation Technician	1	1	1	1
Landscape Contract Coord.	1	1	1	1
Maint Tech II - Field Serv	1	1	1	1
Maintenance Coordinator	2	2	2	2
Maintenance Worker I	3	3	3	3
Maintenance Worker II	2	2	2	2
Maintenance Worker II - FS	3	6	6	6
Motor Sweeper Operator	6	7	7	7
Public Works Inspector	1	1	1	1
Technology Coordinator	-	1	1	1
Total Full-time	28.00	34.00	34.00	34.00
Total Part-time*	-	-	-	-
Total Full-Time Equivalent (FTE)	28.00	34.00	34.00	34.00

Street/ROW Maintenance Program Performance Measures

Goal: Preserve the character and environment of Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Sweep 100% of residential streets 18x/yr.	% of residential streets swept 18x/yr	98%	87%	99%	100%
Sweep 100% of commercial streets 52x/yr.	% of commercial streets swept 52x/yr	100%	100%	100%	100%
Maintain dust-controlling surface on unpaved lots and roads over 130 ADT.	% of unpaved lots and roads maintained with dust controlling surface	n/a	100%	100%	100%
Control weed growth in unpaved alleys below 6" in height.	% of alleys with weed growth maintained under 6"	n/a	n/a	100%	100%
Maintain dust-controlling surface in unpaved alleys.	% of unpaved alleys maintained with dust controlling surface	73%	89%	100%	100%

Goal: Provide for the safe, efficient and affordable movement of people and goods.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide preventative maintenance to a minimum of 10% of the pavement inventory annually.	% of pavement maintained	10.6%	9.5%	9.7%	10%

Goal: Efficiently maintain city streetscapes.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain or reduce the cost to provide maintenance services for citywide medians and rights-of-way (ROW).	# of sq. ft. of medians and ROW areas maintained	10,489,608	13,168,516	13,168,516	13,215,516
	Cost per sq. ft. of medians and ROW maintenance	\$.17	\$.18	\$.18	\$.19



City Council Broad Goal:

Position Scottsdale for long-term economic prosperity by diversifying our economic resources.

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Programs

- Aviation
- Economic Vitality
- Revitalization
- Tourism

Key Objectives

- Balance opportunities for existing businesses to grow and prosper with the need to attract new business/industry to Scottsdale
- Continue to build upon our visitor-based economic foundation
- Develop strategies to ensure aging businesses and neighborhoods remain vital and prosperous

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Program				
Aviation	2,949,467	9,507,756	9,384,683	16,474,424
Economic Vitality	803,493	1,089,046	1,037,842	695,402
Revitalization	2,226,772	666,000	666,000	1,057,585
Tourism	5,655,669	4,671,000	4,886,000	5,537,732
Total	11,635,401	15,933,802	15,974,525	23,765,143
Expenditures By Type				
Personal Services	860,609	1,112,184	1,112,184	1,335,026
Contractual Services	7,140,504	6,042,590	6,101,162	6,560,006
Commodities	82,980	59,495	59,495	75,111
Capital Outlay	3,551,307	8,719,533	8,701,684	15,795,000
Total	11,635,400	15,933,802	15,974,525	23,765,143
Staffing				
Total Full-time	13.00	16.00	20.00	21.00
Total Part-time	3.00	3.00	3.00	2.00
Total Full-time Equivalent (FTE)	14.85	17.85	21.85	22.35



Aviation Program

Supports City Council Broad Goal: Long-Term Economic Prosperity

Provides input on regional aviation issues to ensure the protection of the character and environment of Scottsdale. Further, effectively manages resources to develop and operate an air transportation facility in a safe, efficient and environmentally compatible manner that serves diverse aviation needs.



Program Budget Highlights

Total budget, excluding grants increases \$122,117 (10.6%) from 2001/02 Forecast.

Changes include:

Conversion of one part-time Airport Operations Technician to full-time to assist in collection of landing fees for transient aircraft.

Various increases and decreases in line item budgets to maintain current service levels.

Annually examine and update the development opportunities identified in the 1997 Airport Master Plan.

Continue working with citizens, regulators and airport operators to protect neighborhoods from aviation-related noise.

Ensure compliance with Federal Aviation Administration standards.

Accomplishments

Successfully represented the community through the Federal Aviation Administration flight path considerations associated with Northwest 2000.

Entered into long-term lease agreements for all of the remaining parcels of undeveloped airpark-area land to provide enhanced services including a new International Fighter Pilot Museum scheduled to open in 2004.

Trends

The number of aviation businesses at Scottsdale Airport has increased 200% over the past five years.

According to the Aviation Survey, airport users are satisfied with all of the amenities provided at Scottsdale Airport.

Airport Enterprise revenues continue to increase by approximately 22% a year due to service additions and completion of land development.

Objectives

Annually update the aviation financial plan to more efficiently recover operating and capital costs through equitable user fees.

Continue to increase awareness and availability of aviation-related information through an enhanced community outreach effort utilizing the Internet, City Intranet, industry publications, and the airport newsletter.

Aviation Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Aviation	1,155,439	1,153,279	1,141,507	1,263,624
Aviation Grants	1,794,028	8,354,477	8,243,176	15,210,800
Total	2,949,467	9,507,756	9,384,683	16,474,424
Expenditures By Type				
Personal Services	530,963	597,851	597,851	666,642
Contractual Services	991,808	816,105	701,956	708,112
Commodities	72,211	50,795	50,795	64,670
Capital Outlay	1,354,484	8,043,005	8,034,081	15,035,000
Total	2,949,467	9,507,756	9,384,683	16,474,424
Staffing				
Administrative Secretary	1	1	1	1
Airport Administrative Coord.	-	-	-	1
Airport Director	1	1	1	1
Airport Operations Coord.	1	1	1	1
Airport Operations Tech	2	2	2	3
Airport Operations Tech*	3	3	3	2
Airport Planner	1	1	1	1
Airport Specialist	1	2	2	1
Sr. Airport Operations Tech	2	2	2	2
Total Full-time	9.00	10.00	10.00	11.00
Total Part-time*	3.00	3.00	3.00	2.00
Total Full-Time Equivalent (FTE)	10.85	11.85	11.85	12.35

Aviation Program Performance Measures

Goal: Continue to be involved in land use and development issues as they relate to aviation and aircraft noise.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review proposed development within the adopted airport influence area consistent with airport planning documents.	Developments reviewed within the airport influence area	72	69	80	90
	% change in developments reviewed	n/a	-4.1%	15.9%	12.5%
Respond to 85% of noise related inquiries within 6 hours and 100% within 10 hours.	Total # of noise related inquiries	495	592	700	750
	# of aircraft noise related inquiries requesting a response from staff	132	232	300	325
	% of total inquiries requesting staff response	26.7%	39.2%	42.8%	50.0%
	% change in total inquiries	n/a	19.6%	18.2%	7.1%
	% of inquiries responded to within 6 hours	50%	79%	85%	85%
	% of inquiries responded to within 10 hours	71%	94%	100%	100%

Goal: Ensure compliance with FAA safety standards for airports accommodating charter and schedule commuter passenger services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Conduct a self-assessment of airport facilities and implement appropriate corrective actions.	# of annual airport facility inspections to ensure operational safety	730	730	730	730
	# of annual airport work orders	111	130	400	400
	% change in work orders	n/a	17.1%	207.7%	0.0%
Complete high priority airport work orders on a timely basis.	Avg. days to complete high priority airport work orders	n/a	n/a	5.0	5.0

Goal: Reduce the General Fund Subsidy to the Airport Enterprise Fund in accordance with the City's Financial Policy.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Implement and maintain a rates and fees system that will enable operating and capital improvement program funding self-sufficiency.	Fiscal General Fund Subsidy	\$173,000	\$309,054	\$15,000	\$0
	% change in General Fund Subsidy	n/a	78.6%	-95.1%	-100.0%
	Fiscal Airport Revenue	\$1,264,000	\$1,450,000	\$2,033,599	\$2,608,576
	% change in Airport Revenue	n/a	14.7%	40.2%	28.2%
	Aviation Enterprise Fund Balance	n/a	n/a	\$222,557	\$402,605



Economic Vitality Program

Supports City Council Broad Goal: Long-Term Economic Prosperity

Supports the overall economic health of the community through a specific program of targeted job creation and revenue enhancement. Encourages the revitalization and strengthening of the older areas of the community. Supports the local hospitality industry with a comprehensive tourism development program of marketing, research, events, and attractions. Also support the retention and expansion of existing businesses by pro-actively seeking out and dealing with issues, and supporting small business needs.

Program Budget Highlights

Total budget increases \$700,877 (10.6%) from 2001/02 Forecast.

The increase includes:

A new Cultural Tourism component in the Convention and Visitors Bureau Contract in the amount of \$779,450.

The program is designed to attract visitors to Scottsdale by creating significant signature cultural events to expand Scottsdale's image as a major cultural destination.

Trends

The national recession and impacts from September 11, 2001 have had a negative effect on Scottsdale's economy. Yet, the City's diversified economic base has enabled Scottsdale to weather the storm better than during previous economic downturns. Financial indicators remain mixed, but signs of a recovery are on the horizon. Specifically:

Scottsdale's sales tax receipts are up 1% for the first eight (8) months of the fiscal year, as compared to the same period last year. While this increase is very small, most other communities have seen decreases this year. In addition, several new major tax generators are expected to open later this year.

While the Scottsdale unemployment rate has increased over the last year, it remains below 4% and appears to have stabilized. Job growth has remained surprisingly strong. So far this fiscal year, we have assisted in locating 16 new, targeted businesses who will employ about 1,650 persons at an average salary level of \$68,000. This is a higher level of activity than we saw in the entire previous fiscal year.

The tourism industry was particularly hard hit this year due to the events of September 11, 2001. Bed tax receipts for the first eight (8) months of this fiscal year are running 15% below last year. The encouraging sign, however, is that each month since September has shown an improvement, with the most recent month nearly back to prior year levels.

Total property tax rates continue to be about 25% lower than metro area averages due to high assessed values per capita and the City's ability to generate significant sales tax revenues from non-Scottsdale residents.

Objectives

Actively involve the tourism industry in the design of new Downtown attractions including the Waterfront Improvements and the Scottsdale Fleischer Museum, insuring that those projects consider the interests of the tourist and the needs of the Scottsdale resident. These new facilities will be planned in accordance with adopted Downtown redevelopment policies and effectively integrated with their established Downtown locations.

Assist the Scottsdale Convention & Visitors Bureau (SCVB) in engaging a broader cross-section

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of the Scottsdale tourism industry such as the arts, retail and restaurants and improve the services provided to those support businesses in the Downtown. Staff will also facilitate a move of the CVB Visitor Center to a higher profile Downtown location in the first half of the year.

Under the guidance of the Tourism Development Commission, restructure the Special Event Program component to maintain the viability of Scottsdale's Signature Events and the availability of appropriate host venues in the Downtown and at WestWorld.

Develop comprehensive programs and strategies to promote the City's long-term economic stability including small business assistance programs and business visitation programs during fiscal year 2002/03.

Develop a new Existing Business Subprogram.

Establish a small business development resource center.

Conduct economic research focused on fiscal/economic policy issues.

Facilitate small-scale revitalization projects.

Work toward the development of a new plan for Los Arcos.

Explore new tools and potential redevelopment activities.

Establish a revitalization resource center.

Support the development of new destination attractions in the community.

Oversee the Convention and Visitor's Bureau contract.

Oversee tourism development program.

Accomplishments

Broadened the tax base through the attraction of a number of key retail developments, including new shopping centers, auto dealers, and specialty retail centers; City sales tax receipts rose in fiscal year 00/01 and are up 1% for fiscal year 2001/2002.

Increased the number of targeted jobs within Scottsdale by approximately 3,000 during this 2-year period, through a combination of attraction of new businesses, the retention/expansion of existing businesses, and the creation of new businesses through support of entrepreneurial activities; as a result, the City's unemployment rate remains well below State and National averages.

Strongly supported the community's tourism industry through a broad-based tourism development program, including marketing, research, event promotion and the creation of new destination attractions.

Economic Vitality Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Economic Development	803,493	1,089,046	1,037,842	695,402
Revitalization	2,226,772	666,000	666,000	1,057,585
Tourism	5,655,669	4,671,000	4,886,000	5,537,732
Total	8,685,934	6,426,046	6,589,842	7,290,719

Expenditures By Type

Personal Services	329,646	514,333	514,333	668,384
Contractual Services	6,148,696	5,226,485	5,399,206	5,851,894
Commodities	10,769	8,700	8,700	10,441
Capital Outlay	2,196,822	676,528	667,603	760,000
Total	8,685,933	6,426,046	6,589,842	7,290,719

Staffing

Economic Vitality

Administrative Secretary	1	1	1	1
Economic Development Administrator	1	1	-	-
Economic Development Coordinator	1	1	-	-
Economic Development Specialist	1	1	-	-
Economic Vitality Manager	-	-	2	2
Economic Vitality Specialist	-	-	2	2
Gen Mgr Economic Vitality	-	-	1	1
Redevelopment Planner	-	1	-	-
Sr. Redevelopment Planner	-	1	-	-

Revitalization

Economic Vitality Manager	-	-	1	1
Economic Vitality Specialist	-	-	1	1

Tourism

Economic Vitality Manager	-	-	1	1
Economic Vitality Researcher	-	-	1	1
Total Full-time	4.00	6.00	10.00	10.00
Total Part-time	-	-	-	-
Total Full-time Equivalent (FTE)	4.00	6.00	10.00	10.00

Economic Vitality Program Performance Measures

Goal: Broaden the City's tax base in order to support the needs of the community.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Enhance the city's revenue stream through significant real growth in sales tax receipts.	Change in sales tax receipts	+10.5%	+10.0%	+8.0%	+6.0%
	Real growth in sales tax receipts - inflation adjusted/per capita	+3.2%	+2.8%	+ 2.8%	+ 0.8%

Goal: Increase the # of targeted jobs within Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Increase the # of targeted jobs through attraction, retention/expansion, and entrepreneurial support.	# of new targeted companies/jobs in Scottsdale assisted by ED program	11/1,705	10/2,000	10/1,500	10/1,200
	Scottsdale unemployment rate	2.1%	1.9%	2.5%	3.0%

Goal: Create the Southwest's premier resort destination through targeted investments.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Enhance the tourism industry in order to generate community benefits resulting from increased visitation.	Est. # of Scottsdale hotel visitors	1.18 million	1.24 million	1.27 million	1.3 million
	% of bed tax receipts	+8.0%	+15.0%	+10.0%	+10.0%
	Est. occupancy rate	61.6%	67.0%	69.0%	71.0%



City Council Broad Goal:

Coordinate planning to balance infrastructure and resource needs within budget.



Programs

- Facilities Maintenance
- Water & Wastewater Operations
- Capital Project Management
- Technology Infrastructure

Key Objectives

- Build, manage, and maintain infrastructure and capital equipment.
- Develop technological infrastructure to support planning and operations.
- Effectively balance need for community infrastructure with financial resources.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Program				
Facilities Maintenance	6,828,258	7,053,437	6,949,898	10,424,608
Water & Wastewater Operations	35,202,680	36,825,189	35,878,599	34,754,029
Capital Project Management	1,475,158	-	-	-
Technology Infrastructure	1,079,064	1,174,568	1,080,550	968,424
Total	44,585,161	45,053,194	43,909,047	46,147,061
Expenditures By Type				
Personal Services	10,357,607	12,693,111	12,732,150	13,100,985
Contractual Services	23,499,400	19,257,166	19,586,300	20,579,568
Commodities	10,156,214	12,831,383	11,509,533	12,441,258
Capital Outlay	571,940	271,534	81,064	25,250
Total	44,585,161	45,053,194	43,909,047	46,147,061
Staffing				
Total Full-time	193.00	210.00	209.00	210.00
Total Part-time	3.00	2.00	1.00	1.00
Total Full-time Equivalent (FTE)	195.25	211.50	209.75	210.75



Facilities Maintenance Program

Supports City Council Broad Goal: Balance Infrastructure and Resources

Provide maintenance and repair of 1.5 million square feet of City owned and operated buildings and park facilities throughout the City. Review plans for new facilities, and make improvements ranging from modifications and renovations of existing facilities to major tenant improvement projects.

Program Budget Highlights

Total budget increases \$3,474,710 (50%) from 2001/02 Forecast.

This increase includes:

The transfer of utility funding from Community Services Administrative Support Program to Facility Maintenance Program in the amount of \$3.9 million; had this transfer not taken place the Facility Maintenance budget would have decreased by approximately \$487,000.

The majority of the reduction related to delaying two projects, the window replacement at Loloma Artist School and the renovation of the North Corporation Yard restroom until 2003/04 at an estimated cost of \$350,000.

Trends

Age and increase in total square footage of City infrastructure requiring major maintenance and renovation and the need for preventative maintenance programs.

Lack of office space citywide has an impact on staff with administering construction and remodeling contracts as well as managing tenant improvements done with City forces.

Objectives

Refine the tenant improvement program to take the lead on the program for Citywide building/office upgrades.

Investigate the feasibility of an in-house inspector, field manager and/or facility engineer to ensure proper tracing of standards, designs, plans, and processes in a timely manner.

Develop and implement guidelines for facility and open space unit cost for capital improvement project planning for facilities.

Accomplishments

Completed 5-year Facilities Maintenance Plan for all buildings and facilities citywide.

Initiated the first phase of a citywide preventative maintenance program.

Began planning for a division-wide imaging system to track and manage plans, as-builts, and specifications for all City buildings and facilities.

Facilities Maintenance Program Performance Measures

Goal: Efficiently maintain all City buildings.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain or reduce the cost to provide custodial services for City facilities.	# of sq. ft. maintained	600,538	636,954	647,927	684,058
	Cost per sq. ft. of building custodial services	\$1.76	\$1.81	\$2.03	\$1.71

Facilities Maintenance Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	2,389,061	2,753,814	2,722,624	2,880,149
Contractual Services	3,520,360	3,593,936	3,517,107	6,760,505
Commodities	918,838	705,687	710,167	758,704
Capital Outlay	-	-	-	25,250
Total	6,828,259	7,053,437	6,949,898	10,424,608

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Contracts Coordinator	4	4	4	4
Facilities Contract Coord	3	3	3	3
Facilities Management Coord	2	3	3	3
Maintenance Electrician	7	8	9	9
Maintenance HVAC Technician	8	8	8	8
Maintenance Plumber	3	4	4	4
Maintenance Technician I	3	5	5	5
Maintenance Technician II	10	15	15	15
Maintenance Worker I	1	-	-	-
Water Resources Analyst	1	-	-	-
Total Full-time	42.00	50.00	51.00	51.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	42.00	50.00	51.00	51.00



Water & Wastewater Operations Program

**Supports City Council Broad Goal:
Balance Infrastructure and Resources**

Program Budget Highlights

Total budget decreases \$1,124,570 (-3.1%) from 2001/02 Forecast.

This decrease includes:

\$2.5 million reduction for Scottsdale Water Service Corporation buyout, which moved bond principal and interest to the debt service budget.

Reduction in electricity and natural gas use at the CAP Water Treatment Plant due to operational experience - \$140,000.

Reduction in purchased water at the CAP Water Treatment Plant, infrastructure limited CAP use more than anticipated for this year and part of next year - \$378,500.

New operational costs of \$463,300 for the IWDS budget for electric and water for one half year of operation.

Increase in Waste Water Treatment Plant charges paid to Phoenix Sub-regional Operations Group for treatment of sewage. Increase due to improved metering and strength of sewage analysis - \$782,000.

Trends

The expense of using non-ground water sources of supply, as required under the Groundwater Management Act and the Assured Water Supply rules, will continue to increase.

As the water and wastewater systems continue to age the cost to operate and maintain them will increase.

Unfunded federal and state mandates that impact departmental resources to safeguard the public health continue to increase significantly.

effectively managing existing resources.

Biennially revise and update the planning and operation assumptions to meet anticipated demand and regulatory changes through the Water Resources Master Plan and the Water Quality Master Plan.

Annually update and biennially review the Water Resources Department fee and water and Sewer Development fees assuring that growth will pay its proportionate share.

Deliver safe, reliable water and wastewater services, appropriately priced, to our customers by managing the City water and wastewater programs to maintain compliance with Federal and State programs.

Key Objectives

Secure and maintain a long-term assured water supply by identifying and obtaining water rights from other sources and by

Water & Wastewater Operations Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Administration & Engineering	1,461,204	1,715,847	1,702,429	2,329,147
Operations	22,011,463	20,081,770	19,862,374	19,662,001
Treatment	11,730,013	15,027,572	14,313,796	12,762,881
Total	35,202,680	36,825,189	35,878,599	34,754,029
Expenditures By Type				
Personal Services	6,418,533	7,149,549	7,229,897	7,214,081
Contractual Services	19,103,429	17,461,297	17,853,047	15,897,319
Commodities	9,195,778	12,057,739	10,735,809	11,642,629
Capital Outlay	483,940	156,604	59,846	-
Total	35,202,681	36,825,189	35,878,599	34,754,029
Staffing				
Total Full-time	117.00	117.00	116.00	116.00
Total Part-time	1.00	1.00	-	-
Total Full-time Equivalent (FTE)	117.75	117.75	116.00	116.00

Significant Accomplishments

Obtained sufficient water supplies to meet the 100-year Assured Water Supply rules which guarantees that the City has a long-term supply for all current and committed water users.

Entered the Third Management Plan of the Non-Per Capita Conservation Program through a stipulated agreement with the State.

Initiated design of the Southern Neighborhood water quality improvements at the Central Groundwater Treatment Facility.

Water & Wastewater Operations Program Performance Measures

Administration and Engineering

Goal: Direct and coordinate long term Departmental master planning, including engineering and Capital Improvement Program and protect citizen interest through long term financial planning with prudent rates and fees, appropriate use of bond financing, and compliance with all Federal and State regulations.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Ensure fiscally prudent rate and level rate increases. (Based on 8,000 gals per mo.)	% increases in Sewer Service Charges	7.5%	7.5%	3.0%	3.0%
	Average monthly sewer bill per household	\$14.72	\$15.83	\$16.30	\$16.79
*Per arsenic plan (Based on ¾" meter & 13,500 gal. per mo.)	% increase in Water Service Charges	1.5%	1.5%	1.5%	1.5%
	Average monthly water bill per household	\$35.84	\$36.60	\$36.97	\$37.35
Ensure development pays its proportionate share of "growth related" infrastructure costs.	Annual change in fees effective July 1 resulting from annual update / biennial review of Water, Water Resources, & Sewer Development Fees - Zone A/Zones B-E	Construction Cost Index 19.6%/19.5%	Biennial Review 3.6%/3.6%	Construction Cost Index 3.6%/3.6%	Biennial Review
Minimize cost of debt through maintenance or improvement of Water and Sewer Revenue bond ratings.	Moody's Investor Service	Aa1	Aa1	Aa1	Aa1
	Standard & Poor's Rating Group	AA	AA	AA	AA
	Fitch Investor Services	AA	AA	AA	AA
Ensure that Water Resources Master Plans are updated to reflect current supply demand projections and legal and regulatory requirements.	City Council approval Biennial update of Water Resources Master Plans	Summer 99	n/a	Summer 01	n/a
Incorporate recommendations of Water Resources Master Plans into five-year Capital Improvement Program.	City Council approval of Water Resources Department's five-year Capital Improvement Program	June 99	June 00	June 01	June 02

Water & Wastewater Operations Program Performance Measures, continued
Administration and Engineering, continued

Goal: Comply with the Arizona Department of Water Resources (ADWR) Groundwater Management Act, secure and maintain a long-term assured water supply by identifying and obtaining water rights from other sources and effectively manage existing resources.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
To comply with the Groundwater Management Act by decreasing the use of groundwater to meet water demands.	% of total demand that is met by groundwater	48%	44%	40%	35%
Secure Central Arizona Project water rights from other sub contractors.	Amount of CAP water acquired through transfers, leases, reallocations, etc. in acre feet (af)	12,500 af	1,300 af	0 af	0 af
Maintain assured water supply adequate to meet five-year projected demands.	Year through which designation of assured water supply extends	2002	2008	2008	2008
Maximize the amount of water recharged to meet future needs and drought conditions.	Amount of underground water reported to ADWR in acre feet (af) Water Campus & SRP Groundwater Savings Facility	7,117 af	16,700 af	12,800 af	10,100 af

Water and Wastewater Operations

Goal: Provide safe, quality water & wastewater service to satisfy customer demand.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Respond to customer complaints on quality & pressure within 24 hours.	% of water quality & pressure complaints responded to within 24 hours	100%	100%	100%	100%
Protect system by maintaining cross connection control per regulations.	# of properly maintained cross connection devices	5,378	6,359	7,300	8,000
Minimize service disruptions and loss of water through replacement of old service lines.	# of aging/deteriorating service lines repaired/replaced	1,635	1,716	1,700	1,500
Minimize service disruptions and loss of water through proper "bluestaking" (underground utility identification and marking).	# of bluestakes/ # of major mismarks	25,272/1	24,920/0	23,500/0	24,000/0
Minimize water hydrant service problems.	Preventative maintenance performed on fire hydrants annually. (# of hydrants/%)	1,191/14%	1,216/15%	900/11%	1,350/15%
Minimize service disruption through preventative maintenance of main line valves.	Preventative maintenance performed on 10% of main line valves annually. (# of valves/%)	1,164/6.9%	2,066/6.5%	1,150/3%	2,700/7%

Water & Wastewater Operations Program Performance Measures, continued

Treatment

Goal: Provide the highest level of water & wastewater services, while ensuring maximum efficiency & a competitive operational cost.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Comply with federal drinking water standards 365 days per year.	# of days of finished water turbidity 80% better than the federal standard	365	365	365	365
	# of odor complaints for plant processes	7	2	5	3
Optimize the operation of the Micro-filtration & Reverse Osmosis facilities	Acre feet recharged	2,124 af	6,000 af	5,700 af	6,700 af
	# of violations of the Aquifer Protection Permit	0	0	0	0
Minimize raw Central Arizona Project (CAP) water use and optimize effluent reused by golf courses.	% of effluent water delivered	50%	50%	76%	80%

Goal: Manage the Industrial Pretreatment Program (IPP) to ensure that Significant Industrial Users (SIU's) are permitted & comply with federal EPA Pretreatment Regulations & the Scottsdale Revised Code.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Permit & monitor Significant Industrial Users.	# of Significant Industrial Users (SIU's)	8	9	8	9
Sample & inspect SIU's to help prevent & detect violations.	# of Sampling Events & Inspections conducted	70	62	76	85

Water & Wastewater Operations Program

Administration & Engineering

Provides dependable leadership while directing and coordinating departmental financial and CIP activities. The division protects citizen interest with prudent rates and fees, and ensures compliance with all Federal and State regulations.

Objectives

- Provide active leadership and management that ensure the delivery of safe, efficient and effective services.
- Provide responsible management for the department's planning, legal, engineering, operational and financial activities.
- Plan, implement, and monitor the long-term financial activities for all water and wastewater enterprise funds including fiscally prudent rates, fees and bond issuances.
- Provide responsible management for expenditures and budgeting for all water and wastewater programs.
- Provide a long-term assured water supply.
- Update the City water and wastewater master plans on schedule every two years.

Accomplishments

- Completed the update and revisions to the Water, Water Quality, and Wastewater Master Plans, which gives the City a plan from which to build and operate systems, as we grow, that are reliable, efficient and cost effective.
- Completed updates of the Capital Improvement Plan, Development Fee increases, and the five-and ten-year financial plans to assure financial adequacy.
- Maintained a 100-year Assured Water Supply, which guarantees that the City has a long-term supply for all current and committed water users through calendar year 2008.
- Held the increase of Water and Sewer Service charges to 1.5% and 3.0% respectively, in spite of increasing Federal and State unfunded mandates.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	848,891	1,074,402	1,157,410	1,391,836
Contractual Services	372,859	441,380	363,305	726,386
Commodities	125,103	179,009	178,509	210,925
Capital Outlay	114,351	21,056	3,205	-
Total	1,461,204	1,715,847	1,702,429	2,329,147
Staffing				
Administrative Secretary	1	1	1	1
Department Advisor	1	1	1	1
Drinking Water Program Coord	1	1	1	1
Gen Mgr Water Resources	1	1	1	1
Lead Technologist	1	1	1	1
Maintenance Worker I	1	1	1	1
Regulatory Compliance Analyst	1	1	1	1
Secretary*	1	1	1	1
Sr. Water Resources Engineer	1	1	1	1
Water Distribution Field Coord	1	3	3	3
Water Financial Specialist	2	1	1	1
Water Res Dir Of Ops & Plann	1	1	1	1
Water Resources Analyst	1	1	1	1
Water Resources Director	4	4	3	3
Water Resources Engineer	1	1	1	1
Water Resources Office Coord	3	1	1	1
Water Resources Planning Adv	1	1	1	1
Water Resources Technician	2	2	2	2
Total Full-time	1	1	1	1
Total Part-time*	21.00	18.00	20.00	20.00
Total Full-time Equivalent (FTE)	1.00	1.00	20.00	20.00
	21.75	18.75	20.00	20.00

Water & Wastewater Operations Program

Water Operations

Operates, maintains and makes repairs to the water and wastewater systems; produces water that meets or exceeds all Federal and State standards and coordinates the City's Conservation and Superfund programs.

Objectives

Operate the water and wastewater systems and programs in a cost effective, efficient manner.

Identify and correct system deficiencies through the use of new and existing technology.

Evaluate and prioritize the replacement and rehabilitation program for the water and wastewater infrastructure.

Maximize the use of electronic technology to minimize staff increases.

Minimize service disruptions to our customers.

Continue to perfect the High Performance Work System.

Accomplishments

Completed implementation of the High Performance Work System, dividing the system in half and positioning employees and equipment geographically in order to reduce response time and provide better service to customers.

Maintained Federal and State environmental quality compliance for the municipal water system, continuing to provide safe drinking water to our customers.

Initiated design of the Southern Neighborhood Water Quality Improvements at the Central Groundwater Treatment Facility.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	4,252,234	4,077,639	4,014,979	3,869,024
Contractual Services	13,571,805	10,400,559	11,206,238	10,300,751
Commodities	3,906,456	5,512,768	4,591,328	5,492,226
Capital Outlay	280,968	90,804	49,829	-
Total	22,011,463	20,081,770	19,862,374	19,662,001
Staffing				
Citizen Service Representative	5	4	4	4
CMMS Technician	1	1	1	1
Cross Connection Controls Tech	1	1	1	1
Cross Connection Ctrl's Spec	1	1	1	1
Drinking Water Program Coord	-	-	1	1
Sr. Telemetry Controls Spec	-	1	1	1
Sr. Water Service Worker	15	15	12	12
Systems Integrator	1	1	1	1
Telemetry Controls Spec	3	2	2	2
Training/Safety Coordinator	1	1	1	1
Wastewater Collection Spec	-	1	1	1
Wastewater Collection Tech	-	1	3	3
Water Electrician	1	1	1	1
Water Electronic Technician	3	3	3	3
Water Maint Tech Trainee	1	1	1	1
Water Maintenance Tech	10	9	6	6
Water Operations Director	1	1	1	1
Water Operations Manager	1	1	-	-
Water Operations Field Coord	-	-	2	4
Water Operations Supervisor	-	-	4	2
Water Ops Systems Coordinator	-	1	1	1
Water Production Supervisor	1	1	-	-
Water Quality Specialist	-	-	1	1
Water Resources Office Coord	1	1	1	1
Water Resources Project Coord	-	1	1	1
Water Service Worker	12	11	11	11
Water/Wastewater Dist Supv	2	2	1	1
Water/Wastewater Field Rep	4	4	5	5
Water/Wastewater Liaison	1	-	-	-
Total Full-time	66.00	66.00	68.00	68.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	66.00	66.00	68.00	68.00

Water & Wastewater Operations Program

Treatment

Operates and maintains the City's water and wastewater treatment facilities, including water reclamation, advanced membrane and drinking water treatment plants. The division also insures that all plants and processes are in full compliance with applicable state and federal water quality standards.

Objectives

Operate and maintain the Water Campus treatment facility to insure water quality goals and regulatory requirements are consistently met.

Produce quality drinking water from the CAP water treatment plant and insure an adequate supply of treated drinking water is readily available.

Implement a Commercial Pretreatment Program to prevent oil and grease from entering the sanitary sewer system, to monitor and inspect commercial food preparation facilities, and to safeguard the public health by reducing the number of sewer blockages and overflows.

Research and implement the latest in advanced technology in order to maximize productivity of the treatment group staff.

Hire, train and motivate a best in class workforce through full support of continuing education, teamwork and personal achievement.

Insure adequate resources in operations and maintenance are available to meet program objectives.

Accomplishments

Maintained Federal and State environmental quality compliance for the municipal water system, continuing to provide safe drinking water to our customers.

Continued to treat and produce irrigation quality sewage effluent for use on 20 north Scottsdale golf courses.

Continued to treat sewage effluent to drinking water quality standards for ground water recharge purposes.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	1,317,408	1,997,508	2,057,508	1,953,221
Contractual Services	5,158,765	6,619,358	6,283,504	4,870,182
Commodities	5,165,219	6,365,962	5,965,972	5,939,478
Capital Outlay	88,621	44,744	6,812	-
Total	11,730,013	15,027,572	14,313,796	12,762,881
Staffing				
Administrative Secretary	-	1	1	1
Process Control Analyst	1	1	1	1
Water Res Tech Pln/Supp Coor	1	1	1	1
Water/Wastewater Tr Mgr	1	1	1	1
Water/Wastewater Treatment Dir	1	1	1	1
Sr. Water Plant Operator	1	1	1	1
Water/Wastewater Plnt Sr. Op	7	4	4	4
Water/Wastewater Tr Plnt Op	11	12	12	12
Maintenance HVAC Technician	1	1	1	1
Sr. Water Maintenance Tech	1	1	1	1
Water Campus Comp Specialist	2	2	-	-
Water Campus Maint Specialist	-	1	1	1
Water Campus Maint Tech	-	2	2	2
Water Conservation Spec	3	3	-	-
Water Electronic Technician	-	1	1	1
Total Full-time	30.00	33.00	28.00	28.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	30.00	33.00	28.00	28.00



Capital Project Management Program

Supports City Council Broad Goal: Balance Infrastructure and Resources

Capital Project Management serves the citizens of Scottsdale by striving for excellence in its management of the design and construction of capital improvement projects and its management of publicly owned properties.



Program Budget Highlights

Total budget increases \$157,079 (6.8%) from 2001/02 Forecast. Capital Project Management program is charged to Capital Improvement Projects resulting in a zero increase to the General Fund.

This increase includes:
Conversion of a contractual position to regular staff
Technology Specialist position to support the Bond 2000 program by producing on-line project status reports, digital map center updates and financial support.

Other miscellaneous increases and decreases to support the current service levels for this program.

Trends

Involvement of stakeholders in the capital improvement process continues to increase. While adding value to the overall process and the capital improvement itself, (i.e., library, aquatic centers) it also increases the time line for completion of capital improvement projects.

Implementation of the Bond 2000 program will necessitate that Capital Project Management better manage the cash flow for related projects to avoid arbitrage issues.

Accomplishments

Initiated final design of Hayden Road between Princess Drive and Pima Freeway.

Initiated final design of buffering wall and multi-use path along Pima Road between Inner Circle Drive and Via de Ventura and for a multi-use path along Shea Boulevard between 136th and 142nd Streets.

Completed the last segment of the Pima Freeway through Scottsdale.

Objectives

Continue to adjust the capital improvement project process to incorporate the new Bond 2000 projects with the ongoing capital improvement program.

Inform and involve citizens in the capital improvement program planning, design, construction and acquisition process.

Maintain and continue to enhance the City's real property management system.

Acquire property and right-of-way in a cost effective and least disruptive manner.

From the beginning to the end of a capital improvement project, be clear about our construction requirements, and continually communicate with stakeholders so that our end product reflects quality.

Establish and communicate sound capital improvement project schedules and deliver projects as promised.

Capital Project Management Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	1,159,920	2,259,337	2,259,337	2,434,841
Contractual Services	233,754	(2,359,290)	(2,304,687)	(2,461,766)
Commodities	19,145	36,347	31,947	26,925
Capital Outlay	62,340	63,606	13,403	-
Total	1,475,159	-	-	-

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
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Staffing

Asset Management Coord	-	-	-	-
Asset Management Spec	-	-	-	-
Capital Projects Mgt Admin	1	1	1	1
Citizen Service Representative	1	1	1	1
Civil Designer	1	1	1	1
Civil Engineer	1	1	1	1
Construction & Design Direct	1	1	1	1
Construction Coordinator	1	3	3	3
Project Budget Analyst	1	1	1	1
Project Manager	6	2	2	2
Public Works Inspector	3	3	3	3
Public Works Planner	2	4	4	4
Public Works Project Coord	2	2	2	2
Right-Of-Way Agent	1	2	2	2
Right-Of-Way Agent*	1	-	-	-
Secretary*	1	1	1	1
Sr. Project Manager	3	9	9	9
Sr. Public Works Planner	1	1	1	1
Sr. Right Of Way Agent	1	1	1	1
Technology Specialist	-	-	-	1
Transportation Planning Dir	1	1	-	-
Total Full-time	27.00	34.00	33.00	34.00
Total Part-time*	2.00	1.00	1.00	1.00
Total Full-time Equivalent (FTE)	28.50	34.75	33.75	34.75

Capital Project Management Program Performance Measures

Goal: Keep construction projects within budget.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain project administration costs at or below 4% of project budgets.	Administration costs as a % of project budgets	3.5%	3.5%	4%	4%
Maintain design change orders at or below 25% of contract costs.	Design change orders as a % of contract costs	28.2%	21.3%	25%	24%
Maintain construction change orders at or below 10% of contract costs.	Construction change orders as a % of contract costs	10%	7.2%	10%	9%

Goal: Keep construction projects on schedule.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Complete plan reviews within 2 weeks 95% of the time.	% of plan reviews completed within 2 weeks	88%	90%	92%	92%
Complete projects on schedule 95% of the time.	% of projects completed on schedule	78%	81%	82%	86%
Complete closeout process within 60 days of project completion.	% of projects that have closeout completed within 60 days of project completion	n/a	43%	60%	70%

Goal: Protect the City's assets and put them to their best possible use.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Respond to real property information requests within 24 hours.	% of requests responded to within 24 hours	90%	90%	90%	90%
Develop leases/licenses for use of city property that generate revenue or provide services to Scottsdale citizens.	% of long term leases/licenses finalized per year that generate revenue or provide services to Scottsdale citizens	100%	100%	100%	100%



Technology Infrastructure Program

Supports City Council Broad Goal: Balance Infrastructure and Resources

Provides planning, development, and implementation of geographically enabled technologies; and develops and maintains the digital base maps for the City of Scottsdale.

Program Budget Highlights

Total budget decreases \$112,126 (-10.4%) from 2001/02 Forecast.

This decrease includes:

Reduction in contractual services by eliminating part-time 3-D application development contract position.

Changing annual aerial photography program to biennial - \$120,000 savings in 2002/03.

Trends

Mobile GIS Access. Employees with mobile access to digital GIS maps & data has quadrupled, from 11 (2001) to 48 (2002). It is anticipated that this number will increase to 93 in 2003 (laptops for building inspectors and pavement patch crews), and to more than 260 during 2004 (police and fire units).

Mobile Data Transmission Speeds. Wireless data transmission speeds have tripled during 2002 from 19.2KB (CDPD) to 56KB (GPRS). It is anticipated that these speeds will exceed 200KB during 2003. This trend will accommodate increased access to GIS maps & data from our mobile workforce.

Internet GIS Access. Digital Map Center access doubled during 2001. Over 19,000 maps were accessed by 4,299 different customers during 2000, increasing to 43,000+ (maps accessed) and 8,813 (different customers) during 2001. It is anticipated that this trend will continue during the next few years as new Internet-based GIS services are deployed.

Objectives

Maintain GIS maps & databases in a timely and accurate fashion, as this information is key to several Mission critical business systems: emergency response / 911, inspections, permitting, pavement management, project coordination (300' notifications), code enforcement, and water / wastewater asset management.

Provide Internet based GIS system to our citizens, for better customer service and easier access to visual map-based information on a wide variety of subjects from home or business.

Complete digital conversion for wastewater (sewer) GIS map layers. Completion will eliminate dependency upon out-of-date paper maps and enable deployment of an automated work order management for sewer-related work activities.

Use GIS as a planning tool to enhance visualization technologies, help with the preservation of meaningful open space and maintain Character Areas.

Evaluate, procure, and implement next generation GIS platform to take us through the next decade.

Complete GIS mapping layers for CIP locations, joint trench locations, encroachment and utility locations and scheduled pavement treatment layers for a developed Right of Way Management System. - December 2002

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Complete digital conversion for storm water GIS (underground pipes, catch basins, manholes, drainage channels, retention basins, etc.). This work will lay the groundwork for automated systems that improve drainage infrastructure planning and maintenance.

Accomplishments

Assisted ten or more departmental business systems in leveraging GIS maps and data providing better service to their customers. At the same time we also decreased the average lag time in updating the database for new subdivisions (from 45 to 30 days).

Deployed the Internet-based Digital Map Center (DMC) which provides on-line access to Scottsdale maps & GIS databases for employees and external constituents.

Completed the water GIS mapping layers (water mains, meters, services, hydrants, valves, etc.). The water GIS is actually the "inventory" component of an automated asset management solution that is being deployed within Water Resources.

Leveraged 3D GIS technology and data to automatically delineate ESLO boundaries based on slope and other factors.

Completed of pavement GIS. Deployment of an automated Pavement Management System was dependent upon completion of this project.

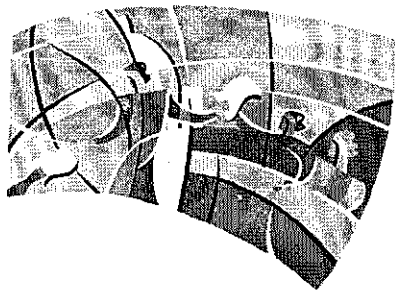
Acquired high resolution, color digital aerial photography. This photography is referenced heavily by employees and external constituents for a variety of purposes: pavement GIS updates; delineation of drainage basin boundaries; police SWAT / strategic planning; prosecution; site planning; etc.

Technology Infrastructure Program				
	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	390,094	530,411	520,292	571,914
Contractual Services	641,858	561,223	520,833	383,510
Commodities	21,452	31,610	31,610	13,000
Capital Outlay	25,661	51,324	7,815	0
Total	1,079,065	1,174,568	1,080,550	968,424
Staffing				
Enterprise Systems Integrator	2	-	-	-
GIS Analyst	-	2	2	2
GIS Manager	-	1	1	1
GIS Technician	3	5	5	5
I.S. Support Mgt.	1	-	-	-
Sr. I.S. Technician	1	1	1	1
Total Full-time	7.00	9.00	9.00	9.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	7.00	9.00	9.00	9.00

Technology Infrastructure Program Performance Measures

Goal: To support community planning, land development, public safety, and asset management functions by maintaining timely and accurate GIS maps and databases.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Track workload indicators.	# of new subdivisions posted to GIS database	50	50	30	30
	# of map layers that are being maintained by GDS staff	20	28	35	40
	# of finalized Water quarter section maps	50	250	540	540
Track organizational and community use of GIS maps & databases.	# of maps downloaded thru the Digital Map Center	n/a	48,141	101,423	150,000
	# of maps and data queries processed by the Land Information System	99,320	109,200	89,700	90,000
Track departmental business solutions that leverage GIS maps & data.	# of departmental business systems that leverage GIS maps & data	8	15	25	35
Track timeliness of GIS maps & database.	Average time lag (in days) between when a new subdivision is recorded and when the land information (parcels, streets, addresses) are posted to the GIS database	60	45	30	30
	Average time lag (in days) between the final inspection and posting of utility information (water/wastewater) to the GIS database	90	60	60	30



City Council Broad Goal:

Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations.

Programs

- Administrative & Legislative Leadership
- Non-Emergency Response
- Public Notification & Communication
- Human Resources

Key Objectives

- Provide legislative leadership
- Ensure ease of public access to meetings, staff, and public information
- Recruit, hire, train, and retain quality staff
- Continually evaluate operations and practices

Budget Highlights

The operating budget — \$12.3 million, has decreased by \$1.7 million (-12.4%) from 2001/02 Forecast. Highlights include:

Elimination of the endowment officer, an information systems technician, a public information officer, and a management intern;

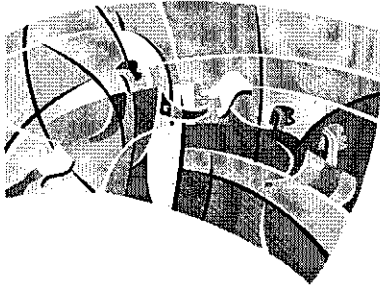
Budget reduction in the Elections budget for 2002/03, as there are no elections planned for that year;

Expansion of the monthly Pride newsletter to four pages including mailing to residents not currently receiving a utility bill, the current method of distribution;

Elimination of the quarterly Citizens Magazine;

Transfer of miscellaneous employee benefits such as tuition reimbursement and mammogram/prostate screenings to the salary budget as recommended by the 2001/02 Citizens Budget Committee.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Program				
Administrative & Legislative Leadership	2,293,789	2,772,765	2,699,123	2,209,671
Non-Emergency Response	-	832,254	818,001	539,593
Public Notification & Communication	5,449,230	6,979,215	6,320,506	6,090,782
Human Resources	3,623,045	3,976,838	4,202,176	3,458,750
Total	11,366,065	14,561,072	14,039,806	12,298,796
Expenditures By Type				
Personal Services	7,155,294	9,086,858	8,962,712	9,110,053
Contractual Services	3,278,336	4,453,601	4,358,032	2,646,704
Commodities	731,402	581,761	603,024	542,039
Capital Outlay	201,032	438,852	116,038	-
Total	11,366,065	14,561,072	14,039,806	12,298,796
Staffing				
Total Full-time	109.00	130.00	127.00	123.00
Total Part-time	7.00	7.00	7.00	7.00
Total Full-time Equivalent (FTE)	112.87	135.37	131.37	127.37



Administrative & Legislative Leadership Program

**Supports City Council Broad Goal:
Accessible and Responsive Government**



Program Budget Highlights

Total budget decreases \$489,452 (-18.1%) from 2001/02 Forecast.

Changes includes:

Elimination of Endowment Officer position including salary, benefits, and miscellaneous line item accounts - \$77,900. This program will be continued within the Social Services Program using existing staff.

Allocation of Assistant City Managers and Deputy City Manager's salaries to the programs they oversee.

Subprograms:

Mayor and City Council

City Manager

Intergovernmental Relations

Trends

As Scottsdale matures, reinvestment in established areas will increase.

A greater focus shall be placed on neighborhood services and social services for all residents.

A greater focus shall be placed on balancing the opportunity for existing businesses to prosper with the need to attract new industry.

Greater attention shall be placed on fundamental City services for neighborhoods, businesses, and visitors.

Continuing rapid changes in information technology require automation solutions to improve case and file management, retrieval efficiency, and provide a high standard of customer service.

Increased interest from State, regulatory agencies, and citizens requires more dedicated effort in review of the internal control environment and adherence to laws, regulations, and contractual terms.

Approximately 1,200 bills are annually proposed at the Arizona State Legislature, a large number of which impact City funding and operations.

Attempts at the state and federal levels to reduce government, threaten the cities' local authority to make decisions that best represent the citizens we serve.

With a continuing unstable national economy, fair and responsible management of public funds will become more critical.

As Scottsdale reaches build out, less revenue will be generated by construction related sales tax and retail sales tax.

Scottsdale neighborhoods will continue to age and mature.

Scottsdale's population will become more diverse.

Scottsdale citizens will continue to demand open, accessible, responsible and responsive government.

Continued population growth of the metropolitan area and state will broaden traffic congestion.

Greater emphasis will be placed on regional air traffic and flight paths.

A greater focus shall be placed on the long-term economic prosperity of Scottsdale.

A continued focus shall be placed on neighborhood services and social services for all residents.

A continued emphasis will be placed on successfully preserving the 16,600 acres of desert lands identified for the McDowell Sonoran Preserve.

Continued importance will be placed on community participation and citizen involvement on planning, development, redevelopment and transportation.

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State Legislative District boundaries were revised in 2001 and will be effective in the 2002 elections.

Revised district boundaries will require establishing new relationships with State Legislators.

Budgetary issues at the state and federal levels continue to threaten to reduce funds available to municipal governments.

Arizona will continue to address land use, transportation, social services and environmental issues on a regional and subregional basis, which will require municipalities to work with agencies at all levels of government to meet local objectives.

Key Objectives

Assure that at the federal, state, and regional levels of government, the Mayor and Council Mission and Goals are represented and advocate that the legislative and administrative policies set at each of these governmental levels provide the tools by which Scottsdale's goals and objectives may be achieved.

Continue to represent Scottsdale's interests in regional issues that transcend our boundaries by playing a key role in regional programs and planning efforts.

Successfully advocate positions consistent with the Mayor and City Council Mission and Goals through collaboratively working with the League of Arizona Cities and Towns, the National League of Cities, the US Conference of Mayors, the Maricopa Association of Governments, the Regional Transportation Authority and other interest groups.

Significant Accomplishments

Continued to lead McDowell Sonoran Preserve efforts by approving land acquisitions and coordinating with the State Land Department.

Developed City Council Agenda planning and review process.

Initiated a review of the organization's structure to match Council's Mission Statement and Goals.

Placed City Council meeting agendas and full packet of backup materials on the Internet on Friday prior to Council meetings, in addition to legal posting sites and placement at all libraries and citizen service centers.

Developed and implemented 162 policies and procedures along with flow charts for all the activities within the court.

Installed enhanced audio software and devices in all courtrooms.

Installed a lobby management system and an information booth in order to improve service to the public and to allow for better access to the court.

Partnered with Information Services to upgrade the City's Internet site by developing web standards, providing more staff training, and assisting with the development and marketing of new web services.

Administrative & Legislative Leadership Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Mayor & Council	532,247	781,563	746,096	779,655
City Manager	1,372,590	1,530,938	1,508,874	986,888
Intergovernmental Relations	388,952	460,274	444,153	443,128
Total	2,293,789	2,772,765	2,699,123	2,209,671
Expenditures By Type				
Personal Services	1,725,766	2,015,890	2,006,299	2,009,694
Contractual Services	462,721	623,926	601,116	120,537
Commodities	80,662	78,993	80,550	79,440
Capital Outlay	24,639	53,956	11,158	-
Total	2,293,789	2,772,765	2,699,123	2,209,671
Staffing				
Total Full-time	23.00	26.00	26.00	25.00
Total Part-time	1.00	1.00	1.00	1.00
Total Full-time Equivalent (FTE)	23.72	26.72	26.72	25.72

Administrative and Legislative Leadership Program Performance Measures

Mayor and City Council

Goal: Implement programs and services to support the City Council's Mission and Goals.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide leadership throughout organization.	Approval by the City Council of the performance of programs and service delivery	n/a	n/a	meet measure	meet measure
Ensure a responsive and accountable organization through effective leadership.	City Council satisfaction of organizational performance and service delivery	n/a	n/a	meet measure	meet measure

City Manager

Goal: Set policies that support the Mission and Goals developed by City Council to respond to the needs of Scottsdale residents, businesses and visitors.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Enhance well-maintained, safe and secure neighborhoods.	Yes / No	n/a	n/a	meet measure	meet measure
Enrich the character and environment of Scottsdale.	Yes / No	n/a	n/a	meet measure	meet measure
Provide safe and efficient movement of people and goods.	Yes / No	n/a	n/a	meet measure	meet measure
Position Scottsdale for long-term economic prosperity by diversifying our economic resources.	Yes / No	n/a	n/a	meet measure	meet measure
Coordinate planning to balance infrastructure and resource needs.	Yes / No	n/a	n/a	meet measure	meet measure
Ensure accessible, responsive and accountable government.	Yes / No	n/a	n/a	meet measure	meet measure
Ensure fiscal responsibility and fairness in the management of taxpayer monies	Yes / No	n/a	n/a	meet measure	meet measure

Administrative and Legislative Leadership Program Performance Measures, continued
Intergovernmental Relations

Goal: Maintain and improve effective internal communication regarding intergovernmental issues relevant to Scottsdale.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Develop the Scottsdale State Legislative Program by January of each year & the Federal Program by March of each year.	Approval by the City Council of the state & federal programs	achieved	meet measure	meet measure	meet measure
Prepare & distribute concise reports on federal, state & regional issues monthly, & weekly during the Legislative session.	% of reports distributed	95%	95%	95%	95%
Complete & present end-of-session State Legislative Report within 30 days of adjournment.	Presentation of the end-of-session report within 30 days of adjournment	achieved	meet measure	meet measure	meet measure

Goal: Maintain excellent working relationships with other entities and other City departments in order to represent Scottsdale's interests in regional issues.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain a 95% satisfaction rate for services provided to other cities & regional governments & organizations.	% of satisfaction rating in annual survey	95%	95%	95%	95%
Maintain a 95% satisfaction rate for services provided to other City departments.	% of satisfaction rating in annual survey	95%	95%	95%	95%

Goal: Effectively advocate Scottsdale's Legislative Program before Congress and the State Legislature.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain a 90% satisfaction rate for services provided to Scottsdale's Congressional & State Legislative delegations & related Legislative staff.	% of satisfaction rating in annual survey	90%	90%	90%	90%
Provide direct communication with Congressional & Legislative Representatives for the City Council to advocate City of Scottsdale issues.	# of City Council Legislative meetings scheduled	3	3	3	3
	Schedule at least two meetings of the Mayor & Council representatives with individual Legislators	achieved	meet measure	meet measure	meet measure
Active participation in federal & state advocacy organizations.	Coordinate City Council membership & participation in the National League of Cities, League of Arizona Cities and Towns, & the U.S. Conference of Mayors	achieved	meet measure	meet measure	meet measure

Administrative & Legislative Leadership Program

Mayor and City Council

Builds citizen trust by fostering/practicing open, accountable and responsive government; provides quality services; provides long-term prosperity; preserves Scottsdale's unique southwest character; plans and manages growth in harmony with its desert surroundings; and promotes livability by enhancing and protecting neighborhoods. Quality of life for residents and visitors shall be the paramount consideration.

Objectives

Enhance and protect a diverse, family-oriented community where neighborhood are safe, protected from adverse impacts, and well maintained.

Preserve the character and environment of Scottsdale.

Provide for the safe, efficient and affordable movement of people and goods.

Position Scottsdale for long-term economic prosperity by diversifying economic resources.

Coordinate planning to balance infrastructure and resource needs.

Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations.

Ensure Scottsdale is fiscally responsible and fair in its management of taxpayer money and City assets.

Accomplishments

Reaffirmed City Council Mission Statement and Goals

Appointed 11-member Citizens Budget Review Committee.

Received a reclassification of more than 13,000 acres by the State Land Comer through the Arizona Preserve Initiative for the McDowell Sonoran Preserve.

Adopted the General Plan for the City in October 2001.

Adopted Fiscal Year 2002/03 Budget.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	361,900	518,666	518,666	535,159
Contractual Services	135,417	215,473	200,625	209,256
Commodities	29,156	29,000	24,000	35,240
Capital Outlay	5,774	18,424	2,805	-
Total	532,247	781,563	746,096	779,655
Staffing				
Council Person	6	6	6	6
Executive Secretary	1	2	2	2
Executive Secretary To Mayor	1	1	1	1
Management Assistant	1	1	1	1
Mayor	1	1	1	1
Public Information Coordinator	-	1	1	1
Total Full-time	10.00	12.00	12.00	12.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	10.00	12.00	12.00	12.00

Administrative & Legislative Leadership Program

City Manager

Implements the City Council's Mission and Goals by leading the organization's delivery of effective and efficient public services and programs.

Objectives

Through newly established Office of Economic Vitality, develop comprehensive programs and strategies to promote the City's long-term economic stability including small business assistance programs and business visitation programs during fiscal year 2002/03.

Continue implementation of the bond program projects during fiscal year 2002/03.

Continue aggressive land acquisitions to complete the McDowell Sonoran Preserve during fiscal year 2002/03.

Continue implementation of Family Advocacy Center during fiscal year 2002/03.

Continue enhancing neighborhood and citizen services during fiscal year 2002/03.

Expand opportunities for public participation in City business and decision-making.

Expand citizen and neighborhood notifications and information about various City business.

Emphasize program budgeting during the City's budget development process.

Accomplishments

Conducted a City Council Workshop, where City Council members reaffirmed their Mission Statement and Goals.

Assisted with State Land Commissioner's decision to classify 13,300 acres of the 16,600 acres of preserve lands as "suitable for conservation" under the State's Arizona Preserve Initiative Act.

Established Citizen and Neighborhood Resource related programs using existing staff from across the organization.

Established Economic Vitality Office to address economic and redevelopment challenges facing the City.

Retained Deputy City Manager to oversee Transportation, Planning, Building, Citizen/Neighborhood and Preservation Programs.

Created and distributed Board and Commission Status Report to City Council.

Established orientation program for new Board and Commission members.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	1,174,901	1,291,565	1,281,974	1,262,722
Contractual Services	132,324	162,736	167,048	315,084
Commodities	48,425	45,043	52,100	39,250
Capital Outlay	16,940	31,584	7,752	-
Total	1,372,590	1,530,928	1,508,874	986,888

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Assistant City Manager	3	3	3	3
Assistant To City Manager	1	1	1	1
City Manager	1	1	1	1
Deputy City Manager	-	-	1	1
Endowment Officer	1	1	1	1
Executive Assistant	1	1	1	1
Executive Secretary	3	2	2	2
Executive Secretary/City Mgr	1	1	1	1
Redevelopment Administrator	-	1	1	1
Sr. Redevelopment Planner	-	1	-	-
Total Full-time	11.00	12.00	12.00	11.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	11.00	12.00	12.00	11.00

Administrative & Legislative Leadership Program

Intergovernmental Relations

Represents the City of Scottsdale at all levels of government by promoting positive and cooperative relations, in an effort to advance Scottsdale's objectives and policies as set forth in the Mayor and City Council Mission and Goals.

Objectives

Assure that at the federal, state, and regional levels of government, the Mayor and Council Mission and Goals are represented and advocate that the legislative and administrative policies set at each of these governmental levels provide the tools by which Scottsdale's goals and objectives may be achieved.

Continue to represent Scottsdale's interests in regional issues that transcend our boundaries by playing a key role in regional programs and planning efforts.

Successfully advocate positions consistent with the Mayor and City Council Mission and Goals through collaboratively working with the League of Arizona Cities and Towns, the National League of Cities, the US Conference of Mayors, the Maricopa Association of Governments, the Regional Transportation Authority and other interest groups.

Provide support to the Mayor, City Council, City Staff and City residents in pursuit of federal, state, and regional regulatory and funding issues as requested.

Accomplishments

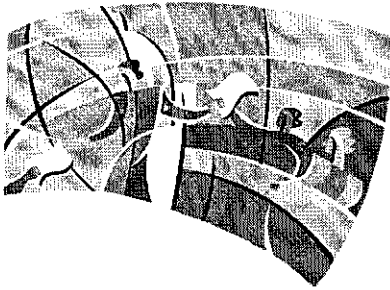
Scottsdale remains an active leader at the regional, state and local levels.

At the National level Scottsdale representatives filled key positions on the National League of Cities Transportation Infrastructure and Services Steering Committee; the National League of Cities Energy, Environment and Natural Resources Policy Committee; and the National League of Cities Finance, Administration and Intergovernmental Relations Policy Committee. This past year the City of Scottsdale hosted a meeting of the National League of Cities Transportation Infrastructure and Services Steering Committee.

At the state and regional levels, City representatives were active in the Maricopa Association of Governments, League of Arizona Cities and Towns, Arizona Municipal Water Users Association, and Regional Public Transportation Association committees and governing bodies.

Scottsdale played an active role in what was generally viewed as a very successful year in representing local governmental interests in the Arizona State Legislature. Our relationships with federal and state elected officials are strong and have resulted in effective representation of our community's interests.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	188,965	205,659	205,659	211,813
Contractual Services	194,980	245,717	233,443	226,365
Commodities	3,081	4,950	4,450	4,950
Capital Outlay	1,925	3,948	601	
Total	388,952	460,274	444,153	443,128
Staffing				
Administrative Secretary*	1	1	1	1
Government Relations Coordinator	1	1	1	1
Government Relations Director	1	1	1	1
Total Full-time	2.00	2.00	2.00	2.00
Total Part-time*	1.00	1.00	1.00	1.00
Total Full-time Equivalent (FTE)	2.72	2.72	2.72	2.72



Non-Emergency Response Program

Supports City Council Broad Goal: Accessible and Responsive Government

Creates partnerships with citizens providing a direct line to City Staff. This program provides service and neighborhood communication through the Neighborhood Education Program, Citizen Liaisons, and Neighborhood Safety Advisors.



Program Budget Highlights

Total budget decreases \$278,408
(-34.0%) from 2001/02 Forecast.

Changes include:

Transfer of 4 positions to
Neighborhood Services Program
-\$263,890 salary & benefits.

Reduction in various line item
budgets.

Objectives

Deploy an Internet-based Call Center solution. This extension to the Virtual Call Center (VCC) will enable on-line submission of complaints or service requests.

Enhance the Neighborhood Safety program following community policing and home safety initiatives identified by the Police and Fire by assisting with Block Watch and other programs.

Hold community dialogue to get input from the neighborhoods as to what their ideas and issues are for keeping their neighborhoods safe and well maintained.

Expand education outreach efforts to community service groups, PTO/PTA's, HOA groups, churches, and professional organizations. Coordinate the Neighborhood College programs.

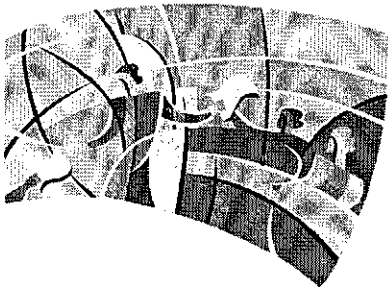
Coordinate events with the Scottsdale Pride Committee, such as "Adopt-a-Road" and "Treasures to Trash."

Empower citizens and encourage citizen involvement in the issues and processes relevant to their neighborhood and/or community.

Non-Emergency Response Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	-	629,192	616,337	463,163
Contractual Services	-	127,350	133,760	67,430
Commodities	-	16,000	16,000	9,000
Capital Outlay	-	59,712	51,904	-
Total	-	832,254	818,001	539,593

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Citizen Liaison	-	2	2	2
Cust Svc/Communications Dir	-	1	1	1
Downtown Liaison	-	-	1	1
Information Resource Mgr	-	1	1	1
Neighborhood Education Manager	-	1	-	-
Neighborhood Safety Specialist	-	3	-	-
Secretary	-	1	-	-
Technology Coordinator	-	1	1	1
Total Full-time	-	10.00	6.00	6.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	-	10.00	6.00	6.00



Public Notification & Communications Program

**Supports City Council Broad Goal:
Accessible and Responsive Government**

Trends

Increasing number of requests for electronic records (immediate response) is changing website information.

Increase in number of claims and lawsuits served upon the City.

More voters now vote early than vote at the polls on election day.

Election costs are increasing.

Voter turnout is declining.

Fewer residents are registering to vote.

Overall satisfaction with citizen communications has remained relatively stable in 2001, as measured in the annual Citizen Survey. About 22 percent rated communications "very good" and 61 percent rated it "good" in 2001, compared with 17 and 68 percent, respectively, in 2000.

The number of citizens with access to the Internet seems to be at a plateau. In the 2001 Citizen Survey, 76 percent had access to the Internet at home, compared to 72 percent in the 2000 survey. This trend bears out the need to avoid relying on the Internet as a sole source of information.

In a communications survey in 2000, citizens preferred to be notified by mail about meetings or events in their neighborhood. The results of the survey were consistent with focus groups conducted by CAPA in early 2001.

Citizens in the 2001 focus groups said they expect City publications and materials to carry some type of graphic element – a seal or symbol – that easily identifies them as official City materials.

Objectives

Expand and improve customer services, legal representation, and exchange of information through the increased use of technology in helping to make government accessible, responsive and accountable.

Make the Citizen Survey and other City surveys more useful by instituting (by the Fall of 2003) new survey standards and a process to better coordinate surveys and provide more information about City issues at the neighborhood level.

Begin implementation of citywide graphics standards beginning in early 2002 and continue to expand the standards to ensure citizens can easily recognize communications from the City.

Make public records available to citizens upon request to meet their expectations and in accordance with legal requirements.

Continue to encourage use of electronic City Code by staff and the public.

Continue to encourage use of electronic agenda packets by Council and staff, thereby reducing the number of hard copies required to be printed.

Program Budget Highlights

Total budget decreases \$229,724 (-3.6%) from 2001/02 Forecast.

Changes include:

Elimination of I.S. Technician position.

Elimination of Public Information Coordinator position.

Reduction in the Elections budget because no election is scheduled for 2002/03 - \$330,000.

Elimination of the Citizen Magazine – a quarterly publication.

Addition of \$132,000 for expansion of the Pride Newsletter (a utility bill insert) from 2 to 4 pages and mailing to every household that currently does not receive a utility bill.

Reduction in various contractual service accounts.

Subprograms:

City Clerk

Elections

Communications and Public Affairs

Technology Infrastructure Support

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Work with Maricopa County to make elections more efficient and less costly.

Attend the League of Arizona Cities & Towns and Arizona Municipal Clerks Election Workshop to learn new procedures and new laws to better prepare for future elections.

Implement an interactive voice response system (IVR) to provide general information to the public, route callers to the appropriate party and supply client specific information for court dates, account balances, and courtrooms.

Complete an upgrade to the telephony infrastructure that will provide options for lower cost systems for small office locations. This upgrade will also allow for more efficient call routing and management reporting.

Establish a citywide data classification scheme for increased application and data security.

Identify an alternate computer operations site for the City's Scottsdale Center for the Arts computer facility, and develop a strategic plan for bringing this site on-line if necessary. This site would be used for the processing of critical applications in the event that a catastrophic disaster renders the City's computer facility inoperable.

Significant Accomplishments

Met requirements of Arizona law for posting of all Council meetings and providing transcripts of Council meeting minutes within three days of meeting.

Placed City Council meeting agendas and backup materials on the Internet on Fridays prior to Council meetings, in addition to legal posting sites and placement at all libraries and citizen service centers for easy access by citizens.

Conducted 3/12/02 General & Special Election - ratified General Plan.

Coordinated and involved the community in year-long celebration of Scottsdale's 50th anniversary of incorporation, including coordination of several public events, media coverage and publication of a commemorative booklet and employee newsletter on the City's first 50 years.

Launched new weekly e-mail newsletter, Scottsdale City Update, and other e-mail subscription services in December, to provide more timely information on City meetings, public participation opportunities and events.

Implemented Virtual Private Network Technology and an Outlook Web access server to allow City employees to securely connect to the City's Internet and desktop services utilizing their own Internet Service Provider.

Implemented Storage Area Network to create a "disk storage farm" for citywide consolidated storage of electronic information.

Public Notification & Communications Program				
	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
City Clerk	664,606	706,227	671,329	652,757
Election	47,343	332,524	330,625	2,402
Communications & Public Affairs	1,441,013	1,692,088	1,408,060	1,446,132
Technology Infrastructure Support	3,296,269	4,248,376	3,910,492	3,989,491
Total	5,449,230	6,979,215	6,320,506	6,090,782
Expenditures By Type				
Personal Services	3,087,758	4,054,408	3,987,476	4,217,284
Contractual Services	1,845,819	2,378,566	2,008,985	1,634,909
Commodities	368,129	288,541	283,888	238,589
Capital Outlay	147,524	257,700	40,157	
Total	5,449,230	6,979,215	6,320,506	6,090,782
Staffing				
Total Full-time	53.00	61.00	61.00	59.00
Total Part-time	2.00	2.00	2.00	2.00
Total Full-time Equivalent (FTE)	54.15	62.15	62.15	60.15

Public Notification and Communications Program Performance Measures

City Clerk

Goal: Preserve & maintain legislative documents that are in accordance with applicable laws to promote an informed public & enhance city operational efficiency.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide records of City Council meetings that meet legal requirements.	Average # of days between meeting & transcription of minutes	3 days	3 days	3 days	3 days
	% of minutes transcribed within seven days	100%	100%	100%	100%
Postings of legal notices for public hearings & publishings within 24 hours of the meeting in accordance with statutory requirements.	# of legal postings	498	757	700	710
	Cost per legal posting	\$9.27	\$6.93	\$7.43	\$7.38
	% of legal notices posted within 24 hr requirement	100%	100%	100%	100%
Place Council agenda packets on the internet.	% of Council Actions placed by the Friday before the scheduled meeting	100%	100%	100%	100%
Provide Council agendas for citizens at least 24 hours prior to scheduled meeting.	# of meetings/agendas	47	63	65	65
	# of hours to prepare agenda	342	677	698	698
	# of amended agendas	11	8	10	10
	# of agenda items	527	760	780	780
Provide Council with Boards & Commissions information relating to vacancies & appointments.	# of applications received	188	176	180	185
	# of Boards & Commissions appointments	83	90	95	100
Scan permanent documents within 1 week of meeting.	# of documents scanned	8,334	1,258	1,300	1,350
	# of pages scanned	56,872	28,621	29,575	30,713
	% of documents scanned within one week of meeting	100%	100%	100%	100%
Distribute legal services submitted (i.e., claims, lawsuits, appeals, etc.) to appropriate departments within 1 day of receipt.	# of services accepted, delivered to appropriate department within 1 day of receipt	100%	100%	100%	100%
	# of legal services accepted	280	373	375	375

Goal: Provide a convenient location for citizens to apply for passports.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Process requests for passports the same day they are received.	# of passports processed	5,264	7,151	7,200	7,250
	# of hours spent on processing	973	1,208	1,210	1,218
	Cost per document processed	\$3.19	\$2.94	\$2.73	\$2.70
	% of citizens served within 30 minutes	99.80%	100%	100%	100%

Public Notification and Communications Program Performance Measures, continued

City Clerk, continued

Goal: Provide meeting set-ups for City Council meetings & various department meetings.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide departments with meeting set-ups & refreshments.	# of meetings to set-up	180	181	185	185
	# of hours spent	848	541	555	555

Elections

Goal: Provide a fair, effective and efficient municipal election process that enables citizens to participate in the democratic process.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Encourage voter turnout while maintaining election costs.	# of elections held	4	1	2	0
	% of total population registered to vote	48.4%	45.4%	45.0%	N/A
	% of registered voter turnout	35.5%	28.9%	32.0%	N/A
	Cost per registered voter per election	\$1.19	\$0.42	\$1.66	N/A
	% of early ballot	52.2%	59.9%	60.0%	N/A

Communication and Public Affairs

Goal: Provide citizens with timely information about city government.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve a 90% customer satisfaction rating in the annual Citizen Survey.	% of citizens satisfied with citizen communications	84%	90%	90%	90%
Increase the % of citizens who say the city does a "good" or "excellent" job in communications.	% of citizens in biennial CAPA survey rating City as "good" or "excellent" in communications	n/a	75%	n/a	80%

Goal: Assure that information is available in a variety of formats, and make sure citizens are aware of them.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Increase to 25% the proportion of cable subscribers watching CityCable.	% of cable subscribers in biennial CAPA survey who watch CityCable weekly	n/a	21%	n/a	25%
Increase proportion of citizens aware of City internet site.	% of citizens in biennial CAPA survey with Internet access who know of City site	n/a	65%	n/a	75%
Achieve an 80% level of recognition for the Scottsdale Citizen magazine.	% of citizens in biennial CAPA survey who say they receive the Citizen magazine	n/a	56%	n/a	80%

Public Notification and Communications Program Performance Measures, continued

Communication and Public Affairs, continued

Goal: Assure that information provided to the staff and public is clear and useful.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve a 90% approval rating for usefulness of Citizen Magazine.	% of citizens aware of Citizen Magazine in biennial CAPA survey who say it is useful	n/a	76%	n/a	90%
Achieve a 90% approval rating for usefulness of PRIDE newsletter.	% of citizens aware of PRIDE Newsletter in biennial CAPA survey who say it is useful	n/a	78%	n/a	90%
Achieve a 90% approval rating for employee communications in the annual survey.	% of employees in annual survey who strongly agree or agree that they receive information they need	90%	90%	90%	90%

Technology Infrastructure Support

Goal: Support a mobile workforce and reduce staffs travel in support of federal trip reduction programs.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
To provide users with alternative methods of connecting with the City information.	# of Remote Users	273	387	444	509
	# of field employees using Wireless Computer Technology	10	85	133	150

Goal: Support Citizens with non-walk-in methods of service delivery.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide alternate payment methods to Citizens.	# of payments received via the Internet	0	200	1,000	2,000
	# of payments received via telephone IVR applications	0	13,000	16,000	18,000
Provide additional methods of service delivery to operating departments.	# of services offered via telephone IVR applications	1	5	7	8
	# of service transactions received via the Internet	0	4,800	10,000	20,000
Provide interaction opportunities for the Citizens with the City Council.	# of service transactions received via the telephone IVR	0	252,000	297,000	327,000
	# of Council meetings available over the Internet	0	0	13	52

Goal: Provide quality technical service in support of City Operating Departments.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Ensure operating departments have the tools needed to meet Citizens Service levels.	# of PC's used to support City services	1,759	1,989	2,100	2,300
	# of telephones used to support City services	2,241	2,617	2,800	3,000
	Total # of Incoming Phone calls to the City	n/a	3,467,204	3,813,924	4,004,621

Public Notification & Communications Program

City Clerk

Exceeds customers' expectations through increased interaction, expanded services, technological improvements, and continuous learning.

Objectives

Make government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations.

Follow Arizona law regarding posting of meeting agendas, transcripts of Council meetings and maintenance of public records.

Make public records available to citizens upon request to meet their expectations and in accordance with legal requirements.

Continue to encourage use of electronic City Code by staff and the public.

Continue to encourage use of electronic agenda packets by Council and staff, thereby reducing the number of hard copies required to be printed.

Accomplishments

Met requirements of Arizona law for posting of all Council meetings and providing transcripts of Council meeting minutes within three days of meeting.

Placed City Council meeting agendas and backup materials on the Internet on Fridays prior to Council meetings, in addition to legal posting sites and placement at all libraries and citizen service centers for easy access by citizens.

Scanned permanent records of City Council decisions into the Document Imaging System following every Council meeting to facilitate storage and retrieval.

Provided passport application acceptance service twice weekly. Accepted an average of 575 passport applications per month (service offered 12 hours per week) and with waiting time of less than 30 minutes.

Distributed all legal services within one day of receipt.

Prepared boards and commissions vacancy reports, applicants listings and applications to Council for appointment of board and commission members.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	431,125	453,792	448,843	479,076
Contractual Services	190,481	208,052	199,490	153,193
Commodities	24,364	24,643	19,990	20,488
Capital Outlay	18,636	19,740	3,006	-
Total	664,606	706,227	671,329	652,757

	Staffing			
	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Administrative Secretary	1	1	1	1
City Clerk	1	1	1	1
City Clerk Aide*	1	1	1	1
City Clerk Asst I	2	2	2	2
City Clerk Asst II	2	2	2	2
Deputy City Clerk	1	1	1	1
Technology Coordinator	1	1	1	1
Total Full-time	8.00	8.00	8.00	8.00
Total Part-time*	1.00	1.00	1.00	1.00
Total Full-time Equivalent (FTE)	8.50	8.50	8.50	8.50

Public Notification & Communications Program

Communications & Public Affairs

Responsibly and proactively communicates timely, accurate and credible information to Scottsdale citizens and City of Scottsdale employees.

Objectives

Make the Citizen Survey and other City surveys more useful by instituting by the Fall of 2003, new survey standards and a process to better coordinate surveys and by providing more information about City issues at the neighborhood level.

Continue ongoing efforts to provide critical emergency readiness information to Scottsdale citizens and to better coordinate emergency information planning with public information professionals in other cities, government agencies and community institutions.

Begin implementation of citywide graphics standards beginning in early 2002 and continue to expand the standards to ensure citizens can easily recognize communications from the City.

Improve the City's use of Internet resources by continuing to upgrade the web site, continuing to promote and publish the new weekly e-mail newsletter, Scottsdale City Update, and expanding subscription e-mail offerings as the audience for such publications evolves.

Accomplishments

Coordinated and involved the community in year-long celebration of Scottsdale's 50th anniversary of incorporation, including coordination of several public events, media coverage and publication of a commemorative booklet and employee newsletter on the City's first 50 years.

Moved toward a more centralized, coordinated approach to public information by consolidating four public information coordinator positions under CAPA. Started to standardize public notification efforts and better coordinate planning of public meetings.

Launched new weekly e-mail newsletter, Scottsdale City Update, and other e-mail subscription services in December, to provide more timely information on City meetings, public participation opportunities and events.

Continued to upgrade CityCable 11 technology with new video equipment in the City Hall Kiva and Kiva broadcast booth.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	762,401	977,015	970,783	983,549
Contractual Services	599,605	666,087	406,140	433,033
Commodities	66,818	26,850	26,850	29,550
Capital Outlay	12,189	22,136	4,287	-
Total	1,441,013	1,692,088	1,408,060	1,446,132

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Administrative Secretary	1	1	1	1
Communications & Public Affairs Officer	1	1	1	1
Graphics Design Coord	1	1	1	1
Media Relations Manager	1	1	1	1
Public Affairs Manager	1	1	1	1
Public Information Coordinator	4	6	6	5
Public Information Coordinator*	1	1	1	1
Video Production Assistant	1	1	1	1
Video Production Manager	1	1	1	1
Video Production Specialist	2	2	2	2
Total Full-time	13.00	15.00	15.00	14.00
Total Part-time*	1.00	1.00	1.00	1.00
Total Full-time Equivalent (FTE)	13.65	15.65	15.65	14.65

Public Notification & Communications Program

Technology Infrastructure Support

Develops, maintains, and supports the City's voice and data infrastructure, including all telephones, personal computers, computer systems, file servers, and the underlying network required for these components to operate. All systems located within the computer room are monitored on a 24-hour, 365 days per year basis.

Objectives

Deploy Windows 2000 operating system citywide.

Establish a citywide data classification scheme for increased application and data security.

Complete inventory of servers and full analysis on all servers for citywide resource consolidation.

Enhance the Local Area Network (LAN) communications infrastructure increasing speeds and reliability for all data communications within the City.

Identify an alternate computer operations site for the City's SCA computer facility, and develop a strategic plan for bringing this site on-line if necessary. This site would be used for the processing of critical applications in the event that a catastrophic disaster renders the City's computer facility inoperable.

Staff and maintain a Technical Support operation that provides 24X7 Help Line, and Technical Field support for the 2,100 personal computers and 2,800 telephones throughout the City.

Complete an upgrade to the telephone infrastructure that will provide options for lower cost systems for small office locations. This upgrade will also allow for more efficient call routing and management reporting.

Implement an interactive voice response system (IVR) to provide general information to the public, route callers to the appropriate party and supply client specific information for court dates, account balances, and courtrooms.

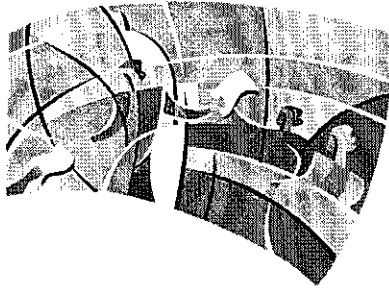
Accomplishments

Implemented Virtual Private Network Technology and an Outlook Web access server, which allows City employees to securely connect the City's Internet and desktop services utilizing their own Internet Service Provider.

Implemented Storage Area Network to create a "disk storage farm" for citywide consolidated storage of electronic information.

Conducted a study of all wireless communications to include cellular telephone costs, benefits, policies, and procurement strategy. The final report made recommendations for updated Administrative Regulations to include eligibility criteria and procurement rules.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	1,894,233	2,623,601	2,567,850	2,754,659
Contractual Services	1,009,075	1,172,543	1,073,370	1,046,281
Commodities	276,904	236,408	236,408	188,551
Capital Outlay	116,057	215,824	32,864	
Total	3,296,269	4,248,376	3,910,492	3,989,491
Staffing				
Communications Specialist	1	1	1	1
Computer Operator	2	2	2	2
Electronic Communicatns Coord	1	1	1	1
Enterprise Comm Engineer	1	2	2	2
Enterprise Director	1	1	1	1
Enterprise Network Engineer	4	4	4	4
Enterprise Systems Integrator	2	2	2	2
Enterprise Technologist	1	1	1	1
I.S. Support Manager	1	1	-	-
I.S. Technician	2	8	8	7
I.S. Technician Supervisor	1	1	1	1
Internet Analyst	1	-	-	-
Lead Technologist	1	1	1	1
Network Security Engineer	1	1	1	1
Sr. Analyst/Applications	1	-	-	-
Sr. Analyst/Systems	1	1	1	1
Sr. Computer Operator	4	4	4	4
Sr. Development Coord	-	1	1	1
Sr. I.S. Technician	6	6	5	5
Systems Integrator	-	-	1	1
Technology Operations Manager	-	-	1	1
Technology Specialist	-	-	-	-
Total Full-time	32.00	38.00	38.00	37.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	32.00	38.00	38.00	37.00



Human Resources Program

**Supports City Council Broad Goal:
Accessible and Responsive Government**

Program Budget Highlights

Total budget decreases \$743,426 (-17.7%) from 2001/02 Forecast.

Changes includes:

Elimination of Management Intern position.

Reduction in contractual services line item accounts including delay of further assessments to conserve funds and to focus on implementation strategies assessed in 2001/02.

Reduction in recruitment advertising costs.

Transfer of miscellaneous employee benefits such as tuition reimbursement and mammogram/prostate screenings to the citywide salary budget as recommended by the 2001/02 Citizens Budget Committee.

Trends

The economic changes experienced over the past year have impacted the job market and the workload in HR in several ways. We reported in last year's budget book that we were facing the most competitive job market in decades, that we experienced a 38% drop in the number of applications per recruitment for those past five years, and that made it more challenging to attract and retain quality employees. In 2001, we saw a reversal of those trends with the average number of applicants per recruitment increasing 75% over the previous year, the combination of 16% fewer recruitments and a 46% increase in the number of applications. Human Resources processed over 9,000 applications in 2001, the most in the last seven years. Overall employee turnover rate had been trending upward, increasing from 4% in FY 1995/96 to 9% in FY 2000/01. However, this rate is estimated to drop to 5.9% in FY 2001/02. Job related advertising costs had increased an average 28% annually for 2 years in a row prior to this year in which they are expected to decrease 29% compared to last year. This decrease is the result of fewer recruitments and changes in advertising strategies.

The City's workforce is becoming more diverse and tenured. The City's minority population is 10.8% of the City's total population per the 2000 US Census. The City's minority employees are 16.6% of the City's workforce, up from

14.4% in 1997. The average employee tenure dropped from 8.6 years last year to 6.8 years this year, a reflection of the retirement of several long-term employees. We have 401 employees with 15 years or more of service, a 46% increase from 275 three years ago. There are 143 full time employees who will be eligible to retire within the next 3 years, including 15 senior managers.

The broader community is also becoming more diverse, which reflects the growing interest to provide a central point of contact for diversity issues and concerns. The 1990 U.S. Census data reflects a City of Scottsdale population makeup of 91.3% white, 8.4% minority, and 1.4% other. The 2000 U.S. Census data reflects a population makeup of 85.2% white, 10.8% minority, and 4% multi race and/or other.

Constructively addressing employee concerns in the workplace is becoming more complex and time consuming due to the size of the City's workforce, the diverse needs of employees, and evolving and complicated employment laws. On a monthly basis we are involved with an average of 75 employee issues, many ongoing from month to month, ranging from informal "open door" concerns to formal EEO complaints.

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The City's economic forecast includes a leveling off of revenue increases. This year Human Resources increased its critical focus, in conjunction with senior leadership, on the management of the City's human resources from the larger organizational perspective, including vacant positions, overtime, and how new positions requested in the budget process are filled and/or funded. This increased critical organizational focus, absorbed with existing resources, will continue to be a part of Human Resources ongoing service delivery.

Key Objectives

Strategically market employment opportunities to further expand and diversify the pool of candidates for City positions.

Modify, develop and implement recruitment and selection practices that strengthen the integrity, fairness and legal defensibility of our processes.

Improve the quality of our new hires through the consistent application of City policies and progressive human resources methods and techniques.

Conduct a comprehensive review of employee benefits and recommend improvements to strengthen the City's competitive position and increase employee choice.

Implement a new compensation and performance management system that increases our market competitiveness and transitions the City to a more performance-driven system.

Review, revise, and communicate Human Resources Ordinance, and Human Resources policy guidelines and practices to ensure fairness, consistency and legal defensibility.

Continue to offer quality activities and services to assist employees in maintaining a healthy balance between work and home.

Continue to strengthen programs that recognize and award City

employee's contributions to the organization.

Facilitate leadership development designed to strengthen leadership performance and prepare future leaders for the organization.

Provide core learning programs designed to develop individual and team knowledge, skills and abilities (competencies) to promote the achievement of desired business results linked to Council goals and objectives.

Deliver organization development strategies designed to improve organizational effectiveness.

Serve as a central point of contact for diversity issues. Encourage citizens & employees to respect our differences and seek understanding through dialogue and education.

Serve as a catalyst for implementing diversity initiatives both in the organization and community.

Significant Accomplishments

In support of the City Manager's office, Human Resources provided contract administration for operational assessments of the Police, Municipal Services and Water Resources related programs. These independent studies' recommendations and action plans will serve as a catalyst for continuous improvement in these programs and the larger organization.

Implemented the vacancy analysis and overtime reporting systems in an effort to keep the elected and administrative leadership more informed on staffing and other critical human resource issues.

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Human Resources Program				
	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Human Resources Administration	224,883	361,449	681,186	246,674
Human Resources Learning & Organizational Development	2,711,833	2,512,507	2,418,403	2,360,078
Diversity & Dialogue	338,982	714,538	714,538	551,467
Total	347,347	388,344	388,049	300,531
Total	3,623,045	3,976,838	4,202,176	3,458,750
Expenditures By Type				
Personal Services	2,341,770	2,387,368	2,352,600	2,419,912
Contractual Services	969,796	1,323,759	1,614,171	823,828
Commodities	282,610	198,227	222,586	215,010
Capital Outlay	28,869	67,484	12,819	-
Total	3,623,045	3,976,838	4,202,176	3,458,750
Staffing				
Total Full-time	33.00	34.00	34.00	33.00
Total Part-time	4.00	4.00	4.00	4.00
Total Full-time Equivalent (FTE)	35.00	36.50	36.50	35.50

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Designed organizational performance based compensation system. Implemented the first phase of a three-phase plan, which included a new compensation system and performance planning and feedback processes for senior leadership.

Completed over one dozen executive searches for critical leadership positions in the organization, which typically require an increased level of recruitment effort with regards to advertising, outreach, screening and selection process, and background check.

Implemented the first phase of a two-phase "Total Benefits Review" with the completion of a market study of the competitiveness of the City's benefits program.

Conducted "Cross Cultural Series" forums whereby approximately 300 attendees increased understanding about cultural differences.

Planned, coordinated and held a public dialogue sponsored by the Human Relations Commission promoting the international day for elimination of discrimination, the subject of which was hate crimes. Approximately 200 people attended this event.

Initiated the integration of diversity into the City's overall learning objectives, which includes the Scottsdale Management Development Curriculum, Maximizing Performance, Communication Skills, Team Development, Diversity Beyond Race and Gender, and the Color of Culture training sessions.

Conducted needs assessment and designed learning curriculum to meet the organization's needs.

Implemented domestic partners and part-time employee benefits, along with several new supplemental benefits (e.g., critical illness, alternative medicine, etc.).

Provided staff support to five boards and commissions, which requires a significant amount of planning, preparing, and coordinating to facilitate the activities required to achieve their missions.

Sponsored the inaugural Diversity Advisory Committee awards ceremony that serves as a forum to recognize employees and citizens that contributed to the City's overall diversity initiative. This includes a collaboration of community and organization in celebrating diversity practices.

Conducted focus groups with organization wide representation to validate and revise the City Values to represent the current employee population.

Developed, in conjunction with City staff leadership, a "Team Purpose Statement" and "Standards of Conduct" to increase leadership effectiveness.

Human Resources Program Performance Measures

Human Resources Administration

Goal: Role model efficient and effective management and services delivery.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain or improve operating efficiency.	HRS operating cost as a % of City payroll	3.2%	3.0%	3.0%	3.0%

Goal: Strengthen organizational efficiency and effectiveness.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Contract with professional management consultants to perform independent operational assessments of various City departments.	# operational assessments completed	n/a	n/a	3	0

Goal: Keep elected and administrative leadership informed on staffing and other critical human resource issues.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide timely reporting.	Vacancy Analysis Report presented at City Council meeting	n/a	n/a	Monthly	Monthly
	Overtime Analysis Report	n/a	n/a	Quarterly	Quarterly

Human Resources

Goal: Recruit and retain a competent and committed workforce that delivers high quality service to our citizens.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain staff turnover rate at 10% or less.	Employee Turnover Rate	7.9%	9.0%	9.5%	7.0%
Hire and promote the most qualified staff.	% of Minority applicants	18%	20.3%	22%	22%
	% Minority new hires	19.1%	24.6%	22.0%	22.0%
	% of New employees still employed after 6 months	89%	89%	90%	90%
Assist employees in maintaining a healthy balance between work and home.	% of Non-Entry Level Vacancies Filled By City Staff	56%	48%	55%	60%
	% of employees rating major programs as good or very good	Not measured	Not Measured	95%	95%
	Employee programs cost per employee	\$104	\$126	\$132	\$114

Human Resources Program Performance Measures, continued

Human Resources, continued

Goal: Continuously evaluate, assess and improve the City's compensation and benefits systems so that employees are competitively rewarded for their contributions in support of City Council goals and departmental work plans.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Develop new performance management system.	Performance management system developed	n/a	n/a	100%	n/a
Implement the new performance management system with all employees trained in the new system by July 2003.	% of Employees trained on new performance management system	n/a	n/a	5%	100%
	% of Employees in new performance management system	n/a	n/a	5%	100%
Complete a "Total Benefits Review":					
Survey the competitiveness of all existing City benefits.	Percent complete	n/a	n/a	100%	n/a
Develop a strategic benefits plan to enhance City benefits including consideration of "cafeteria benefits"	Percent complete	n/a	n/a	n/a	100%
Implement the strategic benefits plan.	Percent complete	n/a	n/a	n/a	n/a

Learning & Organizational Development

Goal: Facilitate the leadership development process through teambuilding, competency development, performance management, and knowledge management strategies designed to enhance leadership performance and prepare future leaders for the City of Scottsdale organization.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Enhance leadership performance and prepare future leaders for the City organization.	% of leaders who met or exceeded annual performance expectations	n/a	n/a	n/a	85%
	% of leaders who rated the leadership development process as meeting or exceeding their improvement expectations	n/a	n/a	n/a	80%

Goal: Provide core learning programs designed to develop individual and team knowledge, skills and abilities (competencies) to enhance performance related to the achievement of departmental and organization/al goals and objectives.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Improve individual and team knowledge, skills and abilities.	% of participants who rated that the learning events improved their knowledge and skills	n/a	n/a	n/a	90%
	% of managers who rate improved knowledge, skills, and abilities as a result of learning events	n/a	n/a	n/a	80%

Human Resources Program Performance Measures, continued
Learning & Organizational Development, continued

Goal: Design and deliver organization development strategies designed to improve organizational effectiveness: i.e. focus groups, operational assessments interventions, process improvement, performance management design and implementation.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Deliver performance improvement activities to assist with effective departmental operations.	% of customers who rate that their requests for performance improvement interventions met or exceeded their expectations	n/a	n/a	n/a	90%

Diversity & Dialogue

Goal: Provide opportunities for large groups of the public to engage in dialogue around a particular theme.

Strategy	Measure	Actual 1999/00	Forecast 2000/01	Forecast 2001/02	Forecast 2002/03
Conduct 2 – 4 public dialogues per year engaging employees and citizens.	# of public dialogues held	1	2	2	4
	# of participants attending each session	75	100	150	150

Goal: Develop mutual respect and understanding in the community related to cultural differences.

Strategy	Measure	Actual 1999/00	Forecast 2000/01	Forecast 2001/02	Forecast 2002/03
Conduct annual cross-cultural communication series to enhance public's knowledge on cultural differences.	# of discussions held	18	12	8	8
	# of participants attending per session	50	50	50	50

Goal: All employees are treated equally and minimize the potential for EEOC claims.

Strategy	Measure	Actual 1999/00	Forecast 2000/01	Forecast 2001/02	Forecast 2002/03
Collaborate with departments to ensure fair and equitable treatment for all employees	# of potential EEOC concerns addressed	20	28	24	24
	# of formal complaints filed with EEOC	18	6	4	4
	% of EEOC favorable rulings	83	100	100	100

Human Resources Program

Human Resources Administration

Provides guidance and support to all Human Resources subprograms, with special emphasis on communicating City Council and organizational goals, planning and managing resources to ensure the accomplishment of such goals, coordinating key projects and management information reports, and addressing critical human resource issues and concerns.

Objectives

Develop and manage budgets and work plans to address City Council and organizational goals, and other critical operating needs, to ensure the delivery of quality and cost-effective Human Resources services.

Manage operational assessments of the City to continuously strengthen organizational efficiency and effectiveness.

Provide elected and administrative leadership with timely reports and information on staffing and other critical human resource issues.

Accomplishments

In support of the City Manager's office, Human Resources provided contract administration for operational assessments of the Police, Municipal Services and Water Resources. These independent studies' recommendations and action plans will serve as a catalyst for continuous improvement in these programs and the larger organization.

Implemented the vacancy analysis and overtime reporting systems in an effort to keep the elected and administrative leadership more informed on staffing and other critical human resource issues.

Provided staff support to five boards and commissions, which requires a significant amount of planning, preparing, and coordinating to facilitate the activities required to achieve their missions.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	224,883	211,449	207,756	238,022
Contractual Services	-	150,000	473,430	8,052
Commodities	-	-	-	600
Capital Outlay	-	-	-	-
Total	224,883	361,449	681,186	246,674
Staffing				
Department Advisor	1	1	1	1
General Manager Human Resources	1	1	1	1
Total Full-time	2.00	2.00	2.00	2.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	2.00	2.00	2.00	2.00

Human Resources Program

Human Resources

Recruits and hires the most qualified people to staff the City's service delivery needs. Implements compensation, benefit and employment practices to promote a healthy and productive work environment. Offers quality activities and services that enhance the health and well being of City employees and acknowledge their contributions.

Objectives

- Strategically market employment opportunities to further expand and diversify the pool of candidates for City positions.
- Modify, develop and implement recruitment and selection practices that strengthen the integrity, fairness and legal defensibility of our processes.
- Improve the quality of our new hires through the consistent application of City policies and progressive human resources methods and techniques.
- Conduct a comprehensive review of employee benefits and recommend improvements to strengthen the City's competitive position and increase employee choice.
- Implement a new compensation and performance management system that increases our market competitiveness and transitions the City to a more performance-driven system.
- Review, revise, and communicate Human Resources Ordinance, and Human Resources policy guidelines and practices to ensure fairness, consistency and legal defensibility.
- Continue to offer quality activities and services to assist employees in maintaining a healthy balance between work and home.
- Continue to strengthen programs that recognize and award City employee's contributions to the organization.

Accomplishments

- Designed organizational performance based compensation system.
- Implemented the first phase of a three-phase plan, which included a new compensation system and performance planning and feedback processes for senior leadership.
- Completed over one dozen executive searches for critical leadership positions in the organization, which typically require an increased level of recruitment effort with regards to advertising, outreach, screening and selection process, and background check.
- Implemented the first phase of a two-phase "Total Benefits Review" with the completion of a market study of the competitiveness of the City's benefits program.
- Implemented domestic partners and part-time employee benefits, along with several new supplemental benefits (e.g., critical illness, alternative medicine, etc.)

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	1,777,230	1,620,709	1,594,113	1,658,198
Contractual Services	705,132	668,407	629,327	564,670
Commodities	203,810	162,487	183,146	137,210
Capital Outlay	25,661	60,904	11,817	-
Total	2,711,833	2,512,507	2,418,403	2,360,078
Staffing				
Administrative Secretary	-	-	-	1
HR Manager Administration	-	-	1	1
HR Mgr Consulting Services	-	-	8	8
HR Account Consultant	7	8	1	1
HR Account Consultant*	1	1	1	1
HR Administrative Services Manager	1	1	1	1
HR Associate*	1	1	-	-
HR Director	1	1	-	-
HR Employee Programs Coordinator	1	1	1	1
HR Employee Relations Officer	1	1	1	1
HR Representative	6	7	-	-
HR Representative*	2	3	7	7
HR Systems Consultant	5	1	3	3
HR Transition Position	1	1	1	1
Management Intern	-	1	1	1
Support Specialist	2	1	1	-
Technology Coordinator	1	2	2	2
Work/Life Associate	1	1	1	1
Total Full-time	27.00	25.00	25.00	25.00
Total Part-time*	4.00	4.00	4.00	4.00
Total Full-time Equivalent (FTE)	29.00	27.50	27.50	27.50

Human Resources Program

Learning & Organizational Development

Provides training and performance improvement initiatives designed to support and promote the organization's mission, goals and values.

Objectives

Facilitate leadership development designed to strengthen leadership performance and prepare future leaders for the organization.

Provide core learning programs designed to develop individual and team knowledge, skills and abilities (competencies) to promote the achievement of desired business results linked to Council goals and objectives.

Deliver organization development strategies designed to improve organizational effectiveness.

Accomplishments

Initiated the integration of diversity into the City's overall learning objectives, which includes the Scottsdale Management Development Curriculum, Maximizing Performance, Communication Skills, Team Development, Diversity Beyond Race and Gender, and the Color of Culture training sessions.

Conducted needs assessment and designed learning curriculum to meet the organization's needs.

Conducted focus groups with organization wide representation to validate and revise the City Values to represent the current employee population.

Developed, in conjunction with City staff leadership, a "Team Purpose Statement" and "Standards of Conduct" to increase leadership effectiveness.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	87,816	316,748	316,748	333,901
Contractual Services	226,579	378,050	378,050	152,766
Commodities	24,587	19,740	19,740	64,800
Capital Outlay	-	-	-	-
Total	338,982	714,538	714,538	551,467
Staffing				
HR Systems Consultant	-	3	3	3
Learning and O.D. Director	1	1	1	1
Total Full-time	1.00	4.00	4.00	4.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	1.00	4.00	4.00	4.00

Human Resources Program

Diversity & Dialogue

Cultivates an environment within the organization and community where differences are valued, respected and embraced through education, community outreach and deliberative dialogue.

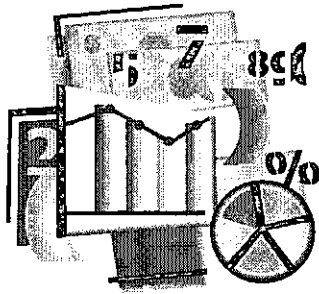
Objectives

- Serve as a central point of contact for diversity issues.
- Serve as a catalyst for implementing diversity initiatives both in the organization and community.
- Encourage citizens & employees to respect our differences and seek understanding through dialogue and education.

Accomplishments

- Sponsored the inaugural Diversity Advisory Committee awards ceremony that serves as a forum to recognize employees and citizens that contributed to the City's overall diversity initiative. This includes a collaboration of community and organization in celebrating diversity practices.
- Conducted "Cross Cultural Series" forums whereby approximately 300 attendees increased understanding about cultural differences.
- Planned, coordinated and held a public dialogue sponsored by the Human Relations Commission promoting the international day for elimination of discrimination, the subject of which was hate crimes. Approximately 200 people attended this event.
- Initiated the integration of diversity into the City's overall learning objectives, which includes the Scottsdale Management Development Curriculum, Maximizing Performance, Communication Skills, Team Development, Diversity Beyond Race and Gender, and the Color of Culture training sessions.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	251,842	238,462	238,462	189,791
Contractual Services	76,325	127,302	126,511	98,340
Commodities	15,972	16,000	16,000	12,400
Capital Outlay	3,208	6,580	7,076	-
Total	347,347	388,344	388,049	300,531
Staffing				
Administrative Secretary	1	1	1	-
Diversity & Dialogue Officer	1	1	1	1
Scottsdale Voices Coordinator	1	1	1	1
Total Full-time	3.00	3.00	3.00	2.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	3.00	3.00	3.00	2.00



City Council Broad Goal:

Ensure Scottsdale is fiscally responsible and fair in its management of taxpayer money and City assets.

Programs

- Internal Audit
- Liability Management
- Revenue Collection
- Organizational Support Functions

Key Objectives

- Provide for effective budget planning, financial forecasting, and expenditure management
- Ensure effective collection and reporting of City revenue
- Manage risk and limit liability exposure
- Provide effective organizational support functions

Addition of a paralegal position to support the in-house litigation program, thereby reducing litigation costs to internal organizational units requiring litigation services.

Increase in credit card merchant fees due to higher usage for payment of utility bills, licensing fees, and development fees — \$110,800.

Increase in postage based on expanded customer base and increased postage rate.

Increase in salaries and benefits for 252 full-time and 7 part-time employees based on citywide compensation plan — \$554,700 (3.5% increase from forecast, 2.2% increase from 2001/02 adopted).

Variation in fleet vehicle replacement schedule – approximately \$600,000

Decreases in various miscellaneous line item budgets to partially offset the effects of budget increases.

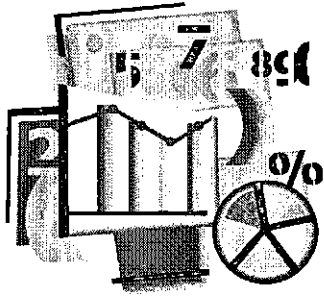
Key Budget Highlights

Budget for this goal increases \$634,922 (1.9%) from 2001/02 Forecast. This increase supports current service levels.

Highlights include:

Higher projected insurance premiums due to insurance industry losses related to the September 11 terrorist attack – approximately \$780,000.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Program				
Internal Audit	527,014	725,727	620,827	644,101
Liability Management	8,403,990	7,418,305	8,133,063	8,036,129
Revenue Collection	4,204,463	4,893,673	4,717,491	4,888,831
Organizational Support Functions	19,902,846	20,266,564	19,991,388	20,528,630
Total	33,038,314	33,304,269	33,462,769	34,097,691
Expenditures By Type				
Personal Services	14,104,944	15,932,293	15,733,399	16,288,102
Contractual Services	9,371,877	8,232,194	8,276,910	8,884,530
Commodities	3,090,767	3,905,800	4,537,978	3,500,051
Capital Outlay	6,470,726	5,233,982	4,914,482	5,425,008
Total	33,038,314	33,304,269	33,462,769	34,097,691
Staffing				
Total Full-time	246.00	256.00	250.00	252.00
Total Part-time	8.00	8.00	7.00	7.00
Total Full-time Equivalent (FTE)	252.00	260.78	253.81	255.81



Internal Audit Program

Supports City Council Broad Goal: Ensure Fiscal Responsibility

Responds to City needs by providing independent research, analysis, and consultant and educational services to promote operational efficiency, effectiveness, and integrity; performs the functions of False Alarm Hearing Officer, Property Disposition Hearing Officer, and Taxpayer Resolution Officer.

Program Budget Highlights

Total budget increased by \$23,274 (3.7%) from 2001/02 Forecast.

Increase supports current service levels for this program.

Objectives

Implement a risk orientation process in the allocation of resources and in the performance of audits and evaluations.

Ensure that technically competent, professional staff via professional development plans and annual, relevant continuing professional education complete all audits.

Foster trust, teamwork, and participation with City management and staff to facilitate the development of useful recommendations.

Ensure that the duties of False Alarm Hearing Officer, Taxpayer Resolution Hearing Officer, and Property Disposition Hearing

Officer meet all required City regulations and professional standards.

Accomplishments

Completed various projects ranging from an evaluation of the City's business resumption planning process to an audit of controls over the use of check requisitions.

One auditor completed certification and became a Certified Information System Security Professional.

Carried out the duties of Taxpayer Resolution Officer and Property Disposition Hearing Officer.

Trends

Increased focus on e-business applications requires more audit resources to ensure that adequate security is in place.

Increased interest from State, regulatory agencies, and citizens requires more dedicated effort in review of the internal control environment and adherence to laws, regulations, and contractual terms.

Growth in City programs results in increased interest in performance monitoring.

Growth in City budget and new bond program increases risk and requires more audit resources to ensure that proper controls are in place.

Internal Audit Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	469,509	576,765	550,831	594,165
Contractual Services	42,932	109,957	54,150	36,891
Commodities	8,158	25,845	13,842	13,045
Capital Outlay	6,415	13,160	2,004	-
Total	527,014	725,727	620,827	644,101
Staffing				
Administrative Secretary	1	1	1	1
Assistant City Auditor	2	2	2	2
City Auditor	1	1	1	1
Internal Auditor	3	3	3	3
Senior Auditor	1	1	1	1
Total Full-time	8.00	8.00	8.00	8.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	8.00	8.00	8.00	8.00

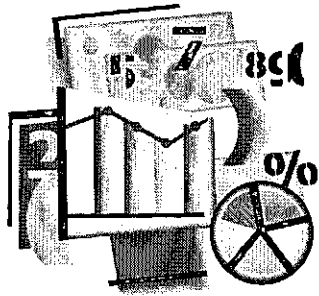
Internal Audit Program Performance Measures

Goal: Adhere to Government Auditing Standards.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Staff assigned to conduct the audit will have the professional proficiency for the tasks required 100% of the time.	% of audits to have a planning document that requires determination of staff proficiency related to audit assignment	100%	100%	100%	100%
Maintain an independent attitude and appearance 100% of the time.	% of auditors to sign an annual statement on independence	100%	100%	100%	100%
Maintain an appropriate internal quality control system 100% of the time.	% of audits to undergo an internal peer review to ensure that standards are met	100%	100%	100%	100%

Goal: Conduct audits in a professional manner.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Ensure that audits are completed by technically competent professional staff 100% of the time.	% of staff to receive 40 hours of continuing professional education annually	100%	100%	100%	100%
Ensure that audits are appropriately planned 100% of the time.	% of audits to have an audit plan before start of fieldwork	100%	100%	100%	100%
Ensure that audits are completed in a timely manner 100% of the time.	% of audits to be completed by the budgeted due date	95%	95%	95%	95%



Liability Management Program

**Supports City Council Broad Goal:
Ensure Fiscal Responsibility**

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Program Budget Highlights

Total budget decreased \$96,934 (-1.2%) from 2001/02 Forecast.

Changes include:

Higher projected insurance premiums due to insurance industry losses related to the 9/11 terrorist attack.

Addition of a paralegal position in the Liability Management Program to assist with in-house litigation, beginning January 2003.

Programs benefiting from the in-house litigation are charged a lower fee than the prevailing rate for outside legal services.

Decrease in salary account results from moving 7.5 positions to the Family Advocacy Center.

Subprograms:

City Attorney

Risk Management

Trends

155% increase in the number of civil litigation cases handled in-house during the first half of 2001/02, to a total of 64%

Increased City emphasis on providing support, information and resources to citizens and neighborhoods.

Continuing rapid changes in technology and greater volumes of and reliance upon electronic information require technical solutions to improve case, file and records management and provide systems for efficient retrieval to maintain service levels.

Property-casualty insurance premiums are expected to increase 20 to 50% each year for the next three to five years due to the September 11, 2001 terrorist attack.

Key Objectives

Enhance City services by providing legal advice to City officials and programs in support of their efforts to achieve the mission and City Council Broad Goals.

Continue to expand the amount and scope of in-house legal services in response to City Council direction.

Work to reduce and contain the financial impact of liability and employee accident claims against the City to reduce costs to taxpayer.

Maintain Risk Management budget to within 2% of the City's operating budget to meet or exceed favorable industry standard.

Provide safety in the workplace through highly visible efforts and programs to reduce accident frequency and resulting costs.

Maintain Voluntary Protection Program (VPP) Star certification to provide a cultural model for high safety performance.

Significant Accomplishments

Successfully implemented in-house litigation program, providing adequate staffing to retain and handle 64% of cases in the first half of 2001/02 — an increase from 18% in the same period of 2000/01.

Developed and implemented an electronic system to track and report legal staff project hours.

Participated in the Emergency Safety and Preparedness Committee, formulating preparedness, response and recovery plans.

Revised all City building evacuation plans including updated training and evacuation drills.

Realigned the City's property-casualty excess insurance program to stay within budget in a very severe global insurance market.

Effectively managed employee safety programs as a Voluntary Protection Program employer to continue to meet the high standards of the OSHA accreditation.

Liability Management Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
City Attorney	2,648,776	2,917,467	2,880,647	2,718,799
Risk Management	5,755,214	4,500,838	5,252,416	5,317,330
Total	8,403,990	7,418,305	8,133,063	8,036,129
Expenditures By Type				
Personal Services	2,338,726	2,634,632	2,612,561	2,654,666
Contractual Services	5,841,753	4,561,170	4,549,154	5,149,921
Commodities	176,853	149,098	951,656	229,527
Capital Outlay	46,658	73,405	19,692	2,015
Total	8,403,990	7,418,305	8,133,063	8,036,129
Staffing				
Total Full-time	32.00	37.00	31.00	33.00
Total Part-time	2.00	2.00	1.00	1.00
Total Full-time Equivalent (FTE)	33.22	38.00	31.50	33.50

Liability Management Program Performance Measures

City Attorney – Civil

Goal: Continue to provide high quality legal services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maximize use of interns, law clerks and legal assistants to best leverage attorney time.	# of intern, law clerk and legal assistant hours (2001/02 to 2nd Quarter)	1,775	2,082	2,690	3,025
Maintain a staffing ratio in line with other municipal law department's averaged ratio of 2.5 for workload effectiveness and efficiency.	Ratio of attorneys supported by each legal secretary	2.3	2.5	2.4	2.4
Conduct annual client satisfaction survey.	% of overall client satisfaction is very good or good	93%	84%	93%	97%

Goal: Increase litigation handled by in-house attorneys related to liability defense, property acquisitions and employment litigation.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Increase assigning in-house attorneys to liability defense, property acquisitions and employment litigation matters.	% of new litigation assigned to in-house attorneys	26%	73%	93%	93%
	Total attorney hours tracked devoted to in-house litigation	870	617	3,191	3,200

Goal: Use technical solutions to centralize information and provide accessible information to citizens.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Initiate development of an Internet Website for Citizen Use by June 30, 2003.	% of Internet Website developed	n/a	n/a	n/a	75%

Goal: Provide timely response to citizen inquiries.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Review all referrals from the call centers as a first priority the morning of the next business day and make first contact with the caller within 24 hours.	% of call referrals by the call centers on which first contact with the caller is made within 24 hours	n/a	n/a	n/a	100%

Liability Management Program Performance Measures, continued
Risk Management

Goal: Maintain Risk Management budget to within 2% of the City's operating budget.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Practice fiscal responsibility.	% of Risk Management's total budget to City's operating budget	1.92%	1.67%	1.80%	1.80%

Goal: Control General Liability accident frequency to within .90 accidents per million City budget and severity to within \$5,500 per million City budget through effective Risk Management services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Promote safe practices.	Accident frequency/million budget	1.03	.74	.90	.90
	Cost of losses/million budget	\$10,590	\$4,119	\$5,500	\$5,500

Goal: Control Vehicle Liability accident frequency to within 6.00 accidents per million miles driven and severity within \$45,000 per million miles driven through effective Risk Management services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Promote safe practices.	Accident frequency/million miles	5.22	4.80	6.00	6.00
	Cost of losses/million miles	\$26,764	\$48,429	\$45,000	\$45,000

Goal: Control vehicle physical damage accident frequency to within 25.00 accidents per million miles driven and severity within \$25,000 per million miles driven through effective Risk Management services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Promote safe practices.	Accident frequency/million miles	27.33	27.22	25.00	25.00
	Cost of losses/million miles	\$21,759	\$30,360	\$24,000	\$24,000

Goal: Control Workers Compensation accident frequency to 50.00 accidents per million hours worked and severity within \$150,000 per million hours worked through effective Risk Management services.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Promote safe practices.	Accident frequency/million hours worked	52.16	43.73	45.00	45.00
	Cost of losses/million hours worked	\$168,861	\$108,917	\$150,000	\$150,000

Goal: Fund the City's Loss Trust Fund to minimum of 100% of Actuary's recommended fund balance, by June 2000.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Strengthen fiscal vitality.	Fiscal year fund balance % of the actuarial projected funding required	133%	110%	110%	110%

Liability Management Program

City Attorney

Provides legal and advocacy services that assist the organization to enhance the quality of life within Scottsdale and build trust in the integrity of City government.

Objectives

Enhance City services by providing legal advice to City officials and programs in support of their efforts to achieve the mission and City Council Broad Goals.

Advocate for City and citizen interests to enhance and protect a diverse, family-oriented community where neighborhoods are safe and well maintained.

Expand and improve customer services, legal representation, and exchange of information through the increased use of technology in helping to make government accessible, responsive and accountable.

Continue to represent the City in all court proceedings required to defend, prosecute, and support the mission and broad goals of the City Council.

Continue to expand the amount and scope of in-house legal services in response to City Council direction.

Accomplishments

Successfully implemented the in-house litigation section providing adequate staffing to retain and handle 64% of cases the first half of 2001/02, an increase from 18% in the first half of 2000/01.

Increased level of overall client satisfaction with legal services from 84% to 93.4%

Developed and implemented an electronic system to track and report project hours to better evaluate how our time is spent. This replaced an inefficient paper method of tracking and provides immediate report capability.

Reassigned a Deputy City Attorney to represent the Council's new Citizen & Neighborhood Resource related programs and to stay aligned with the Broad Goals.

Utilized law students, interns and volunteers to save a combined total of 538 hours of staff time over the first half of 2001/2002.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	1,839,724	2,124,413	2,110,505	2,136,376
Contractual Services	701,921	663,527	687,990	508,381
Commodities	71,568	71,598	65,664	72,027
Capital Outlay	35,563	57,929	16,488	2,015
Total	2,648,776	2,917,467	2,880,647	2,718,799
Staffing				
Administrative Secretary	-	-	1	1
Assistant City Attorney	2	3	4	4
City Attorney	1	1	1	1
Deputy City Attorney	3	4	4	4
Deputy City Attorney*	1	-	-	-
Legal Administrative Coordinator	-	1	1	1
Legal Assistant	1	1	1	3
Legal Secretary	4	5	5	5
Office Coord Assistant-Law	1	1	-	-
Office Coord Mgr-Law	1	1	1	1
Police Legal Advisor	-	1	-	-
Sr. Asst City Attorney	5	5	5	5
Support Specialist - Law	1	1	-	-
Support Specialist - Law*	1	1	1	1
Systems Integrator	1	-	-	-
Victim Assistance Advocate	2	3	-	-
Victim Assistance Notification Clerk	1	1	-	-
Victim Assistance Notification Clerk*	-	1	-	-
Victim Assistance Program Admin	1	1	-	-
Total Full-time	24.00	29.00	23.00	25.00
Total Part-time*	2.00	2.00	1.00	1.00
Total Full-time Equivalent (FTE)	25.22	30.00	23.50	25.50

Liability Management Program

Risk Management

Coordinates the City's safety and risk management functions including the procurement of insurance; investigates and adjusts claims in the areas of property loss, liability, workers' compensation, Occupational Safety and Health Administration (OSHA), and unemployment compensation exposures; and assists in the preparation of fiscal impact statements and negotiations in the area of employee health benefits.



Objectives

Work to reduce and contain the financial impact of liability and employee accident claims against the City to reduce costs to taxpayer.

Maintain Risk Management budget to within 2% of the City's operating budget to meet or exceed favorable industry standard.

Provide safety in the workplace through highly visible efforts and programs to reduce accident frequency and resulting costs.

Maintain Voluntary Protection Program (VPP) Star certification to provide a cultural model for high safety performance.

Accomplishments

Actively participated as core staff members of the City's post September 11 Emergency Safety & Preparedness Committee.

Revised all City building evacuation plans including updated training and evacuation drills.

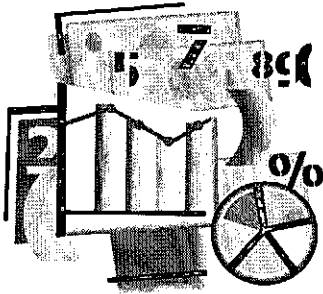
Effectively managed employee safety programs as a Voluntary Protection Program employer to continue to meet the high standards of the OSHA accreditation.

Realigned the City's property-casualty excess insurance program to stay within budget in a very severe global insurance market.

Reduced outside defense attorney fees for accident lawsuits by integration of the City's legal staff thereby reducing overall defense costs.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	499,002	510,219	502,056	518,290
Contractual Services	5,139,832	3,897,643	3,861,164	4,641,540
Commodities	105,285	77,500	885,992	157,500
Capital Outlay	11,095	15,476	3,204	-
Total	5,755,214	4,500,838	5,252,416	5,317,330

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Administrative Secretary	1	1	1	1
Claims Manager	1	1	1	1
Contracts Coordinator	1	1	1	1
Loss Control Manager	1	1	-	-
Risk Management Coordinator	-	-	1	1
Risk Management Director	1	1	1	1
Risk Services Manager	1	1	1	1
Support Specialist	1	1	1	1
Workers Comp Claims Spec	1	1	1	1
Total Full-time	8.00	8.00	8.00	8.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	8.00	8.00	8.00	8.00



Revenue Collection Program

Supports City Council Broad Goal: Ensure Fiscal Responsibility

Bills and collects the City's water, sewer, and solid waste fees; administers and collects sales, transient occupancy and business license taxes, special license fees, alarm user permit fees, and liquor license fees; responds to customer requests for initiation, transfer, and disconnection of utility services; and provides for the collection of all delinquent money owed to the City.

Program Budget Highlights

The budget increases \$171,339 (3.6%) from 2001/02 Forecast.

Increase includes:

Increase in credit card merchant fees due to higher usage for payment of utility bills and licensing fees.

Increase in postage for mailing of utility bills based on new customers and postage rate increase.

Other miscellaneous changes to support current service levels for this program.

Objectives

Implement a new utility billing system and continue to improve and expand other systems to increase service to our customers.

Utilize the City's Geographic Information System (GIS) to identify unlicensed businesses in order to maximize revenue collection and compliance with City ordinances.

Provide Internet service options for submitting license and utility applications and to make payments, thereby offering choices to our citizens.

Continue to update and enhance the Customer Service Knowledge Base to streamline service delivery response time and to provide a tool to new employees as they transition into the work unit.

Provide a high level of responsive personalized services by continuing to encourage customer and employee input for improving processes or service levels.

Accomplishments

Implemented a Utility Billing Interactive Voice Response system that allows customers to pay their utility bills by touch tone phone.

Implemented a Knowledge Base that provides Customer Service staff easy access to all policies and procedures and streamlines service delivery response time.

Revised the Transaction Privilege Tax Application and Tax Return to a standard format used by all jurisdictions in the State.

Transitioned to a multi-jurisdictional tax audit program with a centralized State hearing officer.

Implemented a new tracking system for checks received without proper documentation.

Completed a franchise fee audit resulting in collection of \$1.4 million in under reported fees and interest.

Completed final prototype and began phase I testing of Internet-based Utility Bill Payment and Presentment System.

Revenue Collection Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Centers in Subprogram				
Tax & License	817,114	1,000,973	784,896	785,116
Revenue Recovery	638,484	711,377	720,627	738,909
Meter Reading	829,201	932,713	916,300	929,049
Utility Billing	789,986	887,283	814,171	870,288
Remittance Processing	652,867	769,864	922,126	984,597
Tax Audit	476,811	591,463	559,371	580,872
Total	4,204,463	4,893,673	4,717,491	4,888,831

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	3,002,497	3,486,003	3,427,357	3,598,879
Contractual Services	1,028,829	1,186,972	1,163,735	1,207,105
Commodities	119,917	109,649	108,926	82,847
Capital Outlay	53,221	111,049	17,473	
Total	4,204,463	4,893,673	4,717,491	4,888,831

Tax & License

Customer Service Manager	1	1	1	1
Customer Service Rep	6	7	7	7
Lead Customer Service Rep	1	1	1	1
License Inspector	2	2	2	2
Technology Specialist	1	1	1	1

Revenue Recovery

Administrative Secretary	1	1	1	1
Customer Service Assistant	3	1	1	1
Lead Systems Integrator	-	1	1	1
Revenue Collector	4	4	4	4
Revenue Recovery Manager	1	1	1	1
Sr. Revenue Collector	1	1	1	1
Systems Integrator	2	1	2	2

Meter Reading

Lead Water Meter Reader	1	1	1	1
Meter Reader Manager	1	1	1	1
Water Audit Technician	1	1	1	1
Water Meter Reader	12	12	12	12

Utility Billing

Customer Service Manager	1	1	1	1
Customer Service Rep	6	7	7	7
Customer Service Technician	2	2	1	1
Lead Customer Service Rep	1	1	1	1
Remittance Processing				
Customer Service Projects Coord.	1	1	1	1
Customer Service Rep	7	9	9	9
Customer Service/Tax Audit Director	1	1	1	1
Lead Customer Service Rep	2	1	1	1
Remittance Process Records Mgr.	1	1	1	1
Switchboard Operator	-	2	2	2

Tax Audit

Property Tax Auditor	1	1	1	1
Sr. Tax Auditor	6	6	6	6
Tax Audit Manager	1	1	1	1
Tax/Accounting Intern*	1	1	1	1
Total Full-time	68.00	71.00	71.00	71.00
Total Part-time*	1.00	1.00	1.00	1.00
Total Full-time Equivalent (FTE)	68.50	71.50	71.50	71.50

Revenue Collection Program Performance Measures

Goal: Read 100% of the water meters monthly with an accuracy rate of 99.85%.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Accurately read water meters monthly.	# of meter readers	11	12	12	12
	# of meters read monthly per meter reader	6,821	6,477	6,640	6,806
	% of meters read: Monthly	99.95	99.95	99.95	99.95
	% of meters read: Accuracy	99.90	99.88	99.91	99.90

Goal: 98% of customers' utility bills will be mailed to provide customers with 14 days to pay.

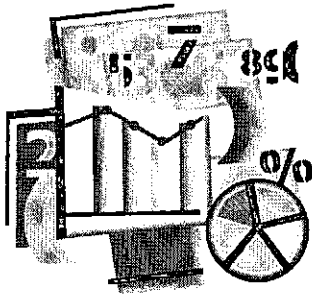
Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide customer with 14 days to pay after receipt of bill.	# of bills produced per bill day	3,619	3,770	3,800	3,850
	% of bills processed and ready for mailing within 3 days of meter read	98.4	98.4	98.4	98.0

Goal: Collect delinquent receivables to minimize account write-offs.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Minimize account write-offs.	Delinquent receivables collected per Collector	\$4,047,652	\$3,309,453	\$3,600,000	\$3,900,000
	# of Collectors	4	4	4	4
	\$ collected per \$1.00 spent	\$20.37	\$21.35	\$20.00	\$20.50
	% of delinquent receivables collected by Collectors	76	73	75	75
	Write-offs as a % of total revenue	0.2	0.1	0.2	0.2

Goal: Promote accurate privilege tax self-assessments through compliance audits and education.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Promote accurate tax assessments.	Audit 2.5% of Scottsdale businesses	2.4	1.8	1.7	2.1
	Audit hearings and appeals occur 5% or less of audits performed	.7	1.7	1.9	1.9
	Obtain 90% satisfaction rate on taxpayer survey	95	97	96	96
	Maintain a minimum ratio of \$2.00 collected for every \$1.00 in cost	\$4.04	\$3.11	\$2.96	\$2.96



Organizational Support Functions Program

**Supports City Council Broad Goal:
Ensure Fiscal Responsibility**

Program Budget Highlights

Total budget increases by \$537,243 (2.7%) from 2001/02 Forecast.

Major changes are:

Increase in postage rate.

Increase in credit card merchant fees due to higher volume and higher usage.

Variation in Fleet replacement schedule.

Reduction in Fleet parts inventory - relying on just-in-time orders.

Reduction of one position in Information Systems reallocated to higher organizational priority.

Reduction in various miscellaneous line items.

Subprograms:

Financial Services Administration

Accounting

Budget

Purchasing

Information Systems Support Team

Application Development

Project Office

Departmental Support

Municipal Services Administration

Asset Management

Trends

Continued reliance on the technical expertise of staff for new systems and maintenance/migration to higher release levels of existing applications. Increasing need for training and skill development in order to stay current with new technology, including web development.

City Council's desire for more financial updates and financial modeling and costing of decision alternatives, requiring more financial acumen by staff and/or added resources in Financial Services or via consultants.

Threat of legislative pressures that can potentially disrupt or change the percent allocation of State 'shared funds'.

Dramatic increase in credit card use resulting in rising processing fees and charges. The deployment of web-based services and Interactive voice response systems will further increase these volumes and costs.

Frequency of updates to the City's antivirus software has increased from once every two weeks during 2000/01 to two or three times per week during 2001/02.

Increasing focus in both the City and industry on Safety, Security, Preparedness, Disaster Recovery, and Business Continuity.

Increasing usage of the Internet - up 18% to 54% in 13 months.

The number of security incidents reported to CERT, a center for

Internet security expertise, has increased exponentially from 252 in 1990 to 9,859 in 1999 to 52,658 in 2001.

73% of Cox Customers in Scottsdale subscribe to the High Speed Access service.

Fuel prices decreased approximately 32% over the past year after four years of variable increases.

Fleet Management continues to bring out-sourced repairs back-in house at no additional cost, while decreasing down time for vehicles.

Key Objectives

Continue to provide technical support and database administration services for over 40 systems.

Develop and deploy 20 new applications including On-line Virtual Call Center, Utility Billing On-line Payments, Right-of-Way Management System, Crime Awareness System, and Police Peer Support System.

Prepare strategic financial forecasts and assist others in developing long-term financial models to identify the City's capacity to fund future service needs.

Coordinate the procurement of energy for the City and seek ways to reduce the cost of buying energy.

Maintain or improve the City's excellent bond ratings.

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Administer the various financial operating and internal control systems to ensure accurate and reliable data processing and financial information tracking.

Coordinate preparation of the City's annual program and capital budgets and five-year forecasts to ensure legal compliance and long term fiscal responsibility.

Support the Citizens' Bond Review Commission's ongoing effort to monitor the City's progress in implementing the 2000 bond program.

Develop a web-based system for the disposal of surplus and confiscated City property.

Implement flexible procurement processes and secure long-term contracts and advantageous pricing arrangements to minimize processing costs.

Develop a Telecommunications Infrastructure Strategy Plan that includes the mapping of existing and proposed fiber routes along with recommendations to shape City policies, ordinances and strategic direction for the future.

Extend the use of effective technology project management practices citywide.

Provide alternative methods of electronic training delivery.

Enhance the maintenance scheduling system to provide convenient service in a timely manner.

Significant Accomplishments

Received eight rating upgrades on the City's General Obligation Bonds in 2001, including a triple A from Moody's and Standard and Poor's.

Deployed the City's financial system through terminal server technology thereby reducing staff time involved in upgrades and software installations.

Implemented a new special assessment system and an informational website that can be queried on various special assessment information.

Developed the Bond 2000 website for the benefit of Bond Commission members and other interested citizens. The website includes the original program, revisions, project status, and agendas and meeting minutes.

Received the Distinguished Budget Presentation Award and the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association.

Enhanced Purchasing website to include all construction projects open for bid, with links to engineering estimates and addendums.

Completed a comprehensive right-of-way management process that incorporates joint trenching, web-based street maintenance and repair schedules, and traffic control plans.

Deployed automated pavement management, wireless code enforcement, wireless building inspections, automated work order management, and automated barricade management systems.

Upgraded the fuel management system including the ability to calculate and report on a variety of statistics.

Organizational Support Functions Program

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Subprogram				
Financial Services Administration	536,350	586,955	551,908	644,071
Accounting	2,355,399	2,666,470	2,669,056	2,229,164
Budget				542,926
Purchasing	1,741,008	1,945,993	1,848,737	1,884,333
Information Systems Support Team	704,041	621,223	796,875	639,948
Application Development	971,775	1,043,492	959,506	1,055,138
Project Office	106,062	120,217	117,634	355,333
Departmental Support	846,722	966,663	906,460	569,745
Municipal Services Administration	511,623	414,851	407,050	379,612
Asset Management		217,733	200,106	208,505
Fleet Management	12,129,866	11,682,967	11,534,056	12,019,856
Total	19,902,846	20,266,564	19,991,388	20,528,630
Expenditures By Type				
Personal Services	8,294,212	9,234,893	9,142,650	9,440,392
Contractual Services	2,458,363	2,374,095	2,509,871	2,490,613
Commodities	2,785,839	3,621,208	3,463,554	3,174,632
Capital Outlay	6,364,432	5,036,368	4,875,313	5,422,993
Total	19,902,846	20,266,564	19,991,388	20,528,630
Staffing				
Total Full-time	138.00	140.00	140.00	140.00
Total Part-time	5.00	5.00	5.00	5.00
Total Full-time Equivalent (FTE)	142.28	143.28	142.81	142.81

Organizational Support Functions Program Performance Measures

Financial Services Administration

Goal: Manage the City's cash and investments according to our investment policy, which emphasizes safety of principal, liquidity and yield, in that order. Maximize the percent of City cash actively invested on a daily basis. Preserve invested principal and achieve weighted average yield on investments at or above the Federal Funds Rate.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Safeguard the City's cash and maximize yields.	% total cash actively invested	99.9%	99.9%	99.9%	99.9%
	Weighted average yield on investments	5.83%	6.295	4.50%	4.25%
	Federal Funds Rate average annual yield	5.60%	5.73%	2.75%	2.50%

Goal: Maintain or improve General Obligation Bond rating which contributes to lower cost of debt.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain or improve bond ratings. (Outside objective measure of the City's overall economic and financial viability.)	Moody's Investor Service	Aa1	Aaa	Aaa	Aaa
	Standard & Poor's Rating Group	AA+	AAA	AAA	AAA
	Fitch Investor Services, Inc.	AAA	AAA	AAA	AAA

Goal: Maintain or improve Municipal Property Corporation Revenue rating, which contributes to lower cost of debt.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain or improve bond ratings. (Outside objective measure of the City's economic and financial viability with a focus on excise taxes.)	Moody's Investor Service	Aa2	Aa1	Aa1	Aa1
	Standard & Poor's Rating Group	AA+	AA+	AA+	AA+
	Fitch Investor Services, Inc.	AA+	AA+	AA+	AA+

Goal: Maintain or improve Water and Sewer Revenue bond rating which contributes to lower cost of debt.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain or improve bond ratings. (Outside objective measure of the City's economic and financial viability with a focus on enterprise fund revenues.)	Moody's Investor Service	Aa1	Aa1	Aa1	Aa1
	Standard & Poor's Rating Group	AA	AA	AA	AA
	Fitch Investor Services, Inc.	AA	AA	AA	AA

Organizational Support Functions Program Performance Measures, continued

Accounting Division

Goal: Coordinate annual financial audit and maintain City financial reporting integrity, consistency, and accuracy.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Complete audit timely, accurately, and in conformance with GAAP.	Annual financial audit and single audit opinions from external auditors are unqualified and completed by October 1st	Yes	Yes	Yes	Yes
	Comprehensive Annual Financial Report in conformance with GAAP and meets GFOA financial reporting excellence benchmarks	Yes	Yes	Yes	Yes

Goal: Process City payroll payments in an accurate and timely manner.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide timely, efficient, and accurate payroll processing.	% payroll processed timely every two weeks	100%	100%	100%	100%
	# of payroll checks processed	57,060	60,2690	61,569	62,219
	# of Payroll checks processed per total payroll	8,779	9,272	9,472	9,572

Goal: Process vendor invoices accurately within an average of seven days of receipt in Accounts Payable.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve timely and efficient payment to vendors.	Invoices are processed for payment within 7 days of receipt	Yes	Yes	Yes	Yes
	# of invoices processed	67,930	65,728	60,620	61,832
	# of invoices processed per total Accounts Payable Staff	11,322	10,112	9,236	9,512

Organizational Support Functions Program Performance Measures, continued

Budget Division

Goal: Coordinate Operating and Capital Budget Review process with City Staff, Council, and Citizens.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Encourage participation and excellence in reporting.	100% of all budget review sessions are publicized	Yes	Yes	Yes	Yes
	Budget meets all requirements and GFOA reporting excellence benchmarks	Yes	Yes	Yes	Yes

Goal: Coordinate Operating and Capital Budget Review process with City Staff, Council, and Citizens.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Essential features of budget process:	Budget meets all NACSLB requirements	Yes	Yes	Yes	Yes
1. Incorporates a long-term perspective					
2. Establishes linkages to City Council Broad Goals					
3. Focuses budget decisions on results and outcomes					
4. Involves and promotes effective communication with stakeholders, and					
5. Provides incentives to government management and employees					

Purchasing Division

Goal: Purchase and facilitate the acquisition of products, services, and construction required to support the operation of the City.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Prepare and issue solicitations.	# of bids	150	128	138	150
	# of RFP's	27	19	25	30
	# of RFQ's	94	70	96	107

Goal: Encourage the use of alternative forms of purchasing to reduce purchase order processing costs.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Prepare and develop long-term purchasing contracts with vendors.	# of customer requisitions	8,681	8,346	9,000	9,500
	# of long-term contracts in effect at year end	230	241	250	255
Administer an informal purchasing program.	# of purchasing cards	587	574	500	450
	# of transactions	24,599	28,784	26,000	26,500
	Dollars expended	\$3,786,875	\$4,849,803	\$4,000,000	\$4,100,000

Organizational Support Functions Program Performance Measures, continued
Purchasing Division, continued

Goal: Timely pick up, delivery, sorting, and inserting of mail.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Pick up and deliver mail for City staff.	# of mail staff	3.0	3.0	3.0	3.0
	Total # of pieces	2,666,412	2,813,405	3,200,000	3,400,000

Information Systems Support Team

Goal: Enhance opportunities for Scottsdale Businesses and Residents to purchase and receive new technologies.

Strategy	Measure	Actual 1999/00	Forecast 2000/01	Forecast 2001/02	Forecast 2002/03
Encourage wireless providers to increase coverage areas in the City of Scottsdale.	# of wireless providers doing business in AZ	8	9	10	10
	# of wireless providers doing business in Scottsdale	5	6	8	8
	# of contacts with providers annually	25	60	75	80
	% of cell site applications submitted that are approved annually	80%	90%	92%	95%
	Level of satisfaction with City by providers during the application process	Fair	Good	Good	Very Good
Ensure that quality services are provided to the residents of Scottsdale.	Average # of calls received from residents annually about service issues with Cox Cable Television	250	375	454	500
	Average # of calls received from residents annually about service issues with Qwest Cable Television	0	0	3	5
	Average # of calls received from residents annually about service issues with wireless providers	0	0	8	10
	Level of satisfaction with COS from residents about the City's response to complaint resolution with Cox	Good	Very Good	Very Good	Very Good
	Level of satisfaction with COS from residents about the City's response to complaint resolution with Qwest	n/a	Very Good	Very Good	Very Good

Organizational Support Functions Program Performance Measures, continued
Information Systems Support Team, continued

Ensure that quality services are provided to the residents of Scottsdale.	Level of satisfaction with COS from residents about the City's response to complaint resolution with Cox	n/a	n/a	Good	Good
	% compliance for cable television providers with customer service standards	99%	75%	100%	100%

Application Development

Goal: To create, deploy, and support software-based business solutions that address organizational and community objectives.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Track # of technology solutions that are supported by the Application Development division.	Cumulative # of applications that are supported	n/a	15	25	42
	# of new applications that are deployed	n/a	10	17	14
To estimate dollar value of services rendered.	Estimated market value of support services that are provided for operational applications	n/a	\$523,250	\$541,750	\$759,000
	Estimated cost avoidance for new applications that are produced	n/a	\$679,000	\$961,400	\$1,275,000
To track the number of government services that are delivered on-line via the Internet	Cumulative number of deployed e-gov (Internet) applications that deliver on-line services	n/a	9	15	22
To track community and organizational impact and usage of various applications	# of service requests processed by the Virtual Call Center	n/a	3,347	13,843	15,000
	# of permits processed thru the Community Development System	16,100	16,897	14,776	15,000
	# of maps downloaded thru the Digital Map Center	n/a	48,141	101,423	150,000

Project Office

Goal: To improve efficiency and effectiveness of application development through planning.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Increase # of projects using the Project Management System.	# of Active Projects using the methodology	14	46	58	60
	# of Projects completed using the methodology	14	33	35	40

Organizational Support Functions Program Performance Measures, continued

Departmental Support

Goal: To provide quality application programming and database support to City operating departments, through effective partnerships with other City departments.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Support departmental application software.	# of departmental applications supported	3	4	5	6
	# of application programmers assigned to support departmental applications.	3	3	4	4
	Ratio of # of applications to # of staff	1.0	1.33	1.25	1.50

Goal: To provide technology training to the City staff in a timely and efficient manner.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Provide personalized technology learning opportunities.	# of training classes offered	90	111	115	115
	# of classes taught by customers as trainers	45	30	34	34
	# of employees using Scottsdale University	2	692	1,000	1,400

Goal: To have satisfied external and internal customers.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Achieve 85% of higher approval rating on the Citizen Survey for Field Services.	% approval rating	83%	88%	89%	90%
Achieve 95% or higher approval rating on the Citizen Survey for Solid Waste Management Services.	% approval rating	93%	95%	95%	95%
Achieve 95% or higher approval rating from City departments for Fleet Management.	% approval rating	98%	97%	98%	98%

Goal: To have it become second nature for employees to be creative in how they approach their work in order to provide quality services at the lowest possible cost.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Implement at least fifty quality improvements a year.	# of quality improvements implemented	103	86	75	75
	Dollars saved	\$1.2 M	\$5 M	\$5 M	\$5 M

Organizational Support Functions Program Performance Measures, continued

Asset Management

Goal: Protect the City's assets and put them to their best possible use.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Respond to real property information requests within 24 hours.	% of requests responded to within 24 hours	90%	90%	90%	90%
Develop leases/licenses for use of city property that generate revenue or provide services to Scottsdale citizens.	% of long term leases/licenses finalized per year that generate revenue or provide services to Scottsdale citizens	100%	100%	100%	100%

Fleet Management

Goal: Provide low cost/high value maintenance and repair services for City vehicles and equipment.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Maintain 97% equipment availability and less than 27 vehicles down per day.	% of police vehicles available per day	97%	96%	96%	97%
	% of refuse trucks available per day	84%	85%	94%	95%
	% of light duty vehicles available per day	96%	96%	96%	97%
Utilize minimum 65% available labor hours for preventive maintenance and scheduled repairs found during preventive maintenance service.	Total # of vehicles out of service per day	21	25	25	27
	% of available hours used for P.M. and scheduled repairs	n/a	n/a	n/a	65%
	% of response good/very good	98%	97%	98%	98%
Track vehicle maintenance cost per mile in order to develop trends and benchmark with other municipalities.	Cost per mile - police vehicles	\$0.25	\$0.27	\$0.31	\$0.34
	Cost per mile - refuse trucks	\$2.43	\$2.80	\$2.65	\$2.70
	Cost per mile - light duty vehicles	\$0.32	\$0.32	\$0.34	\$0.37

Goal: Comply with Federal and State Clean Air Mandates.

Strategy	Measure	Actual 1999/00	Actual 2000/01	Forecast 2001/02	Forecast 2002/03
Continue to acquire vehicles that utilize alternative fuels.	% of alternative fuel vehicles	40%	40%	50%	65%

Organizational Support Functions Program

Financial Services Administration

Coordinates operations, manages the City's short-term and long-term debt, coordinates the financing of City projects and Citywide energy procurement, and provides City management with current information concerning economic conditions and the potential fiscal impact to the City.

Objectives

Prepare strategic financial forecasts and assist others in developing long-term financial models to identify the City's capacity to fund future service needs.

Reinforce our solid standing with rating agencies and maintain or improve our excellent bond ratings.

Seek optimum financing structure to mitigate debt service costs, while retaining our high credit ratings.

Issue bonds, when necessary, to fund the City's capital program.

Coordinate the procurement of energy for the City and seek ways to reduce the cost of buying energy.

Utilize inter/intraprogram teams to review work processes, improve work efficiencies and effectiveness, and remain responsive to the needs of our customers.

Educate citizens and City employees about the City's fiscal condition through existing programs and special events and presentations.

Accomplishments

Received eight rating upgrades in 2001, including a triple A from Moody's and Standard & Poor's on the City's General Obligation bonds.

Issued Municipal Property Corporation, General Obligation, and Scottsdale Preserve Authority refunding bonds to take advantage of low interest rates and our high credit rating resulting in a savings to the City of \$4.7 million.

Coordinated the effort to buy Ford Motor Credits' interest in Scottswater and replaced variable rate IDA bonds with fixed rate Municipal Property Corporation bonds, saving the City approximately \$1 million.

Instrumental in passing legislation to permit the sale of bonds via the internet and began to sell City bonds in this manner.

Sold \$35 million of Preservation General Obligation bonds and \$7.5 million of Bell Road II Improvement District bonds.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	488,072	510,051	510,051	575,034
Contractual Services	37,796	57,508	30,155	58,537
Commodities	6,401	11,500	10,500	10,500
Capital Outlay	4,082	7,896	1,202	-
Total	536,350	586,955	551,908	644,071
Staffing				
Administrative Secretary	1	1	1	1
Chief Financial Officer	-	-	1	1
Department Advisor	1	1	1	1
Energy Mgt Engineer	1	1	1	1
Finance & Energy Manager	1	1	1	1
Gen Mgr Financial Services	1	1	-	-
Sr. Financial Analyst	-	-	-	1
Total Full-time	5.00	5.00	5.00	6.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	5.00	5.00	5.00	6.00

Organizational Support Functions Program

Accounting

Maintains the City's financial systems and fiscal controls over accounts payable, payroll, special assessments, cash and investments, fixed assets, and grants; provides in-house training, guidance and support to City staff related to financial controls, systems, and policies and procedures; prepares special and monthly reports and coordinates the financial statement audit and preparation of the City's annual financial statements, grant compliance and expenditure limitation reports.

Objectives

Develop and Maintain Integrated Financial Systems - Administer the various financial operating and internal control systems to ensure accurate and reliable data processing and financial information tracking.

Be a Financial and Administrative Consultant to programs, provide financial and administrative training and advice to internal customers and City Council to increase their financial acumen and confidence with financial and administrative responsibilities.

Provide Financial Information to Stakeholders - Prepare and distribute financial information to interested stakeholders i.e., Citizens, Media, Financial Institutions, on which they can make informed judgments and decisions related to City operations and finances.

Develop and implement efficient and effective payment processes - Process payroll and accounts payable transactions in a timely, efficient and accurate manner.

Accomplishments

Deployed the City's financial system through terminal server technology, thereby reducing staff time involved in upgrades and software installations.

Implemented a new special assessment system and informational website that can be queried on various special assessment information.

Received Certificate of Excellence in Financial Reporting for the City's Comprehensive Annual Financial Report from the Government Finance Officers Association.

Provided training to the organization on SmartStream inquiry and requisitioning, accessing reports, and new administrative regulations relating to travel, training, and petty cashing.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	1,641,590	1,858,909	1,842,897	1,411,111
Contractual Services	633,717	718,671	783,393	787,893
Commodities	37,160	36,250	37,750	30,160
Capital Outlay	42,932	52,640	8,016	-
Total	2,355,399	2,666,470	2,669,056	2,229,164

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Account Clerk	5	5	5	5
Account Clerk*	1	1	1	1
Accounting Coordinator	3	3	3	3
Accounting Director	-	-	1	1
Accounting Manager	1	1	-	-
Accounting Technician*	-	-	2	2
Administrative Secretary	1	1	1	1
Payables Manager	1	1	1	1
Payroll Specialist	3	3	3	3
Sr. Account Clerk	4	4	4	3
Sr. Account Clerk*	2	2	-	-
Support Specialist*	1	1	1	1
Systems Integrator	5	5	5	5
Technology Specialist	-	-	1	1
Total Full-time	23.00	23.00	24.00	23.00
Total Part-time*	4.00	4.00	4.00	4.00
Total Full-time Equivalent (FTE)	26.47	25.47	26.00	25.00

Organizational Support Functions Program

Budget

Maintains the City's fiscal controls including: preparation of special, monthly, and annual financial reports; economic and financial trend analysis and forecasts; Capital Improvement Plan coordination; and preparation of the City's budget and five-year financial plan.

Objectives

Prepare strategic financial forecasts and assist others in developing long-term financial models to identify the City's capacity to fund future service needs

Coordinate preparation of the City's annual program and capital budgets and five year forecasts to ensure legal compliance and long term fiscal responsibility.

Provide financial and administrative training and advice to internal customers and City Council to increase their financial acumen and confidence with financial and administrative responsibilities

Facilitate the Citizens' Budget Review Committee's review of the City's proposed budget to ensure that the City Council receives a fair and accurate evaluation of the budget from a citizen's perspective prior to the annual budget adoption

Support the Citizens' Bond Review Commission's ongoing effort to monitor the City's progress in implementing the 2000 bond program to ensure compatibility with the capital program approved by voters.

Prepare and distribute financial information to citizens, media, financial institutions, and internal customers in response to their specific financial needs.

Accomplishments

Developed Bond 2000 website for the benefit of Bond Commission members and other interested citizens.

Received Distinguished Budget Presentation Award from Government Financial Officers Association.

Coordinated 2002/03 Program and Capital Improvement budget process within the organization and assisted the Citizens' Budget Review Committee with their review of the program budget proposal.

Transitioned the program budget from activity based budget and produced budget book in program format.

Developed a database application for the Capital Improvement Program that allows budget information to be entered once and used for the generation of a variety of reports - by program, by type, by funding source, etc.

Provided training to the organization on various budget topics including program budgeting, performance measurement, SmartStream budget workbench, and modified zero base budgeting.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	-	-	-	467,494
Contractual Services	-	-	-	69,342
Commodities	-	-	-	6,090
Capital Outlay	-	-	-	-
Total	-	-	-	542,926
Staffing				
Accounting Coordinator	3	3	4	4
Accounting/Budget Director	1	1	-	-
Budget Director	-	-	1	1
Budget Manager	1	1	-	-
Multimedia Communications Coord	1	1	1	1
Total Full-time	6.00	6.00	6.00	6.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	6.00	6.00	6.00	6.00

Organizational Support Functions Program

Purchasing

Purchases or facilitates the purchase of all materials, services, and construction required by the City; provides assistance to Contract Administrators; maintains and dispenses inventory items; manages surplus property; produces or purchases printed material; designs or provides design assistance for printed material; and provides all mail services.

Objectives

Implement flexible procurement processes and secure long-term contracts and advantageous pricing arrangements (procurement cards, on-line ordering, cooperative purchasing, etc.) to continue to minimize processing costs.

Educate City staff so they can make informed judgments and decisions about best value procurement of goods and services.

Develop an electronic system for the disposal of surplus and confiscated City property (utilizing the Internet) making usable items accessible faster and also reducing storage space.

Provide a professional graphics operation for the City that delivers a high quality, professional, cost efficient product using both City assets and outside graphic vendors.

Develop and Maintain Integrated Financial Systems: Administer the various financial operating and internal control systems to ensure accurate and reliable data processing and financial information tracking.

Accomplishments

Enhanced Purchasing website to include all construction projects out to bid, with links to engineering estimates and addendums, as well as bidder's lists, plan holders lists, bid results, and better direction on how to do business with the City.

Provided networked digital copiers citywide, reducing printing costs and the number of printers needed.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Centers in Subprogram				
Purchasing	1,355,122	1,439,040	1,379,786	1,408,140
Graphics/Copy Center	(31,681)	29,833	21,831	(4,414)
Mail Services	417,567	477,120	447,120	480,607
Total	1,741,008	1,945,993	1,848,737	1,884,333
Expenditures By Type				
Personal Services	1,389,641	1,522,137	1,519,200	1,583,721
Contractual Services	675,327	480,206	421,587	522,369
Commodities	(352,387)	(108,557)	(108,557)	(221,757)
Capital Outlay	28,427	52,207	16,507	
Total	1,741,008	1,945,993	1,848,737	1,884,333
Staffing				
Administrative Secretary	1	1	1	1
Bid & Contract Coordinator	1	1	1	1
Bid & Contract Assistant	-	1	1	1
Bid & Contract Specialist	1	3	3	3
Buyer	3	3	3	3
Lead Stock Clerk	2	2	2	2
Purchasing Clerk	2	1	1	1
Purchasing Director	1	1	1	1
Purchasing Manager	1	1	1	1
Purchasing Operations Manager	3	2	2	2
Purchasing Technician	2	2	1	1
Sr. Buyer	1	-	-	-
Stock Clerk	1	2	2	2
Systems Integrator	2	2	1	1
Technology Specialist	1	1	1	1
Graphics				
Bid & Contract Specialist	2	2	1	1
Forms Management/Graphics Spec.	1	1	-	-
Graphics Designer	-	-	1	1
Graphics Technician	1	1	1	1
Sr. Graphics Technician	1	1	1	1
Mail				
Mail Service Courier	3	3	3	3
Total Full-time	29.00	29.00	28.00	28.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	29.00	29.00	28.00	28.00

Organizational Support Functions Program

Information Systems Support Team

Provides the leadership, coordination, and administration for the six cost centers within the Information Systems, coordinates citywide telecommunications efforts, and supports other citywide objectives.

Objectives

Administer City Council, state and federal policies for any telecommunications and/or cable television business in Scottsdale.

To improve Scottsdale's wireless infrastructure in order to provide residents, businesses and visitors with high-quality coverage throughout the community while reducing the visual impact of new and existing sites by implementing processes that incnet the most aesthetically pleasing solutions.

Analyze and prepare options and alternatives for City Council consideration of any request for a Telecommunications and/or Cable Television License in Scottsdale or any proposed changes in state or federal legislation regarding telecommunications issues, fees or changes.

Develop a Telecommunications Infrastructure Strategy Plan that includes the mapping of existing and proposed fiber routes along with recommendations to shape City policies, ordinances and strategic direction for the future.

Administer the network, server, and personal computer infrastructure replacement accounts.

Administer the computer asset inventory.

Guide the strategic direction for the Scottsdale City government in its use of technology to better serve the Scottsdale Community.

Accomplishments

City Council adoption of the Telecommunications Ordinance for wire line telecommunications service providers in Scottsdale.

Scottsdale became the fifth municipality in the U.S. to license CityNet to install fiber optic cables in the City's sanitary sewer system. The fiber optic network will provide the "last mile" solution for businesses in mid-town and downtown Scottsdale.

Completion of a comprehensive right-of-way management process that incorporates joint trenching, web-based street maintenance and repair schedules, and traffic control plans.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	476,280	511,727	500,908	534,029
Contractual Services	205,018	79,200	276,827	95,709
Commodities	18,242	17,136	17,136	10,210
Capital Outlay	4,501	13,160	2,004	
Total	704,041	621,223	796,875	639,948

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Administrative Officer	1	1	-	-
Chief Information Officer	1	1	1	1
Customer Support Rep*	1	1	1	1
Data Conversion Operator II	1	1	1	1
Department Advisor	-	-	1	1
Office Coordination Manager	1	1	1	1
Sr. Customer Support Rep	1	1	1	1
Telecommunication Policy Coord	1	1	1	1
Total Full-time	6.00	6.00	6.00	6.00
Total Part-time*	1.00	1.00	1.00	1.00
Total Full-time Equivalent (FTE)	6.81	6.81	6.81	6.81

Organizational Support Functions Program

Application Development

Provides software engineering, technical support, and database administration services for technology solutions that support organizational and community objectives.

Objectives

Continue to provide technical support and database administration services for over 40 systems, including Digital Map Center, Barricade Management, Virtual Call Center, Land Information System, Crime Maps, and Code Enforcement.

Develop and deploy 20 new applications including On-Line Virtual Call Center, Utility Billing On-Line Payments, Right-of-Way Management System, Crime Awareness System, and Police Peer Support System.

Begin development of new applications such as Next Generation Sales Tax and Licensing, Call Center, and Police Emergency Response System.

who previously entered inspection results into the automated systems that are in use. The solution also provides mobile access to other inspection related databases – permits, maps, etc.

Deployed the Internet-based Digital Map Center (DMC). The Digital Map Center provides on-line access to Scottsdale maps & GIS databases for employees and external constituents.

Deployed an automated work order management solution across all subprograms of Community Services (Facilities, Irrigation, Grounds). The solution tracks labor, materials, and equipments; and automates the creation of various reports and statistics.

Completed several new extensions to the Community Development System: Pre-Applications, Cases, Utility Permits, and Electronic Signatures.

Deployed the City Council Agenda Planner system. This solution enables on-line meeting agenda scheduling for employees and external constituents.

Deployed an automated Barricade Management (BMS) solution. The BMS system tracks all barricades, depicting the location of "active" barricades in a visual, map-based form. BMS data will be referenced by the Right-of-Way Management system that is schedule for 2002 deployment.

Accomplishments

Implemented an automated Pavement Management System. This solution automates compilation of pavement treatment cost estimates; simplifies retrieval of pavement treatment histories; and ensures that we meet the minimum requirements for pavement management as mandated by the federal government.

Deployed the Wireless Code Enforcement system. This solution replaces a standalone-automated system that has been in use since 1996. The wireless system disseminates service requests information in real-time to field inspectors; reduces the amount of time spent in the office; and enables GIS based trip generation.

Deployed the Wireless Building Inspections system. This solution eliminates phone-based communications between inspectors and administrative staff

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	902,780	810,400	791,761	906,945
Contractual Services	42,538	146,276	101,010	85,440
Commodities	11,060	63,128	63,128	50,260
Capital Outlay	15,397	23,688	3,607	12,493
Total	971,775	1,043,492	959,506	1,055,138

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Staffing				
Applications Project Leader	1	1	1	1
Database Administrator	1	1	1	1
Development Coord	-	1	1	2
GIS Director	1	1	1	1
I.S Support Manger	-	-	1	1
I.S. Consultant	1	1	1	-
Lead Technologist	1	1	1	1
Sr. Analyst/Applications	2	1	-	-
Sr. Development Coord	2	2	2	2
Systems Analyst II	-	-	-	-
Total Full-time	9.00	9.00	9.00	9.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	9.00	9.00	9.00	9.00

Organizational Support Functions Program

Project Office

Promotes and supports the use of effective project management practices, focusing on project completions — on time and on budget.

Objectives

Research and evaluate new technologies and promote the implementation of those technologies to effectively support enterprise-wide as well as strategic and business objectives.

Support programs in budgeting for technology to achieve strategic and business objectives.

Perform Business Analyses and promote Business Process Improvement as well as Business Systems Improvement. i.e. Human Resources Systems, Water Processing Enhancements.

Extend the use of effective technology project management practices citywide.

Accomplishments

Deployed the City Council Agenda Planner system. This solution enables on-line meeting agenda scheduling for employees and viewing for external constituents.

Researched and evaluated new technologies and promoted the implementation of those technologies to effectively support organizational strategic and business objectives.

Provided support to organizational units in preparing technology budget plans.

Extended the use of effective technology project management practices citywide.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	101,643	105,458	103,033	330,029
Contractual Services	2,494	10,759	10,601	24,104
Commodities	-	4,000	4,000	1,200
Capital Outlay	1,925	-	-	-
Total	106,062	120,217	117,634	355,333
Staffing				
Applications Development Director	1	1	1	1
I.S. Consultant	4	4	4	4
Total Full-time	5.00	5.00	5.00	5.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	5.00	5.00	5.00	5.00

Organizational Support Functions Program

Departmental Support

Provides financial application software maintenance and support, as well as general technology consultation and training to all City of Scottsdale departments.

Objectives

Support all future upgrades and changes to the STARS (Sales Tax and Revenue) application software, to make sure that the software is compliant with any changes required by the State of Arizona for state-wide sales tax standardization. In addition to regular maintenance and technical support for the program, the Departmental Support team will concentrate efforts to complete any changes in the printed report forms for the sales tax program, and will also be reexamining the business processes associated with the sales tax process, in hopes of pursuing a replacement for this application within the next five years.

Implement any upgrades to SmartStream suite of financial software applications, in order to stay timely with any changes that are required by the vendor (GEAC). This same level of support will be provided for all changes required for the City's timesheet application, Webtime, which records the weekly work hours of all City staff in a centralized Intranet application.

Provide regular software development and maintenance support for the SCT Banner Licensing application, which controls all business licenses granted within the City.

Update the database technology of the Total HR System, which collects and reports on all City staff, salary ranges, and staff assignments.

Support for all Xerox forms changes required for the STARS and Banner applications in a timely manner, with consideration to the needs of the Customer Service Subprogram.

Assist in the support and training of the GIS (Geographic Information System) applications such as the Land Information System (internal application that displays GIS maps and aerial photography), the Pocket LIS (field access to GIS maps), the web-based Digital Map Center (Internet-based mapping system for the citizens of Scottsdale) and the Zoning Notification mail label generation application (which creates mailing lists from GIS maps).

Provide alternative methods of learning delivery (CBT, On-Line Learning, Peer Learning, Consultation) for technology tools.

Accomplishments

Implemented Windows 2000 Terminal Service for SmartStream financial applications. This allows the entire suite of applications to run from a single file server, eliminating any client machine conflicts in software application.

Assisted in the review of Utility Billing System proposals.

Completed database changes needed to bring the SCT Banner Licensing System into compliance with their vendor's current release.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	766,436	814,622	797,096	479,633
Contractual Services	39,381	47,161	50,590	62,402
Commodities	15,523	60,136	51,961	27,710
Capital Outlay	25,382	44,744	6,813	-
Total	846,722	966,663	906,460	569,745
Applications Project Leader	-	1	1	1
Enterprise Systems Integrator	1	1	1	1
Programmer Analyst	2	2	2	2
Sr. Programmer Analyst	2	1	1	1
Technology Learning Coord.	1	1	1	1
Total Full-time	6.00	6.00	6.00	6.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	6.00	6.00	6.00	6.00

Organizational Support Functions Program

Municipal Services Administration

Provides the resources, support, and encouragement employees need to do their jobs well.

Objectives

Provide leadership and guidance to support the City Council Broad Goals.

Work with each program to update their strategic plans.

Oversee preparation and implementation of program budgets.

Continue implementation of citizen-friendly internet access to our services.

Prepare a comprehensive update of policies.

Encourage programs to be mindful of our economic times by thoroughly reviewing:

- * Purchases
- * Staffing requests
- * Overtime

Encourage programs to provide citizens with quality services by:

- * Listening to citizen feedback
- * Creatively addressing opportunities and issues
- * Continually improving upon what it is we do
- * Taking pride in our work

Accomplishments

Retooled the quality program to make it easier for employees to participate.

Partnered with other programs to make the Internet site more user friendly.

Coordinated completion of the parking garage at the Corporation Yard. The parking spaces provided by the addition of a second level of the garage eliminates the need for employees and visitors to park on adjacent City streets.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	339,342	354,494	354,494	351,416
Contractual Services	99,441	45,461	44,354	22,012
Commodities	11,919	7,000	7,000	6,184
Capital Outlay	60,922	7,896	1,202	-
Total	511,623	414,851	407,050	379,612
Staffing				
Administrative Secretary	1	1	1	1
Department Advisor	1	1	1	1
General Mgr. Municipal Services	1	1	1	1
Total Full-time	3.00	3.00	3.00	3.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	3.00	3.00	3.00	3.00

Organizational Support Functions Program

Asset Management

Acquires and disposes of all real property rights for City use, and manages the City's real property leases.

Objectives

Maintain and continue to enhance the City's real property management system.

Acquire property and right-of-way in a cost effective and least disruptive manner.

Accomplishments

Purchased property at Via Linda and Longview Drive to house the new Family Advocacy Center.

Negotiated a land donation on Scottsdale Road south of Pinnacle Peak for road widening and scenic corridor improvements.

Disposed of property adjacent to McCormick Railroad Park originally planned for park expansion.

Sold vacant well site on 84th Street south of Indian Bend Road.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	-	165,474	161,669	172,945
Contractual Services	-	45,306	34,831	32,860
Commodities	-	3,005	3,005	2,700
Capital Outlay	-	3,948	601	-
Total	-	217,733	200,106	208,505
Staffing				
Asset Management Coordinator	1	1	1	1
Asset Management Specialist	1	1	1	1
Total Full-time	2.00	2.00	2.00	2.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	2.00	2.00	2.00	2.00

Organizational Support Functions Program

Fleet Management

Provides efficient and effective vehicle maintenance and repair services; acquires, equips and replaces City-owned vehicles in a cost-effective manner; administers vehicle fuel operations.

Objectives

Incrementally increase the percentage of preventive and predictive maintenance to unscheduled repairs with a long-term goal of reaching a 65:35 ratio of scheduled to unscheduled repairs.

Enhance the maintenance scheduling system to keep our customers informed and provide convenient service in a timely manner.

Utilize the Maximus Assessment Report as a tool to identify our strengths and weakness and develop a plan to implement those pertinent recommendations.

As part of our Fleet Certification program, earn the National Institute for AUTOMOTIVE SERVICE EXCELLENCE (ASE) "BLUE SHIELD" designation.

Negotiate buy backs and account credit arrangements with partnership vendors to reduce and eliminate losses on obsolete and slow-turn parts.

Continue the standardization, where possible, of all new vehicle/equipment purchases.

Continue the implementation of the City's Alternative Fuel Program in order to meet current and future State and Federal Clean Air mandates.

Accomplishments

Upgraded 15 year-old fuel management system. The new system can calculate total cost per mile and miles per gallon for individual vehicles, provide exception reporting, initiate fuel reordering, and reconcile fuel usage with inventory levels. The end product is improved accountability and better environmental health reporting.

Provided assistance to the organizational units in preparing budgets for new vehicles and related equipment.

Provided efficient and effective vehicle maintenance and repair services.

Maintained an average of 96% equipment availability throughout the fiscal year.

Developed internal user rates for maintenance and replacement for use in the budget process.

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
Expenditures By Type				
Personal Services	2,188,429	2,581,621	2,561,541	2,628,036
Contractual Services	722,652	743,547	756,523	729,945
Commodities	3,037,920	3,527,610	3,380,631	3,251,375
Capital Outlay	6,180,864	4,830,189	4,835,361	5,410,500
Total	12,129,866	11,682,967	11,534,056	12,019,856
Staffing				
Citizen Service Representative	1	1	1	1
Equipment Mechanic	26	2	-	-
Equipment Mechanic II	-	26	28	28
Equipment Parts Specialist	4	4	4	4
Equipment Service Worker	3	-	-	-
Equipment Service Worker II	-	3	3	3
Equipment Service Writer	1	-	-	-
Fleet Coordinator	1	1	1	1
Fleet Customer Service Coordinator	-	1	1	1
Fleet Management Director	1	1	1	1
Fleet Supervisor	4	4	4	4
Fleet Systems Coordinator	1	1	1	1
Sr. Equip Parts Specialist	2	2	2	2
Total Full-time	44.00	46.00	46.00	46.00
Total Part-time*	-	-	-	-
Total Full-time Equivalent (FTE)	44.00	46.00	46.00	46.00



Capital Improvement Plan Overview

Five-Year Capital Improvement Plan

The capital budget authorizes and provides the basis for control of expenditures for the acquisition of significant City assets and construction of all capital facilities. A five-year Capital Improvement Plan (CIP) is developed and updated annually, including anticipated funding sources. Capital budget appropriations lapse at the end of the fiscal year; however, they are re-budgeted until the project is complete and capitalized. As capital improvement projects are completed, the operation of these facilities is funded in the Program Budget.

The program budget authorizes and provides the basis for control of operating expenditures for both internal and citizen services, including operating and maintaining new capital facilities. Program budget appropriations lapse at the end of the fiscal year. The program budget is funded with recurring annual revenues such as taxes, licenses, fines, user fees, and interest income.

The following guidelines determine what is a CIP project:

- Relatively high monetary value (at least \$25,000)
- Long life (at least five years)
- Results in creation of a fixed asset, or the revitalization of a fixed asset

Included within the above definition of a Capital project are the following items:

- Construction of new facilities
- Remodeling or expansion of existing facilities
- Purchase, improvement and development of land
- Operating equipment and machinery for new or expanded facilities
- Planning and engineering costs related to specific capital improvements
- Street construction, reconstruction, resurfacing or renovation

In general, automotive and other rolling stock, personal computers, and other equipment not attached to or part of new facilities are not to be included as a CIP project. The exception to this is when the total dollar amount of all the items are of a considerable value that they are grouped together and considered as a single capital project.

The City of Scottsdale uses a cross-departmental CIP Coordination Team that consists of approximately 20 individuals from all programs and professional disciplines to review project submissions and ensure that:

- Projects are scoped properly (a building has ADA access, includes telephones, computers, etc.)
- Infrastructure components are coordinated (a waterline is installed at the same time as a roadway improvement at a specific location)
- Long-term operating impacts are included in estimates (staffing, utility and maintenance costs are considered)
- Timeframes for construction activity and cash flow requirements are realistic
- Projects are coordinated geographically (i.e., not more than one north/south major thoroughfare is restricted at a time), and
- Project costs are reviewed to determine the adequacy of the budget and appropriate funding sources

Staff made presentations to the CIP Coordination Team in order to outline each proposal and answer questions related to justification and to help prioritize the projects against all City needs.

Technology - Oriented Projects

The City's Technology Board, with the assistance of consultants from the Information Services department, reviews any technology - oriented projects. Since some of the issues surrounding technology projects differ from those of traditional construction projects, the Technology Board review and recommend changes, where necessary, which gives added value to the entire CIP review process.

After the CIP Coordination Team reviews each request and participates in the project presentations, the Team prioritizes the program based on an extensive prioritization process. Projects are prioritized based on City Council Broad Goals, program priorities, anticipated funding sources, and the International City Management Association (ICMA) Project Prioritization Matrix as adjusted for the City of Scottsdale. The ICMA Prioritization Criteria were obtained from Capital Projects: New Strategies for Planning, Management, and Finance, Copyright 1989, pp 85-87. The twelve prioritization criteria used by Scottsdale are:

- 1 Capital Costs** - These represent the annual total costs, including future year capital costs. Also to be considered is whether the proposed project will reduce future capital costs, for example, a rehabilitation project that averts a more expensive, subsequent replacement, and the extent of such savings.
- 2 Annual Costs** - The expected change in operation and maintenance costs. Staff provide year-by-year estimates of the additional costs or reductions likely in the program budget because of the new project. Also to be considered is changes in revenues that may be affected by a project, for example, the loss in property taxes incurred when private land is used for a capital project.
- 3 Health and Safety Effects** - This criterion includes health-related environmental impacts like reductions/increases in traffic accidents, injuries, deaths, sickness due to poor water quality, health hazards due to sewer problems, etc.
- 4 Community and Citizen Benefits** - Economic impacts such as property values, the future tax base, added jobs, income to citizens, changes in business income, and the stabilization (or revitalization) of neighborhoods. Such impacts may apply more to capital projects related to growth and expansion than to infrastructure maintenance although deteriorating structures can adversely affect business.
- 5 Environmental, Aesthetic, and Social Effects** - A catch-all criterion for other significant quality-of-life-related impacts, this includes community appearance, noise, air and water pollution effects, households displaced, damage to homes, effect on commuters, changes in recreational opportunities, etc.
- 6 Distributional Effects** - Estimates of the number and type of persons likely to be affected by the project and nature of the impact; for instance, explicit examination of project impact on various geographical areas; on low-moderate income areas; and on specific target groups. Equity issues are central here—who pays, who benefits, and the social goals of the jurisdiction.

7 Public Perception of Need - This criterion refers to project assessment of (a) the extent of public support; (b) interest group advocacy and/or opposition.

8 Feasibility of Implementation - This element is a measure of (a) special implementation problems (e.g., physical or engineering restraints) and (b) compatibility with the General Plan.

9 Implication of Deferring the Project - Deferring capital projects is tempting for hard-pressed governments but an estimate of the possible effects, such as higher future costs and inconvenience to the public, provides valuable guidance in proposal assessment.

10 Uncertainty of Information Supplied - Amount of uncertainty and risk—For each proposal, each of the above criteria will have associated with it some degree of uncertainty as to cost estimates, effect on service quality, or impact of new procedures. When substantial uncertainties exist regarding any of the evaluation criteria for any proposal, the City should consider estimating, at least in broad terms, the amount of uncertainty — probability of occurrence — and the magnitude of the likely negative consequences. Few cities generate such information but even “educated guesses” are useful here.

11 Effect on Interjurisdictional Relationships - Possible beneficial/adverse effects on relationships with other jurisdictions or quasi-governmental agencies in the area constitute this criterion. Such effects, e.g., waste disposal via landfills in other jurisdictions, are likely to require special regional coordination and could impair the proposal's attractiveness.

12 City Council Broad Goals - If a capital project directly addresses a Broad Goal, the relative attractiveness of that project increases.

After all proposed projects are prioritized using these twelve criteria, the list of projects is reviewed from two more viewpoints: (1) Does the list stand an “intuitive check”? Do projects fall in the priority order that was “anticipated”?; and (2) Are there any linkages between projects? Are any projects related to each other geographically, or otherwise, such that having them accomplished concurrently would be advantageous? What about sequencing or timing? Are any projects dependent on the completion of other projects? Adjustments to the priority list may be necessary dependent on this final review.

The prioritized projects are subsequently reviewed by a City Management Team and the recommended five-year CIP Plan is reviewed by the City Manager, City Council and Citizen Budget Review Committee during budget work/study sessions and public hearings prior to budget adoption.

Capital Improvement Plan - Funding Sources

The Capital Improvement Plan uses funding from the 2000 voter-approved bonds, as well as any remaining funds from the 1989 and 1992 voter-approved bonds, and Preservation G.O. Bonds. These General Obligation bonds, together with Municipal Property Corporation bonds, provide the bond-funded portion of the plan, which is approximately 48% of the CIP. Approximately 52% of Scottsdale's CIP is funded with pay-as-you-go revenues which include development fees, dedicated sales tax revenues and contributions from fund balance transfers.

Funding sources for the Capital Improvement Plan are budgeted in the period that the revenue is expected to be collected. Funding sources also include estimated balances on hand at the beginning of the period. Because governmental budgeting procedures require adequate funding to pay for the entire contract to be available and appropriated in the period that a contract is entered it is sometimes necessary to use (transfer) fund balance in anticipation of receiving additional revenue in future periods.

All potential capital funding resources are evaluated to ensure equity of funding for the Capital Improvement Plan. Equity is achieved if the beneficiaries of a project or service pay for it. For example, general tax revenues and/or general obligation bonds appropriately pay for projects that benefit the general public as a whole. User fees, development fees, and/or contributions pay for projects that benefit specific users. Other factors considered when funding the capital plan are whether the financing method provides funding when needed and the financial costs associated with the funding source.

**Capital Improvement Plan
Comparison of Funding Sources
on a Cash Flow Basis
In Millions of Dollars**

	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07
Bonds/Contracts					
General Obligation	\$60.4	\$58.5	\$59.0	\$60.7	\$49.5
General Obligation - Preserve	15.0	-	50.4	-	-
Municipal Properties Corporation	17.1	5.3	-	2.0	7.1
Municipal Properties Corporation - Arsenic	-	34.9	40.7	-	30.8
Pay-As-You-Go					
Water/Sewer Development Fees	17.2	17.8	18.6	19.4	20.4
Extra Capacity Development Fee	11.0	-	-	-	-
Grants	6.0	5.7	3.0	8.6	-
Other Contributions	9.6	4.2	1.0	1.0	1.0
Interest Earnings	12.0	8.7	7.8	6.8	5.4
Miscellaneous	0.6	0.4	0.1	0.1	0.1
Prior Year Rebudget	315.0	300.0	250.0	175.0	100.0
Transfers In					
General Fund	12.9	12.3	14.7	14.2	12.8
Highway User Fund	0.1	0.1	0.1	0.1	0.1
Special Projects Fund	0.2	0.3	-	-	0.1
Transportation Privilege Tax Fund	16.9	17.6	18.5	19.5	20.7
Aviation Fund	0.6	0.2	1.0	0.7	-
Water/Sewer Funds	33.5	33.7	33.1	33.2	39.8
Solid Waste	-	0.5	2.0	-	-
Internal Service Funds	0.5	0.7	-	-	-
(To) From CIP Fund Balance	(\$9.7)	\$48.7	(\$4.8)	\$58.1	\$12.9
Total Funding Sources	\$518.9	\$549.5	\$495.2	\$399.5	\$299.8

Capital Improvement Plan Funding Sources. continued

General Obligation (G.O.) Bonds are bonds that are secured by the full faith and credit of the issuer. General Obligation bonds issued by local units of government are secured by a pledge of the issuer's property taxing power, and must be authorized by the electorate.

Special Assessment Bonds are issued for property owners desiring improvements to their property such as roads, water lines, sewer lines, streetlights, or drainage. The expenditure of funds to construct the specific capital improvements and to pay the debt service on bonds is appropriated as part of the City's budget; however, the property owners fund the debt service payments through a special assessment on their improved property.

Municipal Property Corporation (MPC) Bonds are issued by the Municipal Property Corporation, a non-profit corporation established to issue bonds to fund City capital improvements. The debt incurred by the corporation is a City obligation, but does not require voter approval. The repayment of MPC debt is financed by pledged excise taxes.

Preserve Bonds represent debt issuances related to land acquisition in the McDowell Mountain Sonoran Preserve. The 1998 election expanded the recommended study boundary (RSB) from the original 12,876 acres to 36,400 acres and this budget provides for authority to continue preservation efforts. Preserve debt is repaid by a dedicated .2% sales tax authorized by the voters in 1995.

Water/Sewer Development Fees are revenues received from developers when new construction developments are made. These fees are based upon the increased costs of providing additional infrastructure and services in the development areas.

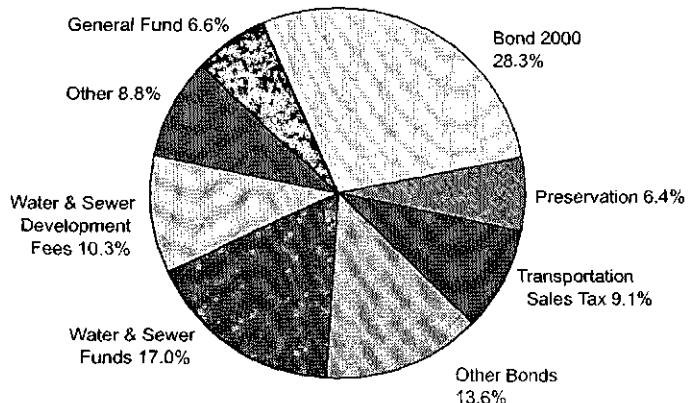
Contributions represent amounts paid by other organizations to pay for capital projects. The largest contribution is from the Maricopa County Flood Control District to help pay for drainage and flood control projects. Other contributions come from developers to pay for capital projects in development areas.

Tourism – Bed Tax represents revenues received from privilege tax on hotel and motel room rentals within the City. These funds pay for capital projects that increase tourism.

General Fund transfers represent the pay-as-you-go contribution from general revenues for capital projects without a dedicated funding source.

Water/Sewer Funds are utility bill revenues received from the sale of domestic water and the fees collected for the disposal of sanitary sewer waste from customers within the City. Water and Sewer operating revenues in

2002/07 Capital Improvement Plan
Funding Sources
Percent of Total



excess of operating expenditures are transferred to CIP to fund water and sewer projects.

Preservation Privilege Tax represents revenues received from the 1989 voter approved .2% sales tax on local retail and other sales. These revenues are restricted for the purchase of land within the McDowell Sonoran Preserve.

Transportation Privilege Tax represents revenues received from the 1995 voter approved .2% sales tax on local retail and other sales. These are restricted for transportation related capital projects.

Prior year Rebudgets are committed funds from prior year purchase orders that are rebudgeted until they are expended and uncommitted funds rebudgeted until the projects are completed.

Capital Improvement Plan - Use of Funds by Program

The Capital Improvement Plan is comprised of seven major programs: Enhance & Protect Community/ Neighborhoods, Preserve Character & Environment, Movement of People/Goods, Long Term Economic Prosperity, Balance Infrastructure and Resources, Accessible & Responsive Government, and Ensure Fiscal Responsibility. The pie chart presents the percentages for each major program, while the table presents the five-year comparison of the major programs.

Expenditures are presented on a budget basis rather than a cash flow basis. Governmental budgeting procedures require adequate funding to pay for the entire contract to be available and appropriated in the period in which a contract is entered. However, actual cash expenditures under the contract generally take place over more than one year and match cash flow funding receipts.

The following summarizes the seven major programs that comprise the total Capital Improvement Plan.

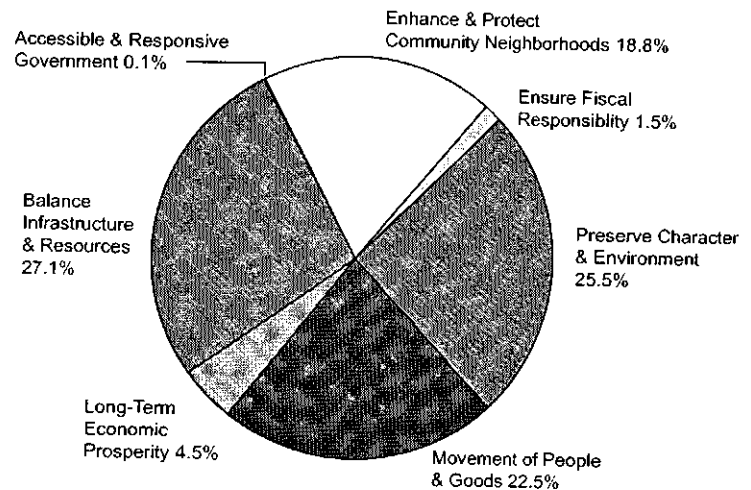
Enhance & Protect Community/Neighborhood programs address the City Council Broad Goal of enhancing and protecting a diverse, family-oriented community where neighborhoods are safe and well maintained by providing public safety needs, neighborhood recreation programs and facilities, meeting social and senior service desires, addressing community arts and cultural programs, and implementing neighborhood stormwater management improvements. Approximately 19% of the CIP plan has been identified to address this program. Highlights of this program include: Family Advocacy Center; Police/Fire Training Facility; Fire Stations in the vicinity of Bell Road and 100th St., Ashler Hills and Pima Road and Troon North; CAP Basin Lighted Sports Complex; Civic Center Senior Center Replacement; Arabian Library 18,000 square-foot addition; and various neighborhood drainage/improvement projects.

Preserve Character & Environment programs address the City Council Broad Goal of preserving the character and environment of Scottsdale by providing equestrian facilities and trails, injecting "character" into the planning and development process, preserving the City's mountains, desert and historic sites, and conserving and protecting the quality of its water supplies. Approximately 25% of the CIP plan has been identified to address this program. Highlights of this program include: Acquisition of State Land (51.92 acres) adjacent to WestWorld; Character Area planning; McDowell Sonoran Preserve; and Arsenic Mitigation Treatment.

Movement of People/Goods programs address the City Council Broad Goal of providing for the safe, efficient and affordable movement of people and goods throughout the community. This is accomplished by focusing on traffic movement, traffic reduction and street and right-of-way maintenance. Approximately 23% of the CIP plan has been identified to address this program. Highlights of this program include: Hayden Road Improvements between Cactus and Pinnacle Peak Roads; Roadway Capacity Improvements at Scottsdale/Frank Lloyd Wright and at Hayden/Shea; Traffic Management Program - Intelligent Transportation System; Bus Benches, Shelters, and Bus Bays.

Long Term Economic Prosperity programs address the City Council Broad Goal of positioning Scottsdale for long-term economic prosperity by diversifying our economic resources. Investments to increase the efficiency of Scottsdale Airpark, improve the downtown area and revitalize other areas within the City assist us in accomplishing this goal. Approximately 5% of the CIP plan has been identified to address this program. Highlights of this program include: Scottsdale Aircraft Museum; Downtown Canals/Waterfront Attraction; Loloma District Museum and Public Parking Garage; and Scottsdale Papago Streetscape.

2002/03 Capital Project Budget
By Goal - Use of Funds
Percent of Total



Capital Improvement Plan
By Goal - Use of Funds
In Millions of Dollars

Major Programs	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07
Enhance & Protect Community & Neighborhoods	\$96.8	\$96.7	\$56.8	\$34.2	\$9.6
Preserve Character & Environment	131.2	18.9	26.5	23.9	11.9
Movement of People and Goods	115.8	47.5	60.8	59.7	31.3
Long-Term Economic Prosperity	23.2	1.2	3.8	2.5	0.7
Balance Infrastructure & Resources	139.1	62.0	39.7	21.7	62.7
Accessible & Responsive Government	0.4	-	-	-	-
Ensure Fiscal Responsibility	7.5	3.1	2.7	2.5	3.6
Subtotal	\$513.9	\$229.6	\$190.3	\$144.6	\$119.9
Prior Year Rebudget	-	315.0	300.0	250.0	175.0
Transfers Out to Debt Service	5.0	5.0	5.0	5.0	4.9
Total Use of Funds	\$518.9	\$549.6	\$495.3	\$399.6	\$299.8

Capital Improvement Plan By Program - Use of Funds

Balance Infrastructure & Resources programs address the City Council Broad Goal of coordinating planning to balance infrastructure and resource needs within budget. This is accomplished through the maintenance of City facilities, management of City water delivery and wastewater collection systems and the installation of technological infrastructure. Approximately 27% of the CIP plan has been identified to address this program. Highlights of this program include: Facility Maintenance and Repair; CAP Water Treatment Plant Expansion; Chaparral Water Treatment Plant; Shared Fiber Infrastructure for Public Use.

Accessible and Responsive Government Programs address the City Council Broad Goal of making government accessible, responsive and accountable so that pragmatic decisions reflect community input and expectations through the use of public communication and notifications. Less than 1% of the CIP plan has been identified to address this program. Highlights of this program include: Citycable Production Truck Replacement; Kiva Meeting Space Improvements and Technology; and Courts Interactive Voice Response.

Ensure Fiscal Responsibility programs address the City Council Broad Goal of ensuring Scottsdale is fiscally responsible and fair in its management of taxpayer money and City assets. By improving its financial systems and investing in technological improvements the City is able to accomplish this goal. Approximately 2% of the CIP plan has been earmarked to address this program.

Highlights of this program include: Utility Billing System; Remittance Process Transport System; Computer, Server and Network Replacement Program.

Estimated Operating Impacts Attributable to Capital Projects In Thousands of Dollars

Program	2002/03	2003/04	2004/05	2005/06	2006/07	Total
Enhance & Protect Community & Neighborhoods	118.3	792.1	3,116.5	9,830.3	10,730.2	24,587.4
Preserve Character & Environment	24.7	75.7	580.7	2,110.7	2,140.7	4,932.5
Movement of People and Goods	420.7	978.3	1,633.8	2,209.1	2,855.4	8,097.3
Long Term Economic Prosperity	(2.5)	2.4	8.3	20.8	20.8	49.8
Balance Infrastructure & Resources	45.1	202.4	247.4	613.4	665.4	1,773.7
Accessible & Responsive Government	-	2.0	2.0	2.0	2.0	8.0
Ensure Fiscal Responsibility	5.0	344.3	367.3	376.3	449.9	1,542.8
Total Estimated Operating Impacts	611.3	2,397.2	5,956.0	15,162.6	16,864.4	40,991.5

Capital Projects Operating Impacts

The operating impact of capital projects are analyzed and taken into consideration during the extensive CIP prioritization process. Estimated new revenues and/or operational efficiency savings associated with projects are also taken into consideration (net

operating costs) during the capital project review. As capital improvement projects are completed, the net operating costs of these projects have been identified and included in the appropriate program budgets. The City plans and budgets for significant start-up costs, as well as operation and maintenance of new facilities.

The table presents the five-year forecast of capital project operating impacts (costs). The operating costs represent the staffing and maintenance necessary due to the completion and expected completion of capital projects. Specific Operating Budget impacts for individual projects are included with the Project Descriptions.

- The following pages include:
- Fund Summary
- Schedule of funding sources, expenditures, and fund balance for capital projects for the five - year period
- Project List
- List of capital projects and budgets for the five years
- Project Descriptions
- Individual Project Descriptions,
- Funding Source(s), and
- Annual Operating Budget Impacts

Capital Improvement Plan

Fund Summary

(In Millions of Dollars)	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07
Source of Funds:					
Beginning Fund Balance	231.1	240.8	192.1	196.9	138.7
Revenues					
Bonds/Contracts					
General Obligation	60.4	58.5	59.0	60.7	49.5
General Obligation-Preserve	15.0	-	50.4	-	-
Municipal Properties Corporation	17.1	5.3	-	2.0	7.1
Municipal Properties Corporation-Arsenic		34.9	40.7	-	30.8
Pay-As-You-Go					
Water/Sewer Development Fees	17.2	17.8	18.6	19.4	20.4
Extra Capacity Development Fee	11.0	-	-	-	-
Grants	6.0	5.7	2.9	8.6	-
Other Contributions	9.6	4.2	1.0	1.0	1.0
Interest Earnings	12.0	8.7	7.8	6.8	5.4
Miscellaneous	0.6	0.4	0.1	0.1	0.1
Subtotal	148.9	135.5	180.6	98.6	114.3
Transfers In					
General Fund	12.9	12.3	14.7	14.2	12.8
Highway User Fund	0.1	0.1	0.1	0.1	0.1
Special Projects Fund	0.2	0.3	-	-	0.1
Transportation Privilege Tax Fund	16.9	17.6	18.5	19.5	20.7
Aviation Fund	0.6	0.2	1.0	0.8	0.0
Water/Sewer Funds	33.5	33.7	33.1	33.2	39.8
Solid Waste	0.0	0.5	2.0	0.0	0.0
Internal Service Funds	0.4	0.7	0.0	0.0	0.0
Subtotal	64.6	65.4	69.4	67.8	73.4
Total Revenues & Transfers In	213.5	200.9	250.0	166.4	187.7
Use of Funds:					
Program Expenditures					
Enhance & Protect Community/Neighborhoods	96.8	96.7	56.8	34.2	9.6
Preserve Character & Environment	131.2	18.9	26.5	23.9	11.9
Movement of People/Goods	115.8	47.5	60.8	59.7	31.3
Long Term Economic Prosperity	23.2	1.2	3.8	2.5	0.8
Balance Infrastructure and Resources	139.1	62.0	39.7	21.7	62.7
Accessible & Responsive Government	0.4	-	-	-	-
Ensure Fiscal Responsibility	7.5	3.1	2.7	2.5	3.6
Prior Year Unexpended*	-	315.0	300.0	250.0	175.0
Unexpended at Year End	(315.0)	(300.0)	(250.0)	(175.0)	(100.0)
Subtotal	198.9	244.6	240.3	219.6	194.9
Transfers Out					
To Water/Sewer Operating Funds	5.0	5.0	5.0	5.0	4.9
Total Use of Funds	203.8	249.5	245.2	224.5	199.8
Ending Fund Balance	240.8	192.1	196.9	138.7	126.7

* Prior year unexpended amounts for 2002/03 are estimated and included by program

Project List

Capital Improvement Plan In Millions of Dollars

Ref #	Project Name	Adopted 2002/03					Total	
		Rebudget	2002/03	2003/04	2004/05	2005/06		2006/07
Enhance & protect a diverse, family-oriented community where neighborhoods are safe, protected from adverse impacts, and well maintained.								
Police Protection/9-1-1 Services								
1	AFIS Replacement & Improvements	-	-	168.8	175.9	112.3	-	457.0
2	Barcode Equipment for Property Ev/Asset Tracking	97.9	-	-	-	-	-	97.9
3	Crime Laboratory Equipment Replacement	127.2	-	165.6	49.2	16.9	-	358.9
4	District 1 Patrol Station	-	3,982.6	5,993.1	795.3	-	-	10,771.0
5	District 4 Police Substation	-	-	-	318.3	-	-	318.3
6	District II Expansion	791.5	2,300.0	-	-	-	-	3,091.5
7	Explosive Ordnance Disposal Equipment	-	-	-	-	173.2	-	173.2
8	Family Advocacy Center	3,506.0	436.5	-	-	-	-	3,942.5
9	Field Implementation of CDPD / Wireless Technology	-	-	-	299.6	69.0	-	368.6
10	Helicopter Air Support Unit	-	-	-	6,400.0	-	-	6,400.0
11	Jail CCTV Monitoring / Recording System Replacement	-	-	-	184.7	-	-	184.7
12	Police / Fire Training Facility Phase 2	309.0	2,709.8	1,202.0	-	-	-	4,220.8
13	Police Emergency Power	-	85.0	-	-	-	-	85.0
14	Police Laptop Enhancement Program	-	-	-	1,840.9	163.0	-	2,003.9
15	Police Mobile Data and Communications Upgrade	-	55.0	-	-	-	-	55.0
16	Police Mounted Barn Replacement-WestWorld	-	-	-	-	192.5	-	192.5
17	Police Operational Support Building	-	3,763.0	24,490.9	2,962.9	689.0	-	31,905.8
18	Police Portable Radio Replacement Plan	2,057.2	1,287.9	852.0	-	-	-	4,197.1
19	Police Records Management-Modifications	-	220.0	251.0	116.7	-	-	587.7
20	Police RMS / AFIS Enhancements	705.2	-	-	-	-	-	705.2
21	Police Security Systems	-	37.5	-	-	-	607.9	645.4
22	Police Wiretap Upgrade	-	150.0	-	-	-	-	150.0
	Prior Year Expended	(5,813.2)	-	-	-	-	-	(5,813.2)
	Total Police Protection/9-1-1 Services	1,780.8	15,027.3	33,123.4	13,143.5	1,415.9	607.9	65,098.7
Judicial System								
23	City Attorney - Automate Criminal Justice System	250.0	-	-	247.8	-	-	497.8
24	City Attorney - Legal Case Matter Management System	-	-	255.7	-	-	-	255.7
25	Courts - Case Management System	-	50.0	257.5	-	-	-	307.5
26	Courts - Imaging	200.0	150.0	-	-	-	-	350.0
27	Courts - Videoconferencing	-	22.3	33.2	-	-	-	55.5
	Prior Year Expended	(185.4)	-	-	-	-	-	(185.4)
	Total Judicial System	264.6	222.3	546.4	247.8	-	-	1,281.1
Fire Protection								
28	Fire Safety - Breathing Apparatus Equipment	45.1	-	-	-	-	-	45.1
29	Fire Safety - Thermal Imaging Cameras	60.0	60.0	-	-	-	-	120.0
30	Fire Station & Rescue Vehicle-Scottsdale Airport	1,802.5	-	-	-	-	-	1,802.5
31	Fire Stn #10 - Miller & Thomas Remodel	-	-	168.4	-	-	-	168.4
32	Fire Stn #11 - McDonald & Scottsdale Expansion	181.1	-	-	-	-	-	181.1
33	Fire Stn #13 - Via Linda Vehicle & Equipment	556.2	-	-	-	-	-	556.2
34	Fire Stn #17 - Vicinity Bell Rd & 100th Street	807.0	-	-	-	-	-	807.0
35	Fire Stn #18 - Troon North Fire Station	419.0	500.0	-	-	-	-	919.0
36	Fire Stn #20 - Desert Mountain - permanent station	-	-	-	156.7	800.0	-	956.7
37	Fire Stn #27 - Ashler Hills & Pima	800.0	-	-	400.0	-	-	1,200.0
38	Refurbish Two Fire Engines	210.0	-	-	-	-	-	210.0
39	Replacement Fire Vehicle Contingency	1,220.0	226.6	318.3	-	-	-	1,764.9
	Prior Year Expended	(895.6)	-	-	-	-	-	(895.6)
	Total Fire Protection	5,205.4	786.6	486.7	556.7	800.0	-	7,835.3
Sports & Recreational Programs								
40	Aging Park Facility Renovations	-	2,907.4	2,246.2	-	-	-	5,153.6
41	Aging Parks - Chaparral Pool Building	745.0	-	-	-	-	-	745.0
42	Aquatic Facilities Renovations	-	-	-	-	460.2	-	460.2
43	Cactus/Frank Lloyd Wright Trail Underpass	-	-	-	-	-	1,429.4	1,429.4
44	CAP Basin Lighted Sports Complex	2,676.4	-	8,000.0	-	-	-	10,676.4
45	Chaparral Park Extension	200.0	-	4,212.7	-	-	-	4,412.7
46	Civic Center Campus Master Plan	130.0	-	-	-	-	-	130.0
47	Civic Center Mall Expansion	-	-	691.3	7,179.5	-	-	7,870.8
48	Civic Center Mall Expansion-Stadium Focus Area	1,000.0	-	-	-	-	-	1,000.0
49	Civic Center Mall Renovations Phase II	824.0	636.5	-	-	-	-	1,460.5
50	Community Services-Class System Upgrades	-	-	-	87.4	-	-	87.4
51	DC Ranch Community Park	-	437.1	5,070.2	-	-	-	5,507.3
52	DC Ranch Neighborhood Park	-	-	-	-	2,050.2	-	2,050.2
53	Desert Mountain Park	-	-	-	200.0	1,732.5	-	1,932.5
54	Downtown Streetscape Amenities	200.0	-	-	-	-	-	200.0
55	Eldorado Ballfields Renovation	-	-	-	-	1,168.5	-	1,168.5

Capital Improvement Plan
In Millions of Dollars

Project List

Ret #	Project Name	Adopted 2002/03					Total	
		Rebudget	2002/03	2003/04	2004/05	2005/06		2006/07
56	Eldorado Pool Renovation	379.3	3,909.1	-	-	-	4,288.4	
57	Grayhawk Community Center	-	4,965.0	-	-	-	4,965.0	
58	Indian Bend Wash Lakes Renovation	224.0	800.0	-	-	-	1,024.0	
59	McCormick Railroad Park Phase II	-	268.8	-	-	1,807.9	2,076.7	
60	McDowell Mountain Ranch Park and Aquatic Center	2,712.0	-	8,000.0	-	-	10,712.0	
61	Mustang Off Leash Facility	-	-	-	112.6	-	112.6	
62	North Area Park Land Acquisition	3,090.0	-	-	-	-	3,090.0	
63	Pima Road/Frwy Basin Master Plan	-	-	206.0	-	-	206.0	
64	Pinnacle Peak Mountain Park	1,115.6	-	-	-	-	1,115.6	
65	Pinnacle Peak Trail Amenities	400.0	-	-	-	-	400.0	
66	Playground Equipment Replacement	1,045.1	109.3	119.5	126.6	134.4	1,684.9	
67	Public Pool Equipment Replacement	-	-	-	-	-	168.8	
68	Public Pool Safety Upgrades	432.0	-	-	-	-	432.0	
69	Recreational Amenity Replacement	-	-	106.1	710.3	225.1	1,191.5	
70	Scottsdale Mall West Restroom Renovations	282.1	-	-	-	-	282.1	
71	Scottsdale Ranch Park Desert Garden	807.5	-	-	-	-	807.5	
72	Scottsdale Ranch Park Tennis Courts/Storage/Lighting	-	-	-	-	979.6	979.6	
73	Small Parks Building Expansion	-	-	-	251.8	-	251.8	
74	Sonoran Hills Park	2,080.0	-	-	-	-	2,080.0	
75	Trail Development/Acquisition	883.3	-	-	-	2,502.3	3,385.6	
76	Troon North Park	-	-	385.5	3,450.0	-	3,835.5	
77	Upgrade Sports Field Lighting Systems	-	-	-	-	289.8	289.8	
78	Vista Del Camino Ballfield Renovation	-	-	-	-	841.6	841.6	
79	Vista Del Camino Remodel/Expansion	-	3,495.7	-	-	-	3,495.7	
80	Yavapai Ballfield Parking	-	-	-	109.3	-	109.3	
81	Youth Sports Lighting Expansion	598.4	300.0	595.6	636.5	-	2,130.5	
	Prior Year Expended	(6,856.0)	-	-	-	-	(6,856.0)	
	Total Sports & Recreational Programs	12,968.7	17,828.9	29,633.1	12,864.0	12,192.2	1,898.2	87,385.1
	Social Services							
82	Paiute Neighborhood Center Bldg 8 Remodel	-	-	-	62.8	-	-	62.8
83	Paiute Neighborhood Center Bldgs 4 & 5 Purch/Renovation	-	400.0	991.9	-	-	-	1,391.9
84	Paiute Neighborhood Center Bldgs 7 & 9 Remodel/Walkway	767.4	-	-	-	-	-	767.4
	Prior Year Expended	(92.0)	-	-	-	-	-	(92.0)
	Total Social Services	675.3	400.0	991.9	62.8	-	-	2,130.0
	Senior Services							
85	Civic Center Senior Center Replacement	-	2,171.2	7,407.5	983.5	-	-	10,562.2
	Prior Year Expended	-	-	-	-	-	-	-
	Total Senior Services	-	2,171.2	7,407.5	983.5	-	-	10,562.2
	Library Services							
86	Appaloosa Library	-	-	-	11,609.1	-	-	11,609.1
87	Arabian Library Phase II	1,152.0	-	7,500.0	-	-	-	8,652.0
88	Library Network Conversion	60.5	331.1	114.8	-	-	-	506.4
89	Mustang Library Study Rooms	95.4	-	-	-	-	-	95.4
90	Self Check Machine/LAN Infrastructure Replacement	-	520.9	-	-	-	-	520.9
	Prior Year Expended	(96.1)	-	-	-	-	-	(96.1)
	Total Library Services	1,211.8	852.0	7,614.8	11,609.1	-	-	21,287.7
	Community Arts & Cultural Programs							
91	Art In Public Places	1,502.8	278.1	462.3	262.3	240.5	236.2	2,982.2
92	SCA Improvements and Facility Upgrades	224.5	560.7	200.7	530.5	-	-	1,516.4
93	Loloma District - Stagebrush Theatre Relocation	-	-	-	-	-	1,600.0	1,600.0
	Prior Year Expended	(1,589.6)	-	-	-	-	-	(1,589.6)
	Total Community Arts & Cultural Programs	137.7	838.8	663.0	792.8	240.5	1,836.2	4,509.0
	Neighborhoods							
94	104th St Storm Drain/Cactus-Cholla (Bentree Watershed)	1,000.0	-	-	-	-	-	1,000.0
95	64th St Corridor Drainage Improvement	-	-	458.9	1,857.1	2,898.2	-	5,214.2
96	Bell Road II ID	12,057.0	-	-	-	-	-	12,057.0
97	Camelback Corridor Drainage	697.1	2,000.0	2,779.7	-	1,537.4	-	7,014.1
98	Carefree Ranch Water Service ID	1,000.0	-	-	-	-	-	1,000.0
99	Civic Center East - Drainage Improvement	-	-	131.1	1,328.1	-	-	1,459.2
100	D.C. Ranch Citizen Service Center	31.8	-	-	-	-	-	31.8
101	Earll/Thomas Corridor - Drainage Improvement	-	-	923.4	5,773.9	3,848.8	-	10,546.0
102	East Airport - Drainage Project	-	32.8	326.4	-	-	-	359.2
103	Floodplain Acquisition Program	-	53.0	54.6	56.3	2,202.6	-	2,366.6
104	Granite Reef Watershed	486.9	2,036.9	3,216.2	-	3,104.3	305.5	9,149.8
105	Improvement District Incidentals	1,374.0	-	-	-	-	-	1,374.0
106	Indian School Park Watershed-Phase I	574.0	-	-	-	-	-	574.0

Project List

Capital Improvement Plan In Millions of Dollars

Ref #	Project Name	Adopted 2002/03					Total	
		Rebudget	2002/03	2003/04	2004/05	2005/06		2006/07
107	Indian School Park Watershed-Phase II	-	-	-	146.3	1,518.6	-	1,665.0
108	Jackrabbit/Chaparral West - Drainage Improvement	-	286.4	2,764.6	-	-	-	3,051.0
109	McCormick Ranch Lakes Floodwall	412.0	-	-	-	-	-	412.0
110	McDonald Drive Corridor - Drainage Project	-	-	-	131.1	1,350.6	-	1,481.7
111	Mojave Neighborhood (East) - Drainage Project	371.3	-	107.0	3,182.7	1,119.5	3,596.1	8,376.6
112	Neighborhood Focused Housing Demonstration	-	220.0	-	-	-	-	220.0
113	Neighborhood Funding Partnership	699.7	140.6	159.3	191.4	216.9	-	1,407.9
114	Neighborhood Stormwater Management Improvements	1,750.8	273.1	281.4	905.5	382.7	400.0	3,993.5
114a	Neighborhood ID City Contribution	1,008.0	-	-	-	-	-	1,008.0
115	North Area Basin Master Plan	1,536.5	495.6	515.5	273.2	337.7	-	3,158.5
116	Northern Stormwater Risk/Vulnerability Study	20,591.3	-	-	-	-	-	20,591.3
117	NPDES Monitoring Stations/Sampling	1,470.1	124.5	130.0	674.0	152.0	250.0	2,800.6
118	Reach 11 Drainage Improvements	300.0	-	-	-	-	-	300.0
119	Roosevelt Corridor - Drainage Project	-	-	-	-	-	418.1	418.1
120	Scottsdale Rd Bridge Over Indian Bend Wash	2,469.3	-	-	-	-	-	2,469.3
121	Scottsdale Road Corridor - Drainage Project	-	251.4	900.4	-	696.9	-	1,848.7
122	Severe Weather Warning & Response Program	1,156.9	120.2	67.6	295.0	173.3	250.0	2,063.0
123	Stormwater Drain Pollution Prevention Markers	113.3	116.7	71.0	-	-	-	301.0
124	SW Scottsdale Flood Control	9,284.6	-	-	-	-	-	9,284.6
125	Transfer Station Expansion	-	-	-	1,748.5	-	-	1,748.5
126	Upper Camelback Wash Watershed	212.2	1,682.8	3,376.5	-	-	-	5,271.5
127	Utility Undergrounding Improvement Districts	2,500.0	-	-	-	-	-	2,500.0
	Prior Year Expended	(32,506.1)	-	-	-	-	-	(32,506.1)
	Total Neighborhoods	28,590.8	7,834.1	16,263.6	16,563.0	19,539.5	5,219.7	94,010.7
	Total - Enhance & Protect Community & Neighborhoods	50,835.0	45,961.2	96,730.4	56,823.2	34,188.1	9,562.0	294,099.8
Preserve the character and environment of Scottsdale.								
Equestrian Facilities								
128	State Land Acquisition (51.92-acres)	-	9,915.0	-	-	-	-	9,915.0
129	WestWorld Additional Permanent Barns	900.0	-	-	-	-	-	900.0
130	WestWorld Arena Footings	-	71.0	-	-	-	-	71.0
131	WestWorld Arenas 7 & 8 Relocation	309.0	-	-	-	-	-	309.0
132	WestWorld Covered Arena and Walkway to Equidome	600.0	-	-	-	-	-	600.0
133	WestWorld Driveways & Pedestrian/ Horse Paths	-	-	82.0	64.4	86.9	-	253.3
134	WestWorld Landscaping Plan	-	-	-	225.1	-	-	225.1
135	WestWorld Paving Projects	-	530.5	-	-	-	-	530.5
136	WestWorld Public Recreation Facility and Trailhead	875.8	109.3	-	-	-	-	985.0
137	WestWorld Restroom Facility	669.5	-	-	-	-	-	669.5
	Prior Year Expended	(933.1)	-	-	-	-	-	(933.1)
	Total Equestrian Facilities	2,421.2	10,625.7	82.0	309.5	86.9	-	13,525.3
Planning & Development								
138	Character Areas	200.0	-	200.0	200.0	200.0	200.0	1,000.0
139	Community Development - IVR	35.0	-	-	-	-	-	35.0
140	Community Development - Records Imaging	399.4	55.7	49.0	-	-	-	504.1
141	Planning Systems - Digital Plan Submittals	-	-	-	281.9	11.3	-	293.2
142	Planning Systems - Land Survey Asset Management	180.0	67.0	15.9	16.4	16.9	-	296.2
143	Planning Systems - Laptops & Wireless Connectivity	-	-	-	63.7	-	-	63.7
	Prior Year Expended	(489.8)	-	-	-	-	-	(489.8)
	Total Planning & Development	324.6	122.7	264.9	562.0	228.2	200.0	1,702.4
Preservation of Mountains, Desert & Historic Sites								
144	124th Street Access Area Amenities	-	-	150.0	1,376.1	-	-	1,526.1
145	Desert Discovery Museum	500.0	-	-	-	-	5,064.8	5,564.8
146	Gateway to the Preserve Amenities	-	-	-	200.0	2,000.0	-	2,200.0
147	Hidden Hills Trailheads Amenities	-	349.6	150.0	-	-	-	499.6
148	McDowell Sonoran Preserve Phase II	344,845.5	-	-	-	-	-	344,845.5
149	North Access Area Amenities	-	-	-	-	-	2,068.1	2,068.1
150	Scottsdale Rd Preservation & Streetscape Enhancements	643.8	2,599.2	3,278.2	9,004.1	11,574.8	-	27,100.0
	Prior Year Expended	(259,584.3)	-	-	-	-	-	(259,584.3)
	Total Preservation of Mountains, Desert & Historic Sites	86,405.0	2,948.8	3,578.2	10,580.2	13,574.8	7,132.9	124,219.9
Water Conservation & Quality								
151	Arsenic Mitigation Treatment	4,500.0	15,000.0	15,000.0	15,000.0	10,000.0	4,600.0	64,100.0
152	Water Quality Improvements - Southern Neighborhoods	4,000.0	6,000.0	-	-	-	-	10,000.0
	Prior Year Expended	(1,149.5)	-	-	-	-	-	(1,149.5)
	Total Water Conservation & Quality	7,350.5	21,000.0	15,000.0	15,000.0	10,000.0	4,600.0	72,950.5
	Total - Preserve Character & Environment	96,501.3	34,697.2	18,925.0	26,451.6	23,890.0	11,932.9	212,398.1



Capital Improvement Plan In Millions of Dollars

Project List

Ref #	Project Name	Adopted 2002/03					Total
		Rebudget	2002/03	2003/04	2004/05	2005/06	
Provide for the safe, efficient & affordable movement of people and goods.							
Traffic Movement							
153	2nd Street Streetscape from Couplet to Couplet	-	-	-	-	99.1	99.1
154	84th Street and Cholla Rd	1,725.0	-	-	-	-	1,725.0
155	96th Street - Shea Blvd to Sweetwater Blvd	3,190.4	550.6	-	-	-	3,741.0
156	Bell Road-94th St to Thompson Peak Parkway	-	-	383.0	630.0	5,447.0	6,460.0
157	Cactus Rd - Freeway to Frank Lloyd Wright Blvd	3,066.4	4,415.4	-	-	-	7,481.8
158	Camelback Rd - 64th to 68th St	-	293.9	1,180.5	-	-	1,474.4
159	Chaparral Rd Improvements-Miller to Hayden	-	500.0	-	-	-	500.0
160	CIP Design Concept Program	2,460.0	400.0	412.0	424.4	437.1	4,583.7
161	FLW/Via Linda Intersection	-	52.2	477.7	-	-	529.9
162	FLW-Scottsdale Rd to Shea	-	343.2	3,206.0	-	-	3,549.2
163	Hayden and McDonald - Intersection Improvement	-	346.5	2,304.7	-	-	2,651.2
164	Hayden and Via de Ventura - Intersection Improvement	-	322.7	-	1,033.6	-	1,356.3
165	Hayden Rd - Cactus to Redfield	2,127.5	6,526.5	3,663.6	-	-	12,317.6
166	Hayden Rd - Deer Valley to Pinnacle Peak	667.6	1,759.3	642.5	-	-	3,069.4
167	Hayden Rd - Freeway to Thompson Peak Parkway	7,761.9	4,319.2	-	-	-	12,081.1
168	Hayden Rd - Princess Drive to Freeway	3,596.0	530.0	-	-	-	4,126.0
169	Indian Bend Rd - Scottsdale to Hayden	-	-	1,639.1	9,566.8	-	11,205.9
170	Indian School Rd - Drinkwater to Pima	-	948.4	-	3,089.8	-	4,038.2
171	Indian School Rd - Indian Bend Wash to 81st St	3,100.0	-	-	-	-	3,100.0
172	Indian School Rd Canal Bank Enhancements-60th-64th St	-	857.4	-	-	-	857.4
173	Master Streets Studies Program	-	200.0	206.0	212.2	218.5	1,061.8
174	McDonald - Scottsdale to Hayden	-	60.0	288.8	1,614.7	-	1,963.5
175	Pima Rd - Deer Valley to Pinnacle Peak	-	-	250.0	1,340.0	2,690.7	4,880.7
176	Pima Rd - McDowell Rd to Via Linda	13,350.0	-	-	-	-	13,350.0
177	Pima Road - Pima Freeway to Pinnacle Peak	2,492.3	-	2,555.6	7,108.7	-	12,156.6
178	Pinnacle Peak - Scottsdale Rd to Pima Rd	-	-	802.7	3,674.0	6,277.4	10,754.1
179	Roadway Capacity Improvements	8,710.0	2,000.0	2,750.0	2,000.0	2,000.0	19,960.0
180	Scottsdale Rd - Dynamite to Carefree Highway	377.8	543.4	-	-	-	921.2
181	Scottsdale Rd - Frank Lloyd Wright Blvd to Freeway	2,528.8	6,220.0	1,347.0	-	-	10,095.8
182	Scottsdale Road - Indian Bend Rd to Gold Dust Rd	15,320.9	4,679.1	-	-	-	20,000.0
183	Scottsdale Road - Pima Freeway to Pinnacle Peak	-	150.0	2,505.9	5,110.0	14,845.6	22,611.5
184	Scottsdale Road - Pinnacle Peak to Dynamite	-	-	-	-	2,092.6	2,092.6
185	Scottsdale Road Streetscape Improvements	-	27.6	284.1	-	-	311.7
186	Shea Blvd and 92nd St - Intersection Improvement	-	80.0	732.0	-	-	812.0
187	Shea Blvd and Hayden - Intersection Improvement	-	85.0	797.3	-	-	882.3
188	Shea Blvd: 90th & 96th St Intersection	-	83.0	513.5	-	-	596.5
189	Shea Blvd-Freeway to 136th St	-	-	-	-	325.6	3,858.9
190	Thompson Peak - Bell to Union Hills	-	2,800.0	-	3,682.0	513.6	16,035.8
191	Thompson Peak Bridge @ Reata	-	-	-	-	1,391.1	1,391.1
192	Thunderbird/Redfield - Scottsdale to Hayden	-	1,000.0	2,659.5	1,974.0	-	5,633.5
193	Traffic Management Program-ITS	5,868.4	3,280.0	3,555.5	2,623.7	2,672.3	20,105.4
194	Traffic Signal Program	2,000.0	450.0	463.5	360.7	371.5	3,994.6
	Prior Year Expended	(32,396.7)	-	-	-	-	(32,396.7)
	Total Traffic Movement	45,946.3	43,803.3	33,620.5	44,444.6	39,382.2	28,380.8
Traffic Reduction							
195	Bikeways Program	3,870.7	1,469.9	404.7	109.8	1,856.2	7,711.3
196	Bus Bay Improvement Program	972.5	995.7	1,020.7	1,084.1	869.5	5,899.2
197	Bus Shelters Program	769.6	560.0	335.1	399.4	218.5	2,845.4
198	Buses Expansion	92.0	5,670.7	3,080.8	2,096.4	4,096.0	15,035.9
199	Loop 101 Park and Ride (PNR) Lot Match Funds	-	-	1,504.9	3,849.5	579.6	5,934.0
200	Los Arcos Transit Center	2,000.0	-	-	-	-	2,000.0
201	McDowell Mountain Ranch Telecommuting Center	-	-	435.0	3,904.7	-	4,339.7
202	Multi-use Path Enhancements	-	-	1,748.4	1,575.7	1,738.9	5,063.0
203	Mustang Transit Center	-	-	475.0	775.0	-	1,250.0
204	Neighborhood Traffic Reduction Program-Phase I	1,350.0	350.0	360.5	371.3	382.5	3,208.2
205	Neighborhood Traffic Reduction Program-Phase II	257.5	265.2	273.2	281.4	289.8	1,367.1
206	Northsite Transit Center	-	-	-	475.0	775.0	1,250.0
207	Regional Transit Maintenance Facility	-	-	3,041.0	500.0	8,566.9	12,107.9
208	Scottsdale/Tempe Major Investment Study	-	800.0	-	-	-	800.0
209	Transit Technology	-	409.4	446.2	141.3	145.6	1,292.4
210	Upper Camelback Wash Multiuse Path - Horizon, Cactus	-	1,273.1	-	-	-	1,273.1
211	Upper Camelback Wash Multiuse Path-92nd/Shea to Cactus	1,545.0	-	-	-	-	1,545.0
	Prior Year Expended	(1,685.8)	-	-	-	-	(1,685.8)
	Total Traffic Reduction	9,171.5	11,794.0	13,125.5	15,563.6	19,518.4	2,063.3

Project List

Capital Improvement Plan In Millions of Dollars

Ref #	Project Name	Adopted 2002/03					Total
		Rebudget	2002/03	2003/04	2004/05	2005/06	
Street/ROW Maintenance							
212	Arterial Roadway Street Lighting	828.1	-	-	-	-	828.1
213	Particulate Emission Reduction Program	2,500.0	-	-	-	-	2,500.0
214	Shea Sidewalk Match Funds	600.0	-	-	-	-	600.0
215	Sidewalk Improvements	1,041.5	2,265.2	788.2	811.9	838.8	6,646.0
	Prior Year Expended	(2,174.0)	-	-	-	-	(2,174.0)
	Total Street/ROW Maintenance	2,795.6	2,265.2	788.2	811.9	838.8	8,400.1
	Total - Movement of People & Goods	57,913.4	57,862.5	47,534.2	60,820.1	59,739.5	315,214.2
Position Scottsdale for long-term economic prosperity by diversifying our economic resources.							
Aviation							
216	Airport Gates Upgrade	175.0	-	-	-	163.2	338.2
217	Airport Land Acquisition	391.1	-	-	-	-	391.1
218	Airport Maintenance Facility	-	-	51.5	530.5	-	582.0
219	Airport Parking Lot Lighting Upgrades	-	-	-	76.5	-	76.5
220	Airport Safety Equipment	-	-	-	185.8	-	185.8
221	Airport Terminal Area Renovations	-	-	128.8	804.9	196.7	1,130.3
222	Aviation Noise Exposure Maps	-	340.9	-	-	-	340.9
223	Bravo Taxiway Extension - Airport Grant Match	123.4	-	-	-	-	123.4
224	Cholla Hangar Infrastructure - Grant Match	80.0	-	-	-	-	80.0
225	Differential GPS System	-	-	-	-	393.9	393.9
226	Disabled Aircraft Removal Dolly	-	-	31.8	-	-	31.8
227	Flight Tracking System	-	60.0	-	-	-	60.0
228	Kilo Ramp Reconstruction-Grant Match	-	-	-	82.0	-	82.0
229	Land Acquisition Keekor Parcel - Grant Match	150.0	-	-	-	-	150.0
230	Perimeter Road Improvements - Airport Project	25.5	-	-	-	-	25.5
231	Scottsdale Aircraft Museum-Site Preparation	1,325.0	-	-	-	-	1,325.0
232	Security & Access Control System	80.0	589.3	-	-	-	669.3
233	Taxiway Extension & Transient Ramp	-	972.6	-	-	-	972.6
	Prior Year Expended	(922.0)	-	-	-	-	(922.0)
	Total Aviation	1,428.0	1,962.8	212.1	1,679.7	753.8	6,036.3
Economic Vitality							
234	68th St Footbridge	45.8	-	-	-	-	45.8
235	Downtown Canals / Waterfront Attraction	4,200.0	-	-	-	-	4,200.0
236	Downtown Parking / Civic Center	4,217.8	-	-	-	-	4,217.8
237	Downtown/Canal Footbridge for Fifth Avenue Area	644.8	-	-	-	-	644.8
238	Downtown/Canal Transit Bridge	1,605.1	-	-	-	-	1,605.1
239	Loloma District Museum	-	3,000.0	400.0	-	-	3,400.0
240	Loloma District Public Parking Garage	-	-	-	1,400.0	1,000.0	2,400.0
	Prior Year Expended	(1,284.0)	-	-	-	-	(1,284.0)
	Total Economic Vitality	9,429.5	3,000.0	400.0	1,400.0	1,000.0	15,229.5
Revitalization							
241	Loloma District Streetscape Improvements	-	-	200.0	700.0	750.0	2,400.0
242	Scottsdale Papago Streetscape	6,229.0	-	-	-	-	6,229.0
243	SE Redevelopment Area Parking	1,549.8	-	-	-	-	1,549.8
244	1st Avenue Street Enhancements	-	-	415.3	-	-	415.3
245	Old Town Street Light Electrical Enhancement	362.0	-	-	-	-	362.0
	Prior Year Expended	(746.9)	-	-	-	-	(746.9)
	Total Revitalization	7,393.9	-	615.3	700.0	750.0	10,209.2
	Total Long-Term Economic Prosperity	18,251.4	4,962.8	1,227.4	3,779.7	2,503.8	31,475.0



Capital Improvement Plan In Millions of Dollars

Project List

Ref #	Project Name	Adopted 2002/03					Total
		Rebudget	2002/03	2003/04	2004/05	2005/06	
Coordinate planning to balance infrastructure and resource needs within budget							
Facilities Maintenance							
246	ADA Improvements	727.2	103.0	371.3	846.9	-	2,048.4
247	Comm Svcs-Hardware for PRF Mobile Work Order System	-	-	-	-	56.3	56.3
248	Energy Efficiency Improvements	19.7	153.0	-	-	-	172.7
249	Facilities Repair and Maintenance	1,205.9	1,254.3	782.5	795.7	819.5	5,702.1
250	McKelips Service Center	1,007.5	-	-	-	-	1,007.5
251	Municipal Services North Satellite Facility	-	-	1,639.1	3,657.9	-	5,297.0
252	North Corp Yard Parking Garage	1,500.0	-	-	-	-	1,500.0
253	One Civic Center Conference Annex	440.0	-	-	-	-	440.0
254	Palute Compound Replacement	-	-	-	-	1,738.9	1,738.9
	Prior Year Expended	(3,575.9)	-	-	-	-	(3,575.9)
	Total Facilities Maintenance	1,324.4	1,510.3	2,792.9	5,300.5	2,558.5	14,386.9
Water & Wastewater Operations							
255	91st Ave Waste Water Treatment Plant	29,636.0	4,000.0	3,090.0	3,182.7	4,370.9	49,907.2
256	91st Ave WWTP - UP01 Expansion	7,500.0	5,300.0	14,832.0	4,561.9	2,185.5	36,630.3
257	Advanced Water Treatment Plant - Phase 3	2,000.0	12,750.0	-	-	-	14,750.0
258	Alameda/122nd St Booster Pump Station	850.0	-	-	-	-	850.0
259	Architect / Engineer Services	1,560.0	-	150.0	-	150.0	1,860.0
260	Booster Station Upgrades	275.0	100.0	-	100.0	-	475.0
261	CAP Hayden - Shea Water Connection	-	1,000.0	4,500.0	-	-	5,500.0
262	CAP Plant Expansion	3,000.0	-	-	-	5,463.6	8,463.6
263	Chaparral Water Treatment Plant	38,357.9	-	18,540.0	-	-	56,897.9
264	Chaparral WTP Influent Waterline	5,242.8	-	-	-	-	5,242.8
265	Chaparral WTP Water Distribution System	-	500.0	3,500.0	-	-	4,000.0
266	Citywide Flow Monitoring	685.0	225.0	235.0	250.0	250.0	1,645.0
267	Deep Well Recharge / Recovery Facilities	1,600.0	-	-	-	-	1,600.0
268	Downtown Sewer Improvements	1,500.0	-	-	-	-	1,500.0
269	East Shea Sewer Improvements	-	1,100.0	-	-	-	1,100.0
270	Master Plan Update - Sewer	383.4	-	100.0	-	100.0	583.4
271	Master Plan Update - Water	766.8	-	300.0	-	300.0	1,366.8
272	Miller Road Sewer Phase 3	4,300.0	-	-	-	-	4,300.0
273	North Area Recharge/Recovery Facilities	1,550.0	6,350.0	-	-	-	7,900.0
274	Outer Loop Sewer Scottsdale Road to Pima Road	1,163.0	-	-	-	-	1,163.0
275	Pima Road - Ashler Hills to Cave Creek Waterline	8,730.0	-	-	-	-	8,730.0
276	Pima Road - Jomax to Ashler Hills Waterline	11,950.0	-	-	-	-	11,950.0
277	Pima Road - Pinnacle Peak to Jomax Waterline	2,500.0	-	-	-	-	2,500.0
278	Princess Road Metering Station Improvements	250.0	500.0	-	-	-	750.0
279	Pump Station 97 (RWDS B) Modifications	500.0	-	-	-	-	500.0
280	Radio Telemetry - Monitoring Automation Citywide (Sewer)	501.0	50.0	51.5	53.0	54.6	766.5
281	Radio Telemetry - Monitoring Automation Citywide (Water)	678.0	125.0	128.8	132.6	136.6	1,241.6
282	Relief Sewers - Citywide	2,000.0	500.0	-	500.0	-	3,000.0
283	Security Enhancements	-	250.0	250.0	-	-	500.0
284	Sewer Collection System Rehabilitation	3,046.0	-	250.0	-	250.0	3,546.0
285	Sewer Oversizing	1,835.7	-	-	-	-	1,835.7
286	Troon East RWDS Pump Station Modifications	300.0	-	-	-	-	300.0
287	Union Hills Transmission Line - Water Campus to Site 120	-	-	1,400.0	-	-	1,400.0
288	Utility Sleeve Crossings/Outer Loop	1,815.0	-	-	-	-	1,815.0
289	Water Distribution System Improvements	2,950.0	750.0	309.0	795.7	327.8	5,695.2
290	Water Oversizing	7,364.1	850.0	875.5	901.8	928.8	11,876.9
291	Water Reclamation Plant Phase 3	2,000.0	12,750.0	-	-	-	14,750.0
292	Water Rights Acquisition	47,052.0	-	-	20,916.0	-	67,968.0
293	Waterline Replacements	7,491.0	2,000.0	1,030.0	2,121.8	1,092.7	15,986.5
294	Well Sites	13,642.1	-	3,001.5	-	3,106.5	19,750.1
295	Zone 12 - 13 Water System Improvements	8,528.0	-	-	-	-	8,528.0
296	Zone 12 - 13 Water Transmission Lines	-	500.0	6,180.0	-	-	6,680.0
297	Zone 9 Reservoir Expansion	7,000.0	-	-	-	-	7,000.0
	Prior Year Expended	(145,129.1)	-	-	-	-	(145,129.1)
	Total Water & Wastewater Operations	85,373.7	49,600.0	58,723.3	33,515.5	18,717.1	307,748.1
Technology Infrastructure							
298	Shared Fiber Infrastructure for Public Use	100.0	-	530.5	874.2	450.2	1,954.9
	Prior Year Expended	-	-	-	-	-	-
	Total Technology Infrastructure	100.0	-	530.5	874.2	450.2	1,954.9
	Total - Balance Infrastructure & Resources	86,798.1	51,110.3	62,046.6	39,690.1	21,725.7	324,089.9

Project List

Capital Improvement Plan
In Millions of Dollars

Ref #	Project Name	Adopted 2002/03		2003/04	2004/05	2005/06	2006/07	Total
		Rebudget	2002/03					
Make government accessible, responsive & accountable so that pragmatic decisions reflect community input and expectations								
Public Notification & Communications								
299	Citycable Production Truck Replacement	-	212.2	-	-	-	-	212.2
300	Courts - IVR	40.0	-	-	-	-	-	40.0
301	KIVA Meeting Space Improvements	322.5	-	-	-	-	-	322.5
302	KIVA Meeting Space Technology	159.8	-	-	-	-	-	159.8
	Prior Year Expended	(366.8)	-	-	-	-	-	(366.8)
	Public Notification & Communications	155.5	212.2	-	-	-	-	367.7
	Total - Accessible & Responsive Government	155.5	212.2	-	-	-	-	367.7
Ensure Scottsdale is fiscally responsible and fair in the management of taxpayer money & City assets.								
Revenue Collection								
303	Financial Services - IVR Tax and License	-	-	-	109.3	-	-	109.3
304	Financial Services - Special Assessment Billing System	97.5	54.6	-	-	-	-	152.1
305	Financial Services-Hand Held Meter Reading System	-	-	-	-	109.3	-	109.3
306	Financial Services-Licensing & Alarm Billing System	-	-	-	-	-	359.9	359.9
307	Financial Services-Remittance Process Transport System	-	-	-	-	-	382.9	382.9
308	Financial Services-Tax Return Processing System	-	-	-	-	-	452.5	452.5
309	Utility Billing System	2,403.6	-	-	-	-	-	2,403.6
	Prior Year Expended	(62.2)	-	-	-	-	-	(62.2)
	Total Revenue Collection	2,438.9	54.6	-	109.3	109.3	1,195.3	3,907.4
Organizational Support Functions								
310	Financial Services - Payroll / Human Resource System	-	128.8	-	-	-	-	128.8
311	Fleet Maintenance Facility North Satellite	-	-	318.3	-	-	-	318.3
312	Information Services - GIS Mapping Platform Migration	188.0	-	369.4	-	-	-	577.4
313	Information Services - Network Infrastructure	574.5	360.8	360.8	360.8	360.8	360.8	2,378.5
314	Information Services - PC Equipment	1,435.2	1,256.8	1,256.8	1,256.8	1,256.8	1,256.8	7,719.2
315	Information Services - Security Investment/ Antivirus	127.0	-	-	171.0	28.8	-	326.8
316	Information Services - Server Infrastructure	1,001.8	521.7	521.7	521.7	521.7	521.7	3,610.3
317	Information Services - Technology Storage Area Network	105.0	182.3	-	-	30.4	-	317.7
318	Information Services - Telephone Equipment	370.0	239.6	252.0	308.5	233.5	260.4	1,664.0
319	Enterprise Wide - Document Imaging System	248.5	-	-	-	-	-	248.5
320	Lift Replacement	-	184.8	-	-	-	-	184.8
	Prior Year Expended	(1,929.9)	-	-	-	-	-	(1,929.9)
	Total Organizational Support Functions	2,120.1	2,874.8	3,099.0	2,618.8	2,432.0	2,399.7	15,544.4
	Total - Ensure Fiscal Responsibility	4,559.0	2,929.4	3,099.0	2,728.1	2,541.3	3,595.0	19,451.7
	Contingency		1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	5,000.0
	Unfunded Contingency		5,000.0	5,000.0	5,000.0	5,000.0	5,000.0	25,000.0
	Total Capital Budget	315,013.7	203,735.6	235,562.5	196,292.8	150,588.4	125,903.5	1,227,096.4



Enhance & Protect Community & Neighborhoods

1. AFIS Replacement & Improvements

Purchase and install an Automated Fingerprint Identification System (AFIS) and replace the existing equipment to streamline the fingerprint process and maximize technology currently being used throughout the country.

Funding Source: General Fund Transfer - \$457,000

2. Barcode Equipment for Property/Evidence/Asset Tracking

Add bar code equipment to facilitate the inventory and checkout of property and evidence items impounded by the police department.

Funding Source: General Fund Transfer - \$97,900

3. Crime Laboratory Equipment Replacement

Replace crime laboratory equipment.

Funding Source: General Fund Transfer - \$358,900

4. District 1 Patrol Station

Construct a new 25,000 square foot sub - station in District One (the area north of McKellips and south of Camelback) to include office space, lockers, a staffed lobby area, a conference room, and parking.

Funding Source: 2000 General Obligation Bonds - \$10,771,000

5. District 4 Police Substation

Plan, design, and construct a police sub - station on a site located in McDowell Mountain Ranch Park and staff it accordingly to make it operational.

Funding Source: General Fund Transfer - \$318,300

6. District II Expansion

Construct an expansion to the Police Via Linda facility at Via Linda & San Salvador to accommodate additional space for growth that has occurred since the 1989 facility opening.

Funding Source: General Fund Transfer - \$3,091,500

7. Explosive Ordnance Disposal Equipment

Purchase explosive ordnance disposal equipment in order to appropriately respond to the increasing threat of criminal activity involving explosives.

General Fund Transfer - \$173,200

8. Family Advocacy Center

The center will house police, social workers, prosecuting attorneys and on - site physicians. The

goal is to have the criminal justice, medical, and social staff work together in one facility to reduce additional trauma experienced by crime victims.

General Fund Transfer - \$3,942,500

9. Field Implementation of CDPD/Wireless Technology

Includes the purchase of modems for police vehicles.

Funding Source: General Fund Transfer - \$368,600

10. Helicopter Air Support Unit

Implement a helicopter based Police Department Air Support Unit, which includes helicopter purchase.

Funding Source: 2000 General Obligation Bonds - \$6,400,000

11. Jail CCTV Monitoring/Recording System Replacement

Replacement in both jails of Closed Circuit Television Monitoring Systems with one system, which will provide color images and computerized, digital recording.

Funding Source: General Fund Transfer - \$184,700

12. Police/Fire Training Facility Phase 2

Construct an 11,000 square foot addition to the existing Police/Fire Training Facility at 911 N. Stadem, including two buildings for classrooms/office space, a multi - story training tower, additional parking, and additional bathrooms/showers.

Funding Source: 2000 General Obligation Bonds - \$4,220,800

13. Police Emergency Power

This project will allow for the purchase and installation of an emergency power generator at the District 3 sub - station which will allow the Police Departments computer hardware, software, and communication facilities to continue to operate through component failure and potential disaster, to include power failures.

Funding Source: General Fund Transfer - \$85,000

14. Police Laptop Enhancement Program

Purchase and install laptop computers used by officers and detectives in their daily work.

Funding Source: General Fund Transfer - \$2,003,900

15. Police Mobile Data and Communications Upgrade

This project will allow for the upgrade of the current system which uses mobile digital terminals in the Police Departments fleet and allows officers in the field to perform national law enforcement checks, dispatch calls for service integration, electronic paging and inter - unit messaging.

Funding Source: General Fund Transfer - \$55,000

Annual Operating Budget Impact: \$5,000

16. Police Mounted Unit Barn Replacement – WestWorld

Raze the existing 14 - year - old horse barn and replace it with a larger barn.

Funding Source: General Fund Transfer - \$192,500.

17. Police Operational Support Building

Purchase 8 acres of land and construct a 63,000 square foot Police Department Support Services facility to provide space for Property/Evidence, Communications, and Crime Laboratory functions. Building will include circulation and mechanical plant rooms and a new City Emergency Operations Center.

Funding Source: 2000 General Obligation Bonds - \$31,905,800

18. Police Portable Radio Replacement Program

Replace portable radios assigned to the Police Department. This project staggers the purchase of new radios over 5 years.

Funding Source: General Fund Transfer - \$4,197,100

19. Police Records Management - Modifications

Modify the current RMS to maintain existing functionality, ensure data integrity and to meet the daily operational needs of the department.

Funding Source: General Fund Transfer - \$587,700

20. Police RMS/AFIS Enhancements

Continue implementing the Records Management System (RMS) and Automated Fingerprint Identification System (AFIS), which automate critical police functions. During the design and implementation, numerous enhancements were identified which would increase the efficiency and effectiveness of the police department. These enhancements range in complexity from the addition of a single data element captured in a database, to the integration of imaging to capture and retrieve documents and photographs related to a case or a person.

Funding Source: General Fund Transfer - \$705,200

21. Police Security Systems

Increase the capability to ensure secure authentication of external access points and protection and encryption of data transmitted via computer and communications systems, which are critical to PD operations.

Funding Source: General Fund Transfer - \$645,400

Annual Operating Budget Impact: \$800

22. Police Wiretap Upgrade

Obtain Title III intercept (wiretap) and pen register digital equipment (records time, date and phone numbers), which is compliant with Federal Communications Assistance to Law Enforcement Act.

Funding Source: General Fund Transfer - \$150,000

23. City Attorney - Automate Criminal Justice System

Purchase hardware, software, and technical consulting to automate paper processes and develop a database to track statistical information for workload indicators in the Prosecution Division of the City Attorney's office

Funding Source: General Fund Transfer - \$497,800

24. City Attorney - Legal Case Matter Management System

Purchase and install an automated case matter management system for the Civil Division.

Funding Source: General Fund Transfer - \$255,700

25. Courts – Case Management System

Assessment and enhancement of the Court's case management system.

Funding Source: Court Enhancement Fund - \$307,500

26. Courts - Imaging

Purchase and install a document imaging system to fully integrate imaging within the court case and financial management systems.

Funding Source: Court Enhancement Fund - \$350,000

27. Courts - Videoconferencing

This project provides for videoconferencing capabilities from remote locations to facilitate both citizen and officer convenience in meeting scheduled court times at more convenient locations.

Funding Source: Court Enhancement Fund - \$55,500

28. Fire Safety - Breathing Apparatus Equipment

Replace S.C.B.A. (Self Contained Breathing Apparatus) and spare cylinders for the Fire Support Program to bring them up to current Federal Standards.

Funding Source: General Fund Transfer - \$45,100

29. Fire Safety – Thermal Imaging Cameras

Obtain Thermal Imaging Cameras for placement on all first response fire apparatus. This project will provide an additional eight devices for distribution throughout the Scottsdale system.

Funding Source: General Fund Transfer - \$120,000

30. Fire Station & Rescue Vehicle - Scottsdale Airport

Design, construct and equip a permanent Airport Fire Station with an Airport Fire Fighting and Rescue Vehicle. This facility will be a stand - alone fire facility, constructed on the current site of the temporary trailer facility that is adjacent to the north side of the tower.

Funding Source: 2000 General Obligation Bonds - \$1,802,500

31. Fire Street #10 – Miller & Thomas Remodel

Upgrade and remodel Fire Station #810 @ 2857 N. Miller Road and install fire sprinkler systems.

Funding Source: General Fund Transfer - \$168,400

32. Fire Station #11 – McDonald & Scottsdale Expansion

Remodel, upgrade and expand the living quarters at Fire Station #811 @ 7339 E. McDonald Dr. Remove/add non - bearing interior walls.

Funding Source: General Fund Transfer - \$181,100

33. Fire Station #13 - Vehicle and Equipment

Purchase a fire engine vehicle and equipment.

Funding Source: General Fund Transfer - \$556,200

34. Fire Station #17 - Vicinity of Bell Road and 100th Street

Construct a fire station for fire and emergency medical response. Project budget assumes no cost to City for land.

General Fund Transfer - \$807,000

Annual Operating Budget Impact: \$26,000

35. Fire Station #18 – Troon North Fire Station

Construct a fire station for fire and emergency medical response at Alma School Road north of Pinnacle Vista Drive. Project budget assumes no cost to City for land.

Funding Source: General Fund Transfer - \$919,000

36. Fire Station #20 – Desert Mountain – permanent station

Construct a permanent fire station for fire and emergency medical response.

General Fund Transfer - \$956,700

37. Fire Station #27 - Ashler Hills and Pima

Construct a fire station for fire and emergency medical response.

Funding Source: General Fund Transfer - \$1,200,000

Annual Operating Budget Impact: \$26,000

38. Refurbish Fire Engines

Refurbish fire engine vehicles to be used as backup vehicles when first - line vehicles are out for maintenance.

General Fund Transfer - \$210,000

39. Replacement Fire Vehicle Contingency

Funds for periodic replacement of fire vehicles.

Funding Source: Fleet Rates - \$1,764,900

40. Aging Park Facility Renovations

This is a combination of the following projects: tennis court rebuild, renovate stadium outfield, bike path re - lighting, Citywide park signage replacement, Mountain View Teen Center/Stage Renovation, Club SAR addition, and Indian School Park Neighborhood Center.

Funding Source: 2000 General Obligation Bonds - \$5,153,600

41. Aging Parks - Chaparral Pool Building

Install a roof structure over the locker/shower areas in the existing Chaparral Pool Building.

2000 General Obligation Bonds - \$745,000

42. Aquatic Facilities Renovations

Included in this project are the re - decking of Cactus, Chaparral, and the North Corporation Yard pools and the replacement of the lockers at Cactus pool.

Funding Source: 2000 General Obligation Bonds - \$460,200

43. Cactus/Frank Lloyd Wright Trail Underpass

Create a grade - separated crossing at Cactus Road and Frank Lloyd Wright Boulevard for a trail under the intersection, connecting trails at the southwest corner to the northeast corner of the intersection.

Funding Source: General Fund Transfer - \$1,429,400

44. Central Arizona Project Basin Lighted Sports Complex

Develop the 70 acre basin/parking area north of the Tournament Players Club golf course into a Youth Sports soccer complex consisting of four lighted championship soccer fields, six unlighted soccer fields, two restroom/concession facilities, a playground and ramadas, a basketball sports court, a multi - use path around the perimeter, a pedestrian underpass on Princess Drive, and parking for 857 vehicles. In addition, the existing stormwater retention area will be preserved and parking on the improved soccer fields will be available for special events at the Tournament Players Club golf course.

Funding Sources: 2000 General Obligation Bonds - \$10,176,400 and Grant - \$500,000

45. Chaparral Park Extension

Build active recreational amenities on approximately 20 acres north of Chaparral Park at the intersection of Hayden Road and McDonald Drive. The planned amenities include 2 multi - use fields, off - leash dog area, playground, picnic ramadas, and support facilities such as parking, pathways, and security lighting. This project includes renovating the existing Chaparral softball complex.

General Fund Transfer - \$4,412,700

46. Civic Center Campus Master Plan

Develop a comprehensive Master Plan for the Civic Center Mall Complex, including assessing the current facilities, the City's staffing needs, the impacts of technology, and the needs for public assembly and public meeting rooms. The plan will address opportunities in accordance with the Southeast Downtown Redevelopment Plan and will incorporate the current plans for the western portion of the Mall.

Funding Source: General Fund Transfer - \$130,000

47. Civic Center Mall Expansion

Improve the planned expansion of the downtown Civic Center Mall to provide developed open park space for public events, passive recreation and future civic structures.

Funding Source: 2000 General Obligation Bonds - \$7,870,800

48. Civic Center Mall Expansion - Stadium Focus Area

Design and expand the current Civic Center Mall, which is located in the center of the Stadium Focus Redevelopment Area. In addition, includes improvements in front of the Justice Center and Civic Center Library.

Funding Source: Private Contributions - \$1,000,000

49. Civic Center Mall Renovations - Phase II

Completion of Civic Center renovations west of Civic Center Blvd. Phase II improvements include replacement of Marshall Garden railroad ties with a new concrete wall, new ADA ramp on the east side of the Scottsdale Center for the Arts building, an artist designed shade bower required by master plan, and creating new directional signage.

Funding Source: 2000 General Obligation Bonds - \$1,460,500

50. Community Services - Class System Upgrades

Expand the touch - tone registration capabilities, add equipment to allow system access for all remote park sites including sports scheduling, court and equipment reservation capabilities.

Funding Source: General Fund Transfer - \$87,400

51. DC Ranch Community Park

Construct a full - service community level park, which will include a tennis center, recreational sport courts, playground, picnic areas, and parking, etc.

Funding Source: 2000 General Obligation Bonds - \$5,507,300

52. DC Ranch Neighborhood Park

Construct a neighborhood level park, which will include a playground, sport courts, restrooms, and picnic areas, etc.

Funding Source: 2000 General Obligation Bonds - \$2,050,200

53. Desert Mountain Park

Develop a neighborhood level park in the vicinity of Pima and Joy Ranch Roads/Cave Creek Road that could include police and fire facilities as well as a library on site. Included will be a picnic area, lighted tennis, volleyball and basketball courts, playground, interpretive trails, desert preservation, and a small community building with restrooms. The land was dedicated to the City of Scottsdale through the planning and zoning process of the Desert Mountain development.

Funding Source: 2000 General Obligation Bonds - \$1,932,500

54. Downtown Streetscape Amenities

Downtown area amenities such as park benches, trash receptacles, ash urns and directories/kiosks.

Funding Source: General Fund Transfer - \$200,000

55. Eldorado Ballfields Renovation

Modify the spectator area for handicapped accessibility, redirect the drainage channel to permit expansion of the middle ball field outfield, modification of backstops and infield areas to meet American Softball Association standards, and improvements to the parking, walkways and retaining wall south of the ball field.

Funding Source: 2000 General Obligation Bonds - \$1,168,500

56. Eldorado Pool Renovation

Design and construct a new family aquatic center to replace the 30 - year - old Eldorado Pool Facility.

Funding Source: 2000 General Obligation Bonds - \$4,288,400



57. Grayhawk Community Center

Develop a community level park adjacent to a full - service Boys and Girl's Club, including lighted sports fields, recreational courts, playground, picnic areas, and a community center.

Funding Source: 2000 General Obligation Bonds - \$4,965,000

58. Indian Bend Wash Lakes Renovation

The first phase of this two - phase project is a study of the physical conditions of the lakes from Chaparral Lake south to McKellips Lake. The second phase will be the implementation of improvement projects identified in the study phase.

Funding Source: General Fund Transfer - \$1,024,000

59. McCormick Railroad Park Phase III

Design and build a new model railroad building, new on - site parking, and shade cover for the carousel and static train display.

Funding Source: General Fund Transfer - \$2,076,700

60. McDowell Mountain Ranch Park & Aquatic Center

Develop a community level park located at Thompson Peak Parkway and McDowell Mountain Ranch Road with a family aquatics center, gymnasium, and ancillary facilities such as lighted multi use fields, picnic areas, tennis courts, volleyball courts, parking lots, walkways, and restrooms. The park will be adjacent to the Desert Canyon Elementary and Middle Schools, and Arabian Library.

Funding Source: 2000 General Obligation Bonds - \$10,712,000

61. Mustang Off Leash Facility

Design and construct a one acre "off leash" enclosure southeast of Mustang Library that includes water, turf, trees, and bench and table installation.

Funding Source: 2000 General Obligation Bonds - \$112,600

62. North Area Park Land Acquisition

Purchase approximately 40 acres, for two future neighborhood park sites (proposed Lone Mountain and Dove Valley/96th Street Parks).

Funding Source: 2000 General Obligation Bonds - \$3,090,000

63. Pima Road/Freeway Basin Master Plan

Develop a master plan for potential active or passive uses within the 25 - acre detention basin adjacent to the north side of the Pima Freeway.

Funding Source: General Fund Transfer - \$206,000

64. Pinnacle Peak Mountain Park

Design and build a park in the Pinnacle Peak Mountain area. Improvements to the area will include trail improvements, parking, and a park building, which will contain public restrooms and an office for a trail coordinator.

Funding Source: General Fund Transfer - \$1,011,300 and Contributions - \$104,260

65. Pinnacle Peak Trail Amenities

Design and construct a trail and trailhead on Pinnacle Peak.

Funding Source: General Fund Transfer - \$400,000

66. Playground Equipment Replacement

Replace deteriorated playground equipment at existing parks.

Funding Source: General Fund Transfer - \$1,684,900

67. Public Pool Equipment Replacement

Replacement of pool heaters, pool chlorinators, pool tarps, and other major equipment at public pools Citywide.

Funding Source: General Fund Transfer - \$168,800

68. Public Pool Safety Upgrades

Replace pool filters at Cactus and Chaparral pools (2 filter units at Cactus, 3 at Chaparral); install a small chlorine scrubber at Chaparral pool; and replace existing pool deck at Cactus pool.

Funding Source: General Fund Transfer - \$432,000

69. Recreational Amenity Replacement

Periodic replacement of deteriorated items, such as tennis courts, picnic tables, grills, game booth covers, shade canopies, bleachers, stadium seating, exercise equipment and sports lighting replacement/relamping.

Funding Source: General Fund Transfer - \$1,191,500

70. Scottsdale Mall West Restroom Renovations

Demolish and replace the existing restroom facilities located directly south of the Pepperwood building and west of the Chamber of Commerce.

Funding Source: General Fund Transfer - \$282,100

71. Scottsdale Ranch Park Desert Garden

Improvements to the approximately 5 acre undeveloped parcel in Scottsdale Ranch Park. Design and build a desert educational experience, reconstruction of a natural Sonoran Desert Wash, interpretive trail, sidewalks, playground, small turf area, outdoor classroom, small parking lot, desert vegetation, landscaping, and irrigation.

Funding Sources: General Fund Transfer - \$282,500, Grant Funds - \$250,000 and Contributions - \$275,000.

Annual Operating Budget Impact: \$13,500

72. Scottsdale Ranch Park Tennis Courts/Recreation Storage Area

Add four new tennis courts in the vacant area directly east of the tennis center and construction of a 900 square foot storage building to house large equipment and supplies from the Parks, Recreation and Facilities Division.

Funding Source: 2000 General Obligation Bonds - \$979,600

73. Small Parks Building Expansion

Expand the Chesnut Park (4565 N. Granite Reef Road,) Pima Park (8600 E. Thomas Road), and Paiute Park (3210 N. 66th Street) buildings by 400 square feet each. This includes electrical, heating/cooling and necessary utilities for the additional space.

General Fund Transfer - \$251,800

74. Sonoran Hills Park

Design and build phase II of a neighborhood level park on Williams Road south of Pinnacle Peak Road within the Sonoran Hills community. This project will include multi - use fields, ramadas, playgrounds, lighted courts including tennis, basketball, and volleyball, and a restroom facility.

Funding Source: 2000 General Obligation Bonds - \$2,080,000

75. Trail Development/Acquisition

Establish key trail linkages by pursuing trail corridor acquisitions.

Funding Sources: General Fund Transfer - \$883,300 and 2000 General Obligation Bonds - \$2,502,300

Annual Operating Budget Impact: \$15,000

76. Troon North Park

Construct a 34 - acre community level park located at Pinnacle Vista Drive and Alma School Road. Planned amenities are a community center, activity area, playground, tennis courts, restrooms, parking and landscaping.

Funding Source: 2000 General Obligation Bonds - \$3,835,500

77. Upgrade Sport Field Lighting Systems

Upgrade over 600 existing lights within the City's sport field lighting system to reduce spill light and glare.

Funding Source: 2000 General Obligation Bonds - \$289,800

78. Vista Del Camino Ballfield Renovation

Add a second lighted ball field to the Yavapai ball field complex. Includes modification of existing field to accommodate new field, replace existing backstop, and upgrade lighting.

Funding Source: 2000 General Obligation Bonds - \$841,600

79. Vista Del Camino Remodel/Expansion

Remodel and expand existing Social Services area at Vista del Camino Park to provide for more efficient use and increased service delivery.

Funding Source: 2000 General Obligation Bonds - \$3,495,700

80. Yavapai Ballfield Parking

Design and construction of a 40 to 60 - space parking lot next to the softball field at Yavapai School adjacent to Vista Del Camino Park.

Funding Source: General Fund Transfer - \$109,300

81. Youth Sport Lighting Expansion

This project includes poles, fixtures, and lamps to light 16 separate sports fields. Proposed sites include Cheyenne, Hohokam, Mountainside, Supai, Laguna, and Cocopah elementary/middle school ball fields, Chaparral soccer fields, and Indian School ball fields.

Funding Sources: General Fund Transfer - \$1,440,900 and 2000 General Obligation Bonds - \$689,600

82. Paiute Neighborhood Center Building 8 Remodel

Improvements to the City - owned building will include construction of walls; related electrical installations for additional outlets, and the fire control system will be slightly modified.

Funding Source: General Fund Transfer - \$62,800

83. Paiute Neighborhood Center Buildings 4 & 5 Purchase/Remodel

Purchase and renovate two buildings at the Paiute Neighborhood Center, presently owned by the Ville de Marie Catholic Academy. Planned uses for these buildings are meeting/classroom space and additional brokerage agency offices.

Funding Source: 2000 General Obligation Bonds - \$1,391,900



84. Paiute Neighborhood Center Buildings 7 & 9 Remodel/Walkway Canopy Replacement

Design, demolition, and renovation of two City - owned buildings at Paiute Neighborhood Center. Planned uses for these buildings are a Senior Adult Center, a tiered 50 - 60 - seat community meeting room, classroom, and brokerage agency offices. Also included in this project is the replacement of the deteriorating wooden walkway canopy with a metal canopy.

Funding Source: 2000 General Obligation Bonds - \$767,400

85. Civic Center Senior Center Replacement

Acquire the necessary land, design and construct a new 30,000 square foot Senior Center to replace the existing Civic Center Senior Center. The existing building will be sold or possibly leased as office space with proceeds going to the General Fund.

Funding Source: 2000 General Obligation Bonds - \$10,562,200

86. Appaloosa Library

Construction of a 32,500 square foot full service library at DC Ranch, servicing the needs of the population in the area of Union Hills to the City's northern border, includes video conferencing capabilities and electronic books.

Funding Source: 2000 General Obligation Bonds - \$11,609,100

87. Arabian Library Phase II

Design and construction of a 25,600 square foot addition to the existing 8,400 square foot joint - use City/Scottsdale Public Schools library facility.

Funding Source: 2000 General Obligation Bonds - \$8,652,000

88. Library Network Conversion

Upgrade and replacement of various technologies: the replacement of existing terminals at all library sites, additional infrastructure, such as switches, routers and cabling, where needed, and the replacement of any obsolete PC's in the library.

General Fund Transfer - \$506,400

89. Mustang Library Study Rooms

Create a 400 square foot enclosed quiet study area within the Mustang Library to better serve the needs of the citizens that use this library.

Funding Source: 2000 General Obligation Bonds - \$95,400

90. Self Library Book Checkout Machine/LAN Infrastructure Replacement

Replacement of old self - check machines and aging local area network infrastructure.

Funding Source: 2000 General Obligation Bonds - \$520,900

Annual Operating Budget Impact: \$32,000

91. Art In Public Places

Provide funding for the City's allocation of 1% of current revenue - funded capital projects as required by City ordinance.

Funding Sources: General Fund Transfer - \$1,607,800, Wastewater Rates - \$406,300, and Water Rates - \$968,000

92. Scottsdale Center for the Arts - Improvements and Facility Upgrades

Facility improvements such as restroom renovation, plumbing, air circulation, lighting and facility accessibility to Americans with Disabilities Act specifications.

Funding Source: General Fund Transfer - \$1,516,400

93. Loloma District Stagebrush Theater Relocation

Construction of a 10 to 12 thousand square foot shell building to house a community theater located on City owned land at the McDowell Road and Granite Reef Road site. The facility will include a theater house to seat approximately 200 patrons, stage, rehearsal areas, workshop, lobby and restrooms.

Funding Source: General Fund Transfer - \$1,600,000

94. 104th Street Storm Drain - Cactus Road to Cholla Drive

Construct a combination of storm drains and drainage channel improvements, as identified in Scottsdale's Master Storm Water Plan, to provide capacities to handle the 100 - year storm level.

Funding Source: General Fund Transfer - \$1,000,000

95. 64th Street Corridor Drainage Improvements

Project goal is to install storm drains/or improved channels to eliminate flooding up to the 10 - year event for this highly developed residential area and to protect 64th Street from off - site flows. The options for the project include the installation of storm drains/or improved channels. The current drainage system conveys less than the 2 - year event. The total watershed area is approximately 2.1 square miles.

Funding Source: 2000 General Obligation Bonds - \$5,214,200

96. Bell Road II ID

Construct streets, water and sewer lines, drainage improvements and other infrastructure south of Bell Road and north of WestWorld.

Funding Source: Special Assessment
Contributions - \$12,057,000

97. Camelback Corridor Drainage

The goal of the project is to eliminate flooding up to the 10 - year event for this established neighborhood. The benefiting area is highly developed with a mix of single - family, multi - family and commercial properties, including the Waterfront redevelopment area. The total watershed area is approximately 2 square miles.

Funding Source: General Fund Transfer - \$7,014,100

98. Carefree Ranch Water Service ID

This project will extend City water service to the Carefree Ranch Development.

Funding Source: Special Assessment
Contributions - \$1,000,000

99. Civic Center East Drainage Improvements

The goal of the project is to eliminate flooding up to the 10 - year event for this highly developed residential and commercial area. The options for this project focus on the installation of an additional storm drain in the 2nd Street alignment. The current drainage system conveys approximately the 2 - year event. The total watershed area is approximately 0.4 square miles.

Funding Source: 2000 General Obligation
Bonds - \$1,459,200

100. D.C. Ranch Citizen Service Center

The developer will be donating 1000 square feet within the DC Ranch Community Center to the City for an office and conference room. The citizen service center will be equipped with a workstation, computer hardware and software, City telephone and one City staff. A few of the services provided include a convenient place for paying water bills, returning library books, buying bus tickets, and receiving information regarding City ordinances and policies.

Funding Source: General Fund Transfer - \$31,800

101. Earll Drive/Thomas Road Corridor - Drainage Improvements

The goal of the project is to eliminate flooding up to the 10 - year event for this highly developed residential and commercial area. Currently, the storm drain servicing this corridor is an undersized facility along Avalon Drive/Scottsdale Road/Thomas Road. The options for the

project focus on the installation of additional storm drains. The current drainage system conveys less than the 2 - year event in nearly all instances. The total watershed area is approximately 1.2 square miles.

Funding Source: 2000 General Obligation
Bonds - \$10,546,000

102. East Airport Drainage Project

The goal of the project is to eliminate flooding up to the 10 - year event for this highly developed commercial/ industrial area and to protect the intersection of Hayden Road and Redfield Road. The total watershed area is approximately 0.1 square miles.

Funding Source: General Fund Transfer - \$359,200

103. Floodplain Acquisition Program

Develop a floodplain acquisition program for major wash corridors north of the CAP canal to ensure an effective and efficient drainage network is maintained/or is provided as future development occurs.

Funding Source: 2000 General Obligation
Bonds - \$2,366,600

104. Granite Reef Watershed

The goals of the project are to eliminate the existing 100 - year floodplain in the Granite Reef Wash corridor for locations south of Thomas Road and to improve drainage conditions for locations north of Thomas Road to approximately a 10 - year level of protection. The benefiting area is highly urbanized and approximately two square miles in area. The Flood Control District will contribute 60% for floodplain phase.

Funding Sources: General Fund Transfer (for City match) - \$4,190,000 and Flood Control District Contributions - \$4,959,800.

105. Improvement District Incidentals

Conduct preliminary studies for proposed improvement districts.

Funding Source: Special Assessment Contributions - \$1,374,000

106. Indian School Park Watershed Phase I

Install a storm drain system in Indian School Road in conjunction with the road improvement project to provide a 10 - year level of protection. The project involves the installation of 42 - inch through 84 - inch storm drainpipe.

1989 General Obligation Bonds - \$574,000



107. Indian School Park Watershed Phase II

The goal of the project is to eliminate flooding up to the 10 - year event for this highly developed residential and commercial area. Currently, the only storm drain servicing this neighborhood is an undersized facility along Indian School Road between 86th Street and the Indian Bend Wash. The options for the project focus on the installation of storm drains. The current drainage system conveys approximately the 2 - to 5 - year event, depending on location within the watershed. The total watershed area is approximately 0.4 square miles.

Funding Source: 2000 General Obligation Bonds - \$1,665,000

108. Jackrabbit/Chaparral Roads West Drainage Improvements

The goal of the project is to eliminate flooding up to the 10 - year event for this highly developed residential and commercial area. Currently, the only storm drain servicing this neighborhood is an undersized facility along Chaparral Road. The options for the project focus on the installation of storm drains, with the potential that this system could assist in reducing flood control improvements in the Scottsdale Road/ Camelback Road intersection area. The current drainage system conveys approximately the 2 - to 5 - year event, depending on location within the watershed. The total watershed area is approximately 1.4 square miles.

2000 General Obligation Bonds - \$3,051,000

109. McCormick Ranch Lakes Floodwall

The goal of the project is to eliminate a floodplain breakout condition while delineating the floodplain/ floodway boundaries for the McCormick Ranch Lakes, which are a major tributary to the Indian Bend Wash at Indian Bend Road. The total watershed area north of McCormick Parkway is approximately 11 square miles.

Funding Sources: General Fund Transfer (for City Match) - \$206,000 and Flood Control District Contributions - \$206,000

110. McDonald Drive Corridor – Drainage Improvement

The goal of the project is to eliminate flooding up to the 10 - year event for this established neighborhood. The total watershed area is approximately 0.9 square miles.

Funding Source: General Fund Transfer - \$1,481,700

111. Mojave Neighborhood (East) – Drainage Improvement

The goal of the project is to eliminate flooding up to the 10 - year event for this established neighborhood. The project will be built in two phases. Phase I will improve the areas from Granite Reef Road west to the Indian

Bend Wash. Phase II will improve the areas from Granite Reef Road east to 86th Street. The total watershed area is approximately 0.9 square miles.

Funding Source: General Fund Transfer - \$8,376,600

112. Neighborhood Focused Housing Demonstration

Purchase and renovate one home each year in a mature neighborhood. Showcase the renovated home and provide plans and assistance in obtaining building permits to encourage neighborhood redevelopment.

General Fund Transfer - \$220,000

113. Neighborhood Funding Partnership

Assist neighborhoods, on a matching basis, to finance neighborhood improvements such as security lighting, sidewalks, landscaping, and entry features.

Funding Source: General Fund Transfer - \$1,407,900

114. Neighborhood Stormwater Management Improvements

Provide as - needed drainage improvements, which address localized drainage and flooding problems.

General Fund Transfer - \$3,286,100, In - lieu Developer Drainage Fees - \$365,400 and 1989 General Obligation Bonds - \$342,000

114a. Neighborhood ID City Contribution

Facilitate neighborhood improvement districts for the installation of public infrastructure such as water, sewer, paving and drainage improvements.

Funding Source: General Fund Transfer - \$1,008,000

115. North Area Basin Master Plans

Provide detailed master planning for approximately five major drainage basins north of the Central Arizona Project canal to ensure that a logical and consistent drainage network is constructed by future development.

Funding Source: General Fund Transfer - \$3,158,500

116. Northern Stormwater Risk/Vulnerability Management

The project will identify the potential flood risks to citizens living within or near alluvial fans in North Scottsdale. Construct detention basins at Happy Valley Road, Deer Valley Road and Union Hills Drive, channel improvements from north of the CAP Canal to ¼ mile north of Jomax Road to the Union Hills Basin, and a storm drain outlet from the Union Hills Basin to the Tournament Players Club desert golf course.

Funding Source: 1989 General Obligation Bonds - \$17,342,300, General Fund Transfer - \$2,000,000 and Capital Contingency - \$1,249,000

117. NPDES Monitoring Stations/Sampling

Continuation of a federally mandated program to satisfy the requirements of the National Pollutant Discharge Elimination System (NPDES). Assures quality of stormwater runoff and complies with environmental law. Also, provides an additional measure of assuring a healthy environment for recreation within the Indian Bend Wash, as well as an additional measure of safety by precluding hazardous and volatile wastes being discharged into the storm drains. The costs of sampling, testing, monitoring, administration, systems installation and maintenance will be matched 50% by the Flood Control District in conformance with an Inter-Governmental Agreement for the NPDES program.

Funding Sources: 1989 General Obligation Bonds - \$1,135,800, Flood Control District Contributions - \$199,100 and General Fund Transfer - \$1,465,700

118. Reach 11 Drainage Improvements

Drainage improvements to the area bounded by 92nd Street, 96th Street, Bell Road and the CAP canal.

General Fund Transfer - \$300,000

119. Roosevelt Corridor Drainage Improvements

The goal of the project is to eliminate flooding up to the 10 - year event for this established neighborhood.

General Fund Transfer - \$418,100

120. Scottsdale Road Bridge Over Indian Bend Wash

Design and construct box culverts for drainage at Scottsdale Road and McCormick Parkway.

Funding Source: 1989 General Obligation Bonds - \$2,469,300

121. Scottsdale Road Corridor - Drainage Project

The goal of the project is to eliminate flooding up to the 10 - year event for this highly developed residential and commercial area and to protect Scottsdale Road from off - site flows. The benefiting area is bounded approximately by Thunderbird Road on the north, Scottsdale Road on the east, Shea Boulevard on the south, and 70th Street on the west. The total watershed area is approximately 5.0 square miles.

Funding Sources: General Fund Transfer (for City Match) - \$575,900, 2000 General Obligation Bonds - \$696,900, and Flood Control District Contributions - \$575,900

122. Severe Weather Warning & Response Program

Citywide program for identification, notification, and emergency response to flood threats and other severe weather emergencies. Additionally, the program continuation incorporates updates including newly mapped floodplains, changes in infrastructure, critical facilities and new technology.

Funding Source: General Fund Transfer - \$1,693,200 and Flood Control District Contributions - \$369,800

123. Stormwater Drain Pollution Prevention Markers

Purchase and install durable ceramic markers at all storm drains Citywide to remind and educate the public against dumping pollutants into the City's stormwater system.

Funding Source: 2000 General Obligation Bonds - \$301,000

124. Southwest Scottsdale Flood Control

Install a combination of detention basins and storm drains focusing on the Oak Street, Osborn Road and 64th Street corridors to mitigate flooding of homes and to improve area - wide drainage conditions.

Funding Source: General Fund Transfer - \$5,605,600 and 1989 General Obligation Bonds - \$3,679,000

125. Transfer Station Expansion

Design and construct the second phase of Scottsdale's Transfer Station located at 8417 E. Union Hills Drive.

Funding Sources: Municipal Property Corporation Bonds - \$1,748,500

126. Upper Camelback Wash Watershed

The goal of the project is to eliminate flooding up to the 100 - year event for this major wash corridor. The benefiting area is highly developed with a mix of single - family, multi - family and commercial properties. The total watershed area north of Shea Boulevard is approximately 2.6 square miles.

Funding Source: General Fund Transfer - \$5,271,500

127. Utility Undergrounding Improvement Districts

Matching funds for neighborhood utility undergrounding. City Council must approve the proposed use of matching funds. In addition, the matching funds must be the lesser of 10% of the project cost or \$500,000

Funding Source: General Fund Transfer - \$2,500,000



Preserve Character & Environment

128. State Land Acquisition

A cooperative effort among the City of Scottsdale, Arizona State Land Department, and the Bureau of Reclamation for the acquisition of one 51.92 - acre state land parcel adjacent to WestWorld.

Funding Source: MPC Bonds - \$9,915,000

129. WestWorld Additional Permanent Barns

Design and construct eight additional permanent barns.

Funding Source: Capital Fund Interest - \$900,000

130. WestWorld Arena Footings

Replace arena footings in all arenas.

Funding Source: General Fund Transfer - \$71,000

131. WestWorld Arenas 7 & 8 Relocation

Move and reestablish WestWorld Arenas 7 & 8 to a location southwest of the Equidome and relocate existing open drainage channels to improve the area for expansion of existing events and to attract new events and shows.

Funding Source: 2000 General Obligation Bonds - \$309,000

132. WestWorld Covered Arena and Walkway to Equidome

Cover an additional arena. The cover will be a canopy structure, not an enclosed structure. In addition, this project includes lighting and sprinklers.

Funding Source: Capital Fund Interest - \$600,000

133. WestWorld Driveways and Pedestrian/Horse Paths

Pave specified driveways and pedestrian walkways on the equestrian show ground areas.

Funding Source: 2000 General Obligation Bonds - \$253,300

134. WestWorld Landscaping Plan

Design and implement a landscaping plan for WestWorld.

Funding Source: 2000 General Obligation Bonds - \$225,100

135. WestWorld Paving Projects

Bury existing utility pedestals, grade and pave all areas west of the Equidome with a permanent asphalt overlay, and repair and resurface pad west of the Equidome (550,000 sq. ft.).

Funding Source: 2000 General Obligation Bonds - \$530,500

136. WestWorld Public Recreation Facility and Trailhead

Design and construct an unlit arena and an extra paved parking area. In addition, this project includes the design and construction of a clubhouse and restroom facility adjacent to the Trailhead. A BOR contribution will be applied for in the estimated amount of \$150,000.

Funding Source: General Fund Transfer - \$985,000

137. WestWorld Restroom Facility

Design and construct a large public restroom facility at the Ramada structure, northeast of the Polo Field. The restroom facility will contain 80 stations total (40 for women and 40 for men).

Funding Source: 2000 General Obligation Bonds - \$669,500

138. Character Areas

Preserve the character and environment of Scottsdale by moving forward with Character Area studies. Help define character within specific areas and the character that overlays the entire City.

Funding Source: General Fund Transfer - \$1,000,000

139. Community Development - Interactive Voice Response System

Purchase and install an Interactive Voice Response (IVR) system to replace the existing system.

Funding Source: General Fund Transfer - \$35,000

140. Community Development - Records Imaging

Purchase and install a document imaging system in order to provide electronic access to all historical and existing development records within the City.

Funding Source: General Fund Transfer - \$504,100

Annual Operating Budget Impact: \$24,700

141. Planning Systems - Digital Plan Submittals

A preliminary assessment of digital development plan submittal and review. This project will fund a pilot program; purchase desktop Geographic Information Systems, Computer Aided Design and Analysis software (ArcView and MapInfo); outline required hardware and software; and provide for the purchase of program equipment and staff training.

General Fund Transfer - \$293,200

142. Planning Systems – Land Survey Asset Management

Advance the capability of Land Survey's technology by increasing storage capacity, adding software licenses and upgrading global positioning satellite receivers.

Funding Source: General Fund Transfer - \$296,200

143. Planning Systems – Laptops & Wireless Connectivity

Purchase nine rugged laptop computers to be utilized by land survey, planning, field engineering and building inspectors performing on - site & off - site permit inspections.

Funding Source: General Fund Transfer - \$63,700

144. 124th Street Access Area Amenities

This project is for the construction of amenities at the major south community access area into the McDowell Sonoran Preserve located near Lost Dog Wash along the 124th Street alignment. This access area will serve as a staging area for exploration of the Preserve through connection to the existing and planned Citywide trail system both in and outside of the Preserve.

2000 General Obligation Bonds - \$1,526,100

145. Desert Discovery Museum

Design and build an interpretive center featuring the north Scottsdale desert landscape. It will be located at a City - owned site at Pinnacle Peak in conjunction with Pinnacle Peak Park. The Tourism Development Commission has initiated this project as a major north Scottsdale tourist attraction.

Funding Sources: Transient Occupancy Tax - \$500,000 and MPC Bonds - \$5,064,800

146. Gateway to the Preserve Amenities

Construct amenities at the Gateway to the McDowell Sonoran Preserve and for the construction of the trail from the Gateway to Windgate Pass. The general location of the Gateway is north and east of the Bell Road/Thompson Peak Parkway intersection. The Gateway will serve as the main and most convenient access point for the exploration into the Preserve and include educational and interpretive displays and potentially a desert discovery center.

Funding Source: MPC Bonds - \$2,200,000

147. Hidden Hills Trailheads Amenities

This project is for the construction of amenities at two trailheads near Via Linda and 140th Street and for the construction of the Hidden Hills Trail. These trailheads connect to the existing and planned Citywide trail system both in and outside of the Preserve.

Funding Sources: 2000 General Obligation Bonds - \$399,600 and Contributions (CFD) - \$100,000

148. McDowell Sonoran Preserve

Acquire land for the McDowell Sonoran Preserve for the purpose of maintaining scenic views, preserving plants and wildlife, and providing public access to the McDowell Mountains and Sonoran Desert.

Funding Sources: McDowell Mountain Preserve Privilege Tax - \$144,845,500, and Scottsdale Preserve Authority Bonds - \$200,000,000.

149. North Access Area Amenities

This project is for the construction of amenities at the major north community access area into the McDowell Sonoran Preserve, and for the construction of the trail from the access area to Tom's Thumb. The general location of the access area is at the end of 128th Street approximately one half mile from the base of the mountains.

Funding Source: MPC Bonds - \$2,068,100

150. Scottsdale Road Preservation Streetscape Enhancement

Acquire, preserve and restore desert lands along Scottsdale Road to reflect its significance as the signature roadway in the community. This project calls for burial of overhead power lines adjacent to Scottsdale Road and the modification, improvement and restoration of landscaping, walkways, street signs and trails.

Funding Source: 2000 General Obligation Bonds - \$27,100,000

151. Arsenic Mitigation Treatment

Program to comply with the upcoming Arsenic Rule of the Safe Drinking Water Act. Evaluate various arsenic mitigation treatment techniques. Select the arsenic mitigation treatment technique that is appropriate for use at Scottsdale groundwater sources. Design and construct arsenic mitigation treatment processes. Arsenic mitigation treatment may be located at certain well sites throughout the City and in centralized groundwater treatment facilities.

Funding Source: MPC Bonds - \$64,100,000

152. Water Quality Improvements - Southern Neighborhoods

The City's existing facility in the area of Thomas and Pima Roads requires improvements to address EPA - directed maximum arsenic levels in ground water and to enhance the quality of potable water being produced at this site, by reducing nitrates, total dissolved solids and hardness. This project will also remedy the excessive reservoir scaling currently experienced.

Funding Source: Water Development Fees - \$1,000,000 and Water Rates - \$9,000,000



Movement of People & Goods

153. 2nd Street Streetscape from Couplet to Couplet

Streetscape improvements including lighting, landscaping, hardscape and street furniture additions on Second Street from couplet to couplet.

Funding Source: 2000 General Obligation Bonds - \$99,100

154. 84th Street and Cholla Road

Improve 84th Street to local residential standards with bike lanes from Shea to Kalil and improve Cholla Road to local residential standards from Hayden Road to 86th Street.

Funding Sources: 1989 General Obligation Bonds - \$925,000 and Transportation Privilege Tax - \$800,000

155. 96th Street – Shea to Sweetwater

Construct a four - lane ultimate of 96th Street from Shea Boulevard to Sweetwater Avenue. Project includes acquiring approximately 54,000 SF of residential area, as well as approximately 53,000 SF of drainage easement.

Funding Source: Transportation Privilege Tax - \$3,741,000

156. Bell Road – 94th to Thompson Peak

Construct the remaining two lanes with a landscaped median for this stretch of the roadway, including bike lanes and shoulders, as well as drainage improvements.

Funding Source: Transportation Privilege Tax - \$6,460,000.

157. Cactus Road – Pima to Frank Lloyd Wright

Construct Cactus Road to full major collector street standards including curb, gutter and sidewalk.

2000 General Obligation Bonds - \$4,280,800 and Transportation Privilege Tax - \$3,201,000

158. Camelback Road – 64th to 68th

Build a six - lane ultimate with medians and soundwall to complete the last section of Camelback Road.

Funding Source: 2000 General Obligation Bonds - \$1,474,400

Annual Operating Budget Impact: \$12,700

159. Chaparral Road Improvements – Miller to Hayden

Develop a design concept report and design documents for Chaparral Road improvements between Hayden and Miller Roads. This project continues an extensive neighborhood involvement effort to define the specifics of the ultimate improvements.

Funding Source: Transportation Privilege Tax - \$500,000

160. CIP Design Concept Program

Conduct studies to determine the impact of major street, intersection improvement projects and related drainage issues at locations throughout the City. Studies to include a significant public participation program to provide an opportunity for citizen involvement.

Funding Source: Transportation Privilege Tax - \$4,583,700

161. Frank Lloyd Wright Boulevard/Via Linda Intersection

Improve intersection by creating new turn lanes and installing bus bays and bus shelters.

Funding Source: Transportation Privilege Tax - \$529,900

162. Frank Lloyd Wright Boulevard – Scottsdale to Shea

Construct 36 right turn lanes, six bus bays, and 11 intersection control improvements, which will reconstruct the median.

Funding Source: Transportation Privilege Tax - \$3,549,200

163. Hayden Road and McDonald Drive Intersection Improvement

Improve intersection by implementing an expanded design standard. Program includes dedicated left and right turn lanes, provisions for bike lanes, improvements to or construction of raised landscaped medians, provides a four - way bus pullout with a shelter and provides for three - thru (north/south) and two - thru (east/west) lanes.

Funding Source: Transportation Privilege Tax - \$2,651,200

164. Hayden Road and Via de Ventura Intersection Improvement

Improve intersection by implementing an expanded design standard. Program includes dedicated dual lefts and single right turn lanes, provides for bike lanes, improves or builds raised landscaped medians, provides a four - way bus pullout with shelter and provides for three - thru (north/south) and two - thru (east/west) lanes.

Funding Source: Transportation Privilege Tax - \$1,356,300

165. Hayden Road – Cactus to Redfield

Add a two - way left - turn lane and bike path on Hayden Road from Cactus Road to Redfield Road including storm drainage improvements and landscaping.

Funding Sources: 2000 General Obligation Bonds - \$8,054,000 and Transportation Privilege Tax - \$4,263,600

166. Hayden Road – Deer Valley to Pinnacle Peak

Increase the number of lanes and construct separate right - turn deceleration lanes, bike lanes, as well as install Intelligent Transportation System (ITS) conduits/equipment.

Funding Sources: 2000 General Obligation Bonds - \$2,426,900 and Transportation Privilege Tax - \$642,500

167. Hayden Road – Pima Freeway to Thompson Peak

Construct new turn lanes and complete the ultimate 6 - lane roadway. Install Intelligent Transportation System (ITS) conduits/equipment.

Funding Sources: 2000 General Obligation Bonds - \$8,299,100 and Transportation Privilege Tax - \$3,782,000

168. Hayden Road - Princess to Pima Freeway

Construct four new traffic lanes from the Pima Freeway interchange to Princess Drive along the Hayden Road alignment.

Funding Source: Transportation Privilege Tax - \$4,126,000

169. Indian Bend Road – Scottsdale to Hayden

Build four lanes ultimate cross - section with median and bridge to provide the ultimate road configuration and a crossing over Indian Bend Wash.

Funding Source: 2000 General Obligation Bonds - \$11,205,900

170. Indian School Road – Drinkwater to Pima Freeway

Complete the final section of Indian School Road as planned in the capital plan. Construct side street closures, bus bays, and a landscaped median for increased traffic capacity to maintain the 4 - lane ultimate street cross - section.

Funding Source: 2000 General Obligation Bonds - \$4,038,200

171. Indian School Road - Indian Bend Wash to 81st

Improve Indian School Road to ultimate four - lane cross - section; including upgrading center turn lanes, adding right and left turn lanes, storm drainage and major intersection improvements.

Funding Sources: Transportation Privilege Tax - \$3,100,000

172. Indian School Road Canal Bank Enhancements – 60th to 64th

Joint project with the City of Phoenix that includes the reconstruction of the canal bank retention wall along Indian School Road for beautification. Additional enhancements include improved trails, safety handrails, landscaping, and addition of a historic/educational signboard.

Funding Source: Transportation Privilege Tax - \$857,400

Annual Operating Budget Impact: \$3,000

173. Master Street Studies Program

This program provides for early analysis of emerging circulation planning problem areas using surveying, traffic flow analysis, traffic counts, minor drainage analysis, and field research.

Funding Source: Transportation Privilege Tax - \$1,061,800

174. McDonald Drive – Scottsdale to Hayden

Complete the widening from a two to four lane roadway ultimate cross - section with medians and expand bridge over canal.

Funding Source: Transportation Privilege Tax - \$1,963,500

175. Pima Road - Deer Valley to Pinnacle Peak

Improve four lanes of old county road to an ultimate cross - section with median, grade crossing and sound wall and roadway drainage.

Funding Source: 2000 General Obligation Bonds - \$14,112,700



176. Pima Road – McDowell to Via Linda

Widen Pima Road to a minor arterial section consisting of two lanes in each direction, and a raised center median. Buffer the west side of Pima Road with sound wall and landscaping.

Funding Source: 1992 General Obligation Bonds - \$13,350,000

177. Pima Road – Pima Freeway to Pinnacle Peak

Build final two lanes of six - lane roadway. Complete the six - lane roadway to Thompson Peak in association with the Pima Road widening project. This project also includes the construction of the Pima Freeway interchange at Princess Drive into the new alignment of Pima Road and completes the ultimate widening of Pima Road. Four lanes of the ultimate six lane major arterial roadway will be constructed in addition to a sound - wall.

Funding Sources: 2000 General Obligation Bonds - \$1,555,600 and Transportation Privilege Tax - \$10,601,000

178. Pinnacle Peak – Scottsdale to Pima

Replace two - lane road with a four lane ultimate cross - section with median and grade crossing.

Funding Sources: 2000 General Obligation Bonds - \$7,669,100 and Transportation Privilege Tax - \$3,085,000

179. Roadway CapaCity Improvements

Provide street improvements at several locations within the City that range from adding an exclusive right - turn lane to providing a continuous left - turn lane.

Funding Source: Transportation Privilege Tax - \$19,960,000

Annual Operating Budget Impact: \$50,000

180. Scottsdale Road. - Dynamite to Carefree

Improve existing four - lane roadway by widening intersections and adding left turn lanes.

Funding Source: 2000 General Obligation Bonds - \$921,200

181. Scottsdale Road - Frank Lloyd Wright to Pima Freeway

Construct Scottsdale Road to full major arterial street standards, including curb, gutter, sidewalk, median, and drainage improvements.

Funding Sources: 2000 General Obligation Bonds - \$8,174,100 and Transportation Privilege Tax - \$1,921,700

182. Scottsdale Road - Indian Bend to Gold Dust

Widen the majority of the west side of Scottsdale Road between Indian Bend and Gold Dust Roads to provide three lanes southbound including curb, gutter, sidewalk, and a landscaped median. Relocate 69 KV power lines.

Funding Sources: 1989 General Obligation Bonds - \$10,988,900 and Transportation Privilege Tax - \$9,011,100

183. Scottsdale Road – Pima Freeway to Pinnacle Peak

Expand existing road from four to six lane ultimate cross - section with medians. This project spans approximately 1.5 miles.

2000 General Obligation Bonds - \$15,902,600 and Transportation Privilege Tax - \$6,708,900

184. Scottsdale Road – Pinnacle Peak to Dynamite

Construct four miles of Scottsdale Road to the Parkway standard of four lanes with an extra wide median to accommodate six lanes for future expansion if necessary.

Funding Source: Transportation Privilege Tax - \$2,092,600

185. Scottsdale Road Streetscape Improvements

Streetscape enhancements along Scottsdale Road between Thomas Road and Indian School Road and between Camelback Road and Chaparral. Enhancements would include landscape, hardscape, lighting and street furniture additions to the specified areas.

Funding Source: 2000 General Obligation Bonds - \$311,700

186. Shea Boulevard. and 92nd Street Intersection Improvement

Improve intersection by implementing an expanded design standard. Program includes dedicated left and right turn lanes, provides for bike lanes, improves or builds raised landscaped medians, provides a four - way bus pullout with shelter and provides for three - thru (north/south) and two - thru (east/west) lanes.

Funding Source: Transportation Privilege Tax - \$812,000

187. Shea Boulevard and Hayden Intersection Improvement

Improve intersection by implementing an expanded design standard. Program includes dedicated dual lefts and right turn lanes, provides for bike lanes, improve or build raised landscaped medians and provide a four - way bus pullout with shelter.

Funding Source: Transportation Privilege Tax - \$882,300

188. Shea Boulevard: 90th & 96th Street Intersection Improvements

Improve intersections by implementing an expanded design standard. Program includes dedicated left and right turn lanes, provides for bike lanes, improves or builds raised landscaped medians, provides a four-way bus pullout with shelter and provides for three-thru (north/south) and two-thru (east/west) lanes.

Funding Source: 2000 General Obligation Bonds - \$596,500

189. Shea Boulevard. – Pima Freeway to 136th

Install right-turn bays for all approaches to intersections along Shea Blvd. from the Pima Freeway to 136th Street, to maintain a high level of safety and efficiency, and to accommodate increasing numbers of vehicles. Six bus bays with aesthetic bus shelters will also be constructed along Shea Blvd. In addition, the Intelligent Transportation System will be integrated into the signal system to further improve safety and efficiency at the intersection.

Funding Source: Transportation Privilege Tax - \$4,184,600

190. Thompson Peak Parkway – Bell to Union Hills

Build four lanes of a six lane ultimate cross-section with landscaped medians and bike lanes. The City is responsible for four lanes as the McDowell Sonoran Preserve abuts the eastern edge of the roadway. The Thompson Peak Parkway extension needs to be constructed to provide for the final north/south route in Scottsdale.

Funding Sources: 2000 General Obligation Bonds - \$6,955,600 and Transportation Privilege Tax - \$9,080,200

191. Thompson Peak Bridge @ Reata Pass Wash

Construct the second two-lane bridge over Reata Pass Wash to connect the existing four-lane roadway on either side. The first bridge was constructed by DC Ranch to fulfill City stipulations.

Funding Source: 2000 General Obligation Bonds - \$1,391,100

192. Thunderbird/Redfield – Scottsdale to Hayden.

Build the final two lanes of a four lane ultimate cross-section with median. Expand existing two lanes to four lanes with raised and landscaped median.

Funding Source: 2000 General Obligation Bonds - \$5,633,500

193. Traffic Management Program - Intelligent Transportation System (ITS)

Purchase and install a comprehensive system of automated traffic counting and video observation of traffic movement to reduce traffic congestion and delays through improved signal timing.

Funding Sources: 2000 General Obligation Bonds - \$1,688,800, Federal Grant - \$2,457,000, Contributions - \$5,500,000 and Transportation Privilege Tax - \$10,459,600.

Annual Operating Budget Impact: \$200,000

194. Traffic Signal Program

Design plans, acquire materials, and install equipment for new and modified traffic signals.

Funding Source: Transportation Privilege Tax - \$3,994,600

Annual Operating Budget Impact: \$60,000.

195. Bikeways Program

Improve multi-use paths and on street bicycle facilities to include: Camelback Walk under Loop 101 Freeway; Oak Street/Crosscut Canal; Bent Tree Wash; Horizon Park/CAP/WestWorld; and Shea Boulevard from 136th to 144th Street; Papago Salado Loop Trail and the Power Corridor Path.

Funding Sources: General Fund Transfer - \$649,300, 2000 General Obligation Bonds - \$2,266,500, GO Bonds - \$687,600, Transportation Privilege Tax - \$2,735,600 and Federal CMAQ - \$1,372,300.

Annual Operating Budget Impact: \$50,000

196. Bus Bay Improvement Program

Retrofit ten locations on the far side of signalized intersections to accommodate bus bays to allow busses to pick up and discharge passengers without obstructing traffic flow.

Funding Sources: 2000 General Obligation Bonds - \$4,101,300, Transportation Privilege Tax - \$1,197,900, and FTA Grant - \$600,000

197. Bus Shelter Improvement Program

Construct transit shelters at bus stops located throughout the community.

Funding Sources: Transportation Privilege Tax - \$1,896,900 and General Fund Transfer - \$99,600 and FTA Grant - \$848,900

Annual Operating Budget Impact: \$25,000

198. Buses Expansion

Purchase small (~30') buses or specialty vehicles to operate within Scottsdale to reduce the City's capital costs associated with providing transit services.

Funding Sources: Transportation Privilege Tax - \$2,907,300; Grants - \$10,728,000; and 2000 General Obligation Bonds - \$1,400,600

199. Loop 101 Park and Ride Lots

Design and construct park and ride lots in the vicinity of the Loop 101/Pima Freeway and Loop 101/Scottsdale Road to provide easy access to the regional and local transit system.

Funding Sources: Transportation Privilege Tax - \$3,714,700 and 2000 General Obligation Bonds - \$2,219,200

200. Los Arcos Transit Center

Integrate a transit center into the Los Arcos area. Improvements to include shaded waiting areas, drinking fountains, informational kiosks, public art and easy access.

Funding Source: Transportation Privilege Tax - \$2,000,000

201. McDowell Mountain Ranch Telecommuting Center

Design and construct a telecommuting center at Bell Road and Thompson Peak Parkway, in the McDowell Mountain Ranch area.

Funding Source: 2000 General Obligation Bonds - \$4,339,700

202. Multi - use Path Enhancements

Construct rehabilitation activities on existing multi - use paths in McCormick Ranch, Camelback Walk, Eldorado Park, McKellips Lake Park, Indian School/Thomas, and several new grade separated crossings in the City.

Funding Source: 2000 General Obligation Bonds - \$5,063,000

203. Mustang Transit Center

Conduct a location study and begin design and land acquisition for a transit and potential telecommuting center to be located in the vicinity of Mustang Library. Transit center improvements shall include shaded waiting areas, drinking fountains, informational kiosks, public art and centralized access to the transit system. Explore the opportunity to enhance the transit center with multi - uses such as a telecommuting center.

Funding Source: 2000 General Obligation Bonds - \$1,250,000

204. Neighborhood Traffic Reduction Program - Phase I

A two - part program to control traffic on residential streets. Part one is a program to directly control speeding via citizen assistance with speed notification boards, radar guns with warning letters, and speed cameras. Part two is street improvements for traffic calming.

Funding Source: Transportation Privilege Tax - \$3,208,200

Annual Operating Budget Impact: \$20,000

205. Neighborhood Traffic Reduction Program - Phase II

Construct traffic reduction projects such as speed humps, traffic circles, and other mitigation measures within neighborhoods throughout the City. The program will address traffic volume and speed concerns within entire neighborhoods at one time in lieu of isolated projects.

Funding Source: 2000 General Obligation Bonds - \$1,367,100

206. Northsite Transit Center

Conduct a location study and begin design and land acquisition for a transit and potential telecommuting center to be located in the vicinity of Hayden Road and Northsite. Transit center improvements shall include shaded waiting areas, drinking fountains, informational kiosks, public art and centralized access to the transit system. Explore the opportunity to enhance the transit center with multi - uses such as a telecommuting center.

Funding Source: 2000 General Obligation Bonds - \$1,250,000

207. Regional Transit Maintenance Facility

Partner with other cities to construct a regional transit maintenance facility.

2000 General Obligation Bonds - \$3,911,700, Transportation Privilege Tax - \$2,196,200 and Grants - \$6,000,000

208. Scottsdale/Tempe Major Investment Study

Study the corridor along Scottsdale Road from the Tempe City limits to approximately Indian Bend Road, including the Drinkwater and Goldwater couplets, to ascertain the environmental impacts of locating a rapid transit alternative along this route. One half of funding to be reimbursed by other agencies.

Funding Source: Transportation Privilege Tax - \$800,000

209. Transit Technology

Purchase and install neighborhood transit dispatch systems, information kiosks, vehicle locator systems and automatic passenger counters.

Funding Sources: Transportation Privilege Tax - \$1,292,400

210. Upper Camelback Wash Multiuse Path - Horizon Park to Cactus

Construct a multiuse path along 96th Street alignment from Cactus to Redfield.

Funding Source: 2000 General Obligation Bonds - \$1,273,100

211. Upper Camelback Wash Multiuse Path - 92nd Street/Shea to Cactus

Construct a tunnel under 92nd Street and a one - mile multiuse path connecting the City's multiuse path system.

Funding Source: 2000 General Obligation Bonds - \$1,545,000

212. Arterial Roadway Street Lighting

Addition of streellights to roadway sections that are currently unlighted.

Funding Sources: General Fund Transfer - \$528,100 and 1989 General Obligation Bonds - \$300,000

213. Particulate Emission Reduction Program

Federally mandated program to reduce particulate emissions per the Moderate Area Non - attainment Federal Implementation Plan (FIP) for Particulate (PM10) Pollution.

Funding Source: General Fund Transfer - \$2,500,000

214. Shea Sidewalk Match Funds

Install sidewalks along Shea Boulevard between 136th street and 142nd street.

Funding Source: Transportation Privilege Tax - \$600,000

215. Sidewalk Improvements

Install sidewalks and sidewalk ramps to complete the pedestrian system.

General Fund Transfer - \$784,000, 2000 General Obligation Bonds - \$1,369,700 and Transportation Privilege Tax - \$4,492,200

Long - Term Economic Prosperity

216. Airport Gates Upgrade

Upgrade the airport gates to provide additional security and a safer operating environment. Install closed circuit television to monitor access to airfield.

Funding Source: Aviation Funds - \$338,200

217. Airport Land Acquisition

Purchase approximately 17 acres of land in the airport area.

Funding Sources: Aviation Funds - \$210,100 and Transportation Privilege Tax - \$181,000

218. Airport Maintenance Facility

Construction of an Airport Maintenance Facility to house airport maintenance personnel and for use in storage of heavy equipment.

Funding Source: Aviation Funds - \$582,000

219. Airport Parking Lot Lighting Upgrades

Replacement and remodeling of exterior lighting to comply with current recommended industry standards.

Funding Source: Aviation Funds - \$76,500

220. Airport Safety Equipment

Purchase airfield safety and maintenance equipment; water truck and mini - motor grader.

Funding Source: Aviation Funds - \$185,800

221. Airport Terminal Area Renovations

This project will allow for the renovation of the airport access road, added parking, enlarging of the terminal, conversion of landscaping and installation of lighting.

Funding Sources: Aviation Funds - \$410,300 and FAA and ADOT Grants - \$720,000

222. Aviation Noise Exposure Maps

Conduct a study to update the Noise Exposure Maps for the Airport's Noise Compatibility Program.

Funding Sources: Aviation Funds - \$31,000(for City 10% match) and federal and state grants - \$309,900

223. Bravo Taxiway Extension - Grant Match

Construct remaining 2,900 linear feet of Bravo Taxiway. This project will enhance aircraft traffic flow on and off the runway, as well as respond to the increased number of aircraft stored on the east side of the runway.

Funding Sources: Aviation Funds - \$123,400

224. Cholla Hangar Infrastructure - Grant Match

Install infrastructure (i.e., taxi lanes, utilities, drainage, etc.) on Cholla Parcel for ultimate hangar development. This project will provide the needed infrastructure to facilitate the construction of additional aircraft storage facilities, such as Airport Hangars.

Funding Sources (for City 10% match): Transportation Privilege Tax - \$80,000

225. Differential GPS System

Purchase a Global Positioning System (GPS) ground - based transmitter/receiver for aircraft navigation.

Funding Source: Aviation Funds - \$393,900

226. Disabled Aircraft Removal Dolly

Purchase a disabled aircraft removal dolly for emergency removal of aircraft from the aircraft movement area.

Funding Source: Aviation Funds - \$31,800



227. Flight Tracking System

Install a flight tracking system.

Funding Sources (for City match): Aviation Funds - \$60,000

228. Kilo Ramp Reconstruction – Grant Match

Reconstruction of the original 435,000 square feet of the Kilo Ramp.

Funding Sources (for City 10% match): Aviation Funds - \$82,000

229. Land Acquisition Keekor Parcel - Grant Match

Purchase the Keekor Parcel (approximately seven acres). The purchase of this property will enable the Airport to develop additional aircraft storage facilities to meet the current twenty (20) year waiting list demand and become competitive in the aircraft hangar market.

Funding Sources (for City 10% match): Aviation Funds - \$150,000

230. Perimeter Road Improvements - Grant Match

Install an all - weather airport perimeter road. This project will provide enhanced emergency access to the airfield during aircraft incidents/accidents, thus resulting in enhanced public safety.

Funding Sources (for City 10% match): Aviation Funds - \$25,500

231. Scottsdale Aircraft Museum Site Preparation

Preparation of site plans, some drainage channel improvements and removal of old fire station.

Funding Source: Transient Occupancy Privilege Tax - \$1,325,000

232. Security & Access Control System

Hardwire all airport vehicle and aircraft gates directly to the airport security system.

Funding Source: Aviation Funds - \$669,300

233. Taxiway Extension & Transient Ramp

Construct 77,000 square feet of new taxiway and a transient ramp to enhance aircraft flow on and off the runway, as well as increasing the space available for aircraft storage.

Funding Source: Grants - \$972,600

234. 68th Street Footbridge

The completion of a footbridge designed to screen the new SRP gate structure located on the Arizona Canal just east of 68th Street in the Downtown Waterfront District. The footings and piers are already in place. An art component will be included in the design.

Funding Source: General Fund Transfer - \$45,800

235. Downtown/Canal Waterfront Attraction

To partner with private development to provide a water-based major destination attraction in the Downtown area. In addition, the project will underground utilities and reconfigure canal banks.

Funding Sources: Municipal Property Corporation Bonds (supported by bed tax revenues) - \$4,200,000

236. Downtown Parking/Civic Center

Acquire sites and construct parking facilities in several locations in the Civic Center and Downtown areas.

Funding Source: General Fund Transfer - \$3,817,800 and In - Lieu Parking Fees - \$400,000

237. Downtown/Canal Footbridge for Fifth Avenue Area

Design and construct a footbridge linking the Waterfront with the Fifth Avenue area.

Funding Source: General Fund Transfer - \$644,800

238. Downtown/Canal Transit Bridge

Design and construct a bridge that will carry transit vehicles across the Arizona Canal between the Waterfront and Stetson Drive. The scope includes a bridge, pedestrian underpasses, land acquisition, landscape enhancements and linkages to the City's loop drive.

Funding Source: General Fund Transfer - \$1,605,100

239. Loloma District Fleischer Museum

The Scottsdale Fleischer Museum, a public facility, will act as a focal point for the visual arts presence in Downtown Scottsdale. The Fleischer Museum and Scottsdale Western Art Association (SWAA) have offered a combined art collection ideal for the Loloma location, which is complimentary to the existing character of the Downtown.

Funding Sources: MPC Bonds - \$3,000,000 and General Fund Transfer - \$400,000

240. Loloma District Public Parking Garage

Construct a 130 to 150 stall, below grade concrete parking structure located south of Main Street between Goldwater Boulevard and Marshall Way. The facility will be built to comply with ADA (Americans with Disabilities Act) standards and all applicable requirements. All stalls will be unrestricted and accessible to the public via vehicular ramp and vertical pedestrian connections.

Funding Source: General Fund Transfer - \$2,400,000

241. Loloma District Streetscape Improvements

Construction of a system of landscaped and improved walkways and plazas connecting the Main Street and Marshall Way Districts with the internal core of the development and continuing south to connect with the existing historic structure occupied by the Scottsdale Artists School. Included in the public improvements is the expansion of the existing circular bus turnaround, resurfacing of Second Street, improvements to the Artists School parking lot and all related utility improvements.

Funding Source: General Fund Transfer - \$2,400,000

242. Scottsdale Papago Streetscape

Provide enhanced landscaping and pedestrian areas along Scottsdale Road, from Thomas to McKellips Roads and along McDowell Road from 64th Street to Granite Reef Road. The design concept consists of two Elements, A and B. "A" occurs at the bus stops and includes seatwalls, landscaping, and transit amenities. "B" consists of clusters of trees and shrubs. The project also includes integrated public art.

General Fund Transfer - \$6,229,000

243. Southeast Redevelopment Area Parking

Prepare a comprehensive and cooperative approach to redevelopment in the Southeast Downtown Redevelopment Area.

Funding Source: General Fund Transfer - \$1,549,800

244. 1st Avenue Street Enhancements

Design and install streetscape in a two - block area. Improvements include enhanced lighting, a street tree program, and street furniture. Anticipated contribution from business owners of \$212,000

Funding Source: General Fund Transfer - \$415,300

245. Old Town Street Light Electrical Enhancement

Street light rehabilitation for 1st Street, Main Street, 1st Avenue, Brown Avenue and Buckboard Avenue. Project includes replacement of all streetlight underground electrical conductors, installation of new junction boxes adjacent to each street light pole, redistribution of electrical circuits to balance the electrical load on each circuit, installation of new wire in each street light pole, and installation of secured electrical outlets to facilitate the use of the poles for holiday lighting or decorations.

Funding Source: General Fund Transfer - \$362,000

Annual Operating Budget Impact Savings: \$2,500

Balance Infrastructure & Resources

246. Americans with Disabilities Act (ADA) Improvements

This project is for the removal of identified physical barriers to persons with disabilities. Individual projects include the upgrading of restroom facilities, installation of curb cuts, and creation of accessible parking to current ADA (Americans with Disabilities Act) specifications.

Funding Source: General Fund Transfer - \$2,048,400

Annual Operating Budget Impact: \$10,000

247. Community Services - Mobile Work Order System

Enable the Parks, Recreation and Facilities Division to mobilize its work order system with the purchase of Personal Digital Assistants (PDAs) with real - time wireless access for the purpose of receiving, implementing and closing work orders in the field.

Funding Source: General Fund Transfer - \$56,300

248. Energy Efficiency Improvements

This project provides funds to address unplanned opportunities to increase the City's operational energy efficiency; test emerging energy technologies and support alternate energy technologies.

Funding Source: General Fund Transfer - \$172,700

249. Facilities Repair and Maintenance Program

Systematic and rational repair and maintenance to major municipal facilities, i.e., air conditioning, heating equipment, roofing and carpeting.

Funding Source: General Fund Transfer - \$5,702,100

250. McKellips Service Center

Design and renovate the City's former Corporation Yard and establish a south area satellite service yard facility.

Funding Sources: General Fund Transfer - \$500,000 and Fleet Rates - \$507,500

251. Municipal Services North Satellite Facility

Purchase approximately 10 acres in the "E" Planning Zone. Design and construct multi - use facility for Solid Waste, Field Services, and Fleet Management.

Funding Source: Municipal Property Corporation Bonds - \$5,297,000

252. North Corp Yard Parking Garage

Construction of a parking facility for the North Corporation Yard.

Funding Sources: General Fund Transfer - \$375,000, Fleet Rates - \$750,000 and Water Rates - \$375,000

253. One Civic Center Conference Annex

Construct a new 2,500 - 3,500 square foot conference annex adjacent to or in close proximity to the existing One Civic Center office structure.

Funding Source: General Fund Transfer - \$440,000

254. Paiute Compound Replacement

Design and construct a new maintenance compound to replace the previous compound, which has been removed to allow for a water retention basin as part of the Osborn Road Storm Drain Project.

Funding Source: 2000 General Obligation Bonds - \$1,738,900

255. 91st Avenue Wastewater Treatment Plant

Provide for facility modifications and improvements at the existing 91st Avenue Wastewater Treatment Plant.

Funding Sources: Sewer Rates - \$49,907,200

256. 91st Avenue Wastewater Treatment Plant – UP01 Expansion

Provide for additional solids handling capacity at the 91st Avenue Wastewater Treatment Plant by contributing to the capital expansion of the plant's solid handling facility. Capacity expansion is due to growth and development within the City.

Funding Source: Sewer Development Fees - \$36,630,300

257. Advanced Water Treatment Plant - Phase III

The master plan for the Water Campus calls for expansion to 16 million gallons per day capacity plant by 2005 from the Phase II capacity of 12 million gallons per day. This project allows for the further purification of reclaimed water prior to recharge into vadose zone wells. Elements of the project include expanded micro-filtration and reverse osmosis buildings, additional pumps for the product water, additional recharge wells, and related electrical, piping and instrumentation capabilities.

Funding Sources: Sewer Development Fees - \$11,652,500 and Water Resources Development Fees - \$3,097,500

Annual Operating Budget Impact: \$5,000

258. Alameda/122nd Street Booster Pump Station

This project will construct a 1.5 MGD Zone 13 booster pump station within the Sonoran Crest subdivision serving the southern areas of Zone 13 and Zones 12 and 11 to the east. The area is generally bounded between Jomax Road and the existing Preserve and 118th Street and the designated Preserve Initiative area.

Funding Source: Water Development Fees - \$850,000

259. Architect/Engineer Services

Provide architect/engineer services on an as - needed basis for minor future studies, planning or design.

Funding Source: Water Development Fees - \$1,860,000

260. Booster Station Upgrades

Upgrade components of the production system as needed to meet system demands.

Funding Source: Water Development Fees - \$475,000

261. Central Arizona Project - Hayden - Shea Water Connection

Construct one mile of 20" water transmission main on Shea Blvd. from Pima Freeway to Hayden Road. Construct three miles of water transmission main on Hayden Road from Shea Blvd. to the Salt River Project Arizona Canal to deliver water during canal maintenance periods.

Funding Source: Water Development Fees - \$5,500,000

262. Central Arizona Project - Plant Expansion

The existing CAP water treatment plant will be expanded from its current capacity of 50 mgd to a capacity of 75 mgd. This will allow the replacement of well water in north Scottsdale with treated surface water, in compliance with Federal and State laws.

Funding Source: Water Development Fees - \$58,436,200

263. Chaparral Water Treatment Plant

Design and construct a water treatment plant to treat the City's allocation of SRP water. The preliminary size is 30 million gallons per day. This plant will be located in the vicinity of the Arizona canal and the Hayden Road corridor for distribution.

Funding Sources: Water Rates - \$51,208,100 and Water Development Fees - \$5,689,800

264. Chaparral WTP Influent Waterline

Design and construct a 42 - inch diameter influent waterline from the Arizona Canal to the Chaparral Water Treatment Plant.

Funding Sources: Water Rates - \$4,718,500 and Water Development Fees - \$524,300

265. Chaparral WTP Water Distribution System

Construct two miles of 42" water transmission main in the Indian Bend Wash from McDonald Drive to Indian School Road, one mile of 20" water transmission main on Hayden Road from McDonald Drive to the Arizona Canal and one half mile of 18" water transmission main on Thomas Road from Scottsdale Road to 68th Street.

Funding Sources: Water Rates - \$3,600,000 and Water Development Fees - \$400,000

266. Citywide Flow Monitoring

Conduct flow monitoring at various locations throughout Scottsdale to check flow levels in the sanitary sewer system.

Funding Sources: Sewer Development Fees - \$822,500 and Sewer Rates - \$822,500

267. Deep Well Recharge and Recovery Facilities

Design and construct deep well recharge and recovery facilities. Location of facilities will be determined by a pilot program and hydrological study. An application for matching funds from the State Department of Water Resources has been filed.

Funding Source: Water Resources Development Fees - \$1,600,000

268. Downtown Sewer Improvements

Design and construct various sewer lines that require extra capacity due to downtown redevelopment. This project will maintain public health and safety by providing additional sewer capacity in the downtown area as needed.

Funding Source: Sewer Development Fees - \$1,500,000

269. East Shea Sewer Improvements

Design and construct additional sewers in the East Shea area of the City where deficiencies are indicated from the wastewater master plan. Several projects in the previous CIP budget have been combined into one project.

Funding Source: Sewer Development Fees - \$1,100,000

270. Master Plan Update - Sewer

Perform and update wastewater master plans to ensure that the City is current with future growth statistics and to provide recommendations for capital projects. These master plans aid the Water Resources Department in determining where the future growth will occur and if infrastructure or additional testing is required on the systems.

Funding Sources: Sewer Development Fees - \$583,400

271. Master Plan Update - Water

Perform and update water quality master plans to ensure that the City is current with future growth statistics and to provide recommendations for capital projects. These master plans aid the Water Resources Department in determining where the future growth will occur and if infrastructure or additional testing is required on the systems.

Funding Sources: Water Development Fees - \$1,141,800 and Water Resource Development Fees - \$225,000

272. Miller Road Sewer – Phase III

Replace existing sewer in Miller Road from McDowell Road south to the Princess Metering Station due to redevelopment in the downtown areas. Existing sewers are reaching capacity and will be susceptible to surcharging.

Funding Source: Sewer Development Fees - \$4,300,000

273. North Area Recharge / Recovery System Facilities

Design and construct a recharge system in the area of the Carefree Basin.

Funding Sources: Water Development Fees - \$1,400,000 and Contributions - \$6,500,000

274. Outer Loop Sewer - Scottsdale Road to Pima Road

Design and construct an estimated 12 - inch sewer line paralleling the north side of the outer loop freeway from Scottsdale Road to Pima Road.

Funding Source: Sewer Development Fees - \$1,163,000

275. Pima Road - Ashler Hills to Cave Creek Waterline

Design and construct approximately 3.5 miles of water transmission line in Pima Road from booster station #102 at Ashler Hills Drive to Booster Station #92 at Cave Creek Road. The pump stations will also be upgraded to provide additional capacity.

Funding Source: Water Development Fees - \$8,730,000

Annual Operating Budget Impact: \$3,000

276. Pima Road - Jomax to Ashler Hills Waterline

Design and construct 3.5 miles of water transmission line in Pima Road from Booster Station #42 at Jomax Road to Booster Pump Station #102 at Ashler Hills Drive. The pump stations will also be upgraded to provide additional capacity.

Funding Source: Water Development Fees - \$11,950,000

Annual Operating Budget Impact: \$3,000

277. Pima Road – Pinnacle Peak to Jomax Waterline

Design and construct a new 36" waterline in Pima Road between Pinnacle Peak Road and Jomax Road. This line will replace the 12" existing waterline that currently exists in Pima Road. A minimum 36" waterline needs to be installed to convey surface water from the CAP Water Treatment Plant north from P.S. 126 to Reservoir/P.S. 42. Line sizes in these segments are 36" lines.

Funding Source: Water Development Fees - \$2,500,000

Annual Operating Budget Impact: \$3,000

278. Princess Road Metering Station Improvements
Modifications to the existing Princess Road Metering Station located at Curry Road and Stadem Drive, at the Police/Fire Training Facility. This project will include analog output signals into the RTU from all of the equipment being installed at the site.
Funding Sources: Sewer Rates - \$750,000

279. Pump Station 97 (Reclaimed Water Distribution System) Modifications
Modify existing Pump Station # 97 (RWDS Pump Station "B") to be an enclosed structure. This project will enable the City to enclose the Pump Station with a roof to minimize noise in the vicinity of the pump station.
Funding Source: Reclaimed Water Distribution System Construction Fund - \$500,000

280. Radio Telemetry Monitoring Automation - Sewer
Construct radio telemetry facilities at new and existing wastewater facilities. This will improve operational efficiency by controlling and monitoring Citywide wastewater facilities from a central location.
Funding Sources: Sewer Rates - \$766,500
Annual Operating Budget Impact: \$4,000

281. Radio Telemetry Monitoring Automation - Water
Construct radio telemetry facilities at new and existing water facilities. This will improve operational efficiency by controlling and monitoring Citywide water facilities from a central location.
Funding Sources: Water Rates - \$1,341,600
Annual Operating Budget Impact: \$5,000

282. Relief Sewers - Citywide
Provide for the design and construction of relief sewer capacity at various locations throughout the City as the need is identified in the Wastewater Master Plan.
Funding Source: Sewer Development Fees - \$3,000,000
Annual Operating Budget Impact: \$4,100

283. Security Enhancements
Enhance security at water and wastewater facilities throughout the City by upgrading existing prevention, detection and response systems.
Funding Source: Water Rates - \$500,000

284. Sewer Collection System Rehabilitation
Televise approximately 740,000 linear feet of 8 - inch to 15 - inch sewer to determine rehabilitation requirements. Repair and replace sewer lines based on the results.
Funding Source: Sewer Rates - \$3,546,000
Annual Operating Budget Impact: \$1,000

285. Sewer Oversizing
Oversize sewer facilities to provide for future ultimate capacity to Master Plan standards.
Funding Source: Sewer Development Fees - \$1,835,700
Annual Operating Budget Impact: \$1,000

286. Troon East Reclaimed Water Distribution System - Pump Station Modifications
Modifications to the Troon East RWDS pump station which will ensure that 700 gpm can be pumped through this part of the RWDS at all times. These improvements will reduce the amount of supplemental potable water deliveries in the east Happy Valley Road area.
Funding Source: Sewer Development Fees - \$300,000

287. Union Hills Transmission Line - Water Campus to Site 120
Construct water line to transmit water from the water campus via BPS #55B to the existing and future reservoirs in DC Ranch.
Funding Sources: Water Development Fees - \$1,400,000

288. Utility Sleeve Crossings - Outer Loop
Install steel sleeves at strategic locations, such as bridges, in the route of the Pima Freeway Outer Loop.
Funding Source: Water Development Fees - \$1,815,000

289. Water Distribution System Improvements
Identify and replace water mains, meters, and pressure reducing valves that are inadequately sized. Also, design and construct new water mains at various locations throughout the distribution system to complete loops, provide a backup source, and improve the system to reduce operating costs.
Funding Source: Water Rates - \$5,695,200
Annual Operating Budget Impact: \$3,000

290. Water Oversizing
Oversize water facilities to provide for future ultimate capacity to Master Plan standards.
Funding Source: Water Development Fees - \$11,876,900

291. Water Reclamation Plant - Phase III

Construct a 4 million gallon per day (mgd) expansion to the existing 12 mgd Water Reclamation Plant at the Water Campus. Additional facilities consist of a primary and secondary sedimentation basin, aeration basin, filtration basins and the associated pumps, electrical and instrumentation features. Facilities would be placed in their master - planned locations.

Funding Source: Sewer Development Fees - \$14,750,000

292. Water Rights Acquisition

Acquire, develop and manage pending and future water resources to meet requirements of build - out demands and secure a long - term assured water supply as projected by the current Water Resources Master Plan.

Funding Source: Water Resources Development Fees - \$67,968,000

293. Waterline Replacements

Design and construct waterline repair/replacement projects at various locations throughout the City to upgrade existing plastic water lines to acceptable standards.

Funding Source: Water Rates - \$15,986,500

Annual Operating Budget Impact: \$3,000

294. Well Sites

Design and construct new wells and upgrade existing wells at locations determined through the Master Plan.

Funding Source: Water Development Fees - \$19,750,100

295. Zone 12/13 Water System Improvements

Design and construct a 1.5 MG Zone 12 reservoir in the vicinity of 112th Street and Dixileta Drive. Design and construct a Zone 13 booster pump station at Alma School Road and Dixileta Drive. Construct approximately 3,000 linear feet of Zone 12 transmission line from the suction side of proposed BPS to the proposed reservoir. Install additional pumps at the existing Zone 12 booster pump station #100.

Funding Source: Water Development Fees - \$8,528,000

296. Zone 12/13 Water Transmission Lines

Design and construct two Zone 12 water transmission lines, in 114th Street from Dynamite Blvd. to the new reservoir site at the SWC of 114th Street and Dixileta Drive. Construct approximately 18,500LF of Zone 13 water line from the new reservoir site to 118th Street then south along 118th Street to Happy Valley Road.

Funding Source: Water Development Fees - \$6,680,000.

297. Zone 9 Reservoir Expansion

Design and construct an additional 2.5 million gallon reservoir and associated Pump Station at site #102 located at Ashler Hills Drive and Pima Road. This will also include modifications to Pump Station #92 at Cave Creek Road east of Pima Road.

Funding Source: Water Development Fees - \$7,000,000

298. Shared Fiber Infrastructure for Public Use

The Transportation Program has approved and funded plans to construct a 60 - mile fiber optic arterial. This complementary project funds capCity for other municipal and public uses.

Funding Source: General Fund Transfer - \$1,954,900

Accessible & Responsive Government

299. CityCable Production Truck

Replace the CityCable 11 production truck and equipment. The project scope includes replacement of the vehicle, four cameras, a video switcher, two playback units, monitors, an audio control board, power generators, roughly 1,200 feet of cable and various ancillary equipment.

Funding Source: General Fund Transfer - \$212,200

300. Courts - Interactive Voice Response System

This project allows for the interactive participation of Court users to obtain information through the City's phone system using an interactive voice response system. It is anticipated that users will be able to obtain information such as: future Court dates, payment due dates, outstanding balance due on case, case status and make credit card payments over the phone.

Funding Source: Court Enhancement Fund - \$40,000

301. Kiva Meeting Space Improvement

Renovations to the City Hall facility including recarpeting, repair to ceilings, and renovation to the KIVA meeting space.

Funding Source: General Fund Transfer - \$322,500

302. Kiva Meeting Space Technology

Additionally new raceways to support changes in audio/visual technologies shall be installed to better communicate public issues to the Council and Commissions.

Funding Source: General Fund Transfer - \$159,800



Ensure Fiscal Responsibility

303. Financial Services - Interactive Voice Response System – Tax & License

This project is to design, develop and deploy an interactive voice response system for the Tax & License group of Customer Service. This integrated voice system will give callers the ability to hear account information and make automated bill payments for business license, alarm and sales tax accounts.

Funding Source: General Fund Transfer - \$109,300

304. Financial Services - Special Assessment Billing System

Purchase and install a new district billing and receivable system to replace the existing obsolete system.

Funding Source: Special Assessment Fees - \$152,100
Annual Operating Budget Impact \$5,000

305. Financial Services – Hand Held Meter Reading System

Replace existing electronic hand held meter reading system with a new system which will allow us to apply new technology to improve business processes and provide more effective service to our customers.

Funding Source: Water Rates - \$109,300

306. Financial Services – Licensing & Alarm Billing System

Upgrade/replace existing licensing, alarm permitting and activation billing system.

Funding Source: General Fund Transfer - \$359,900

307. Financial Services – Remittance Process Transport System

Purchase two new transport systems that include imaging capabilities for checks and payment documents. Imaging module needs to be compatible with the imaging system that is being used by the City or current imaging standards.

Funding Sources: General Fund Transfer - \$191,400,
Water Rates - \$68,900, Sewer Rates - \$61,300 and
Sanitation Rates - \$61,300

308. Financial Services - Tax Return Processing System

Replacement/major upgrade of the current transaction privilege tax return processing system.

Funding Source: General Fund Transfer - \$452,500

309. Utility Billing System

Purchase and install a new utility billing system that utilizes new technology to meet the needs of our internal and external customers.

Funding Sources: Sanitation Rates - \$801,200, Sewer Rates - \$801,200, and Water Rates - \$801,200

310. Financial Services – Payroll/Human Resources System

Upgrade/replace existing Payroll/HRS system with more robust, scalable client server application.

Funding Source: General Fund Transfer - \$128,800

311. Fleet Maintenance Facility North Satellite

Redesign and renovate the Jomax and Pima Rural Metro Fire Station after Rural Metro relocates into new Fire Station.

Funding Source: Fleet Rates - \$318,300

312. Information Services – Geographic Information System Mapping Platform Migration

Migration of Geographic Information System Mapping / Data Maintenance system to next generation technologies.

Funding Source: General Fund Transfer - \$577,400

313. Information Services - Network Infrastructure

Systematic and rational upgrade in capaCity and speed of the City's computer network infrastructure.

Funding Source: Computer Internal Replacement Rates - \$2,378,500

314. Information Services – Personal Computers

Systematic and rational upgrade and ongoing replacement of City standard computers, laptops, monitors, large monitors, and printers.

Funding Source: Computer Internal Replacement Rates - \$7,719,200

315. Information Services – Security Investment/ Antivirus

Upgrade and expansion of our Virtual Private Network to support remote workers, personal firewall software, and additional content virus scanning.

Funding Source: General Fund Transfer - \$326,800

316. Information Services - Server Infrastructure

Systematic and rational upgrade and ongoing replacement of the City's computer server infrastructure.

Funding Source: Computer Internal Replacement Rates - \$3,610,300

317. Information Services – Technology Storage Area Network

Implement Storage Area Network (SAN) to create a consolidated "Disk Storage Farm" for Citywide use.

Funding Source: General Fund Transfer - \$317,700

318. Information Services – Telephone Equipment

Systematic and rational upgrade, maintenance and ongoing replacement of telephone system and related modem computer access.

Funding Source: Telephone Internal Replacement Rates - \$1,664,000

319. Information Services – Enterprise Wide Document Management System

Document Management is the process of using the original source of an electronic document on the desktop computer. It will allow the managing of documents through their life cycle.

Funding Source: General Fund Transfer - \$248,500

320. Lift Replacement

Replace three existing in - ground heavy - duty truck lifts at the Corporation Yard Fleet Maintenance shop.

Funding Source: Fleet Rates - \$184,800

Debt Service Overview

Debt service represents principal and interest on outstanding debt for all funds, (general, special revenue, and enterprise funds). The City's debt is divided into six categories: General Obligation bonds, Revenue bonds, Municipal Property Corporation bonds, Preserve Authority bonds, Special Assessment bonds, and Contracts Payable. Scottsdale maintained a AAA bond/credit rating this year for General Obligation bonds from all three major credit rating agencies: Moody's Investor Service, Fitch Investor Service, Inc, and Standard and Poor's. This represents the best combined rating of any city in Arizona and the credit rating industry's highest measurement of Scottsdale's financial management and ability to repay outstanding debt. The high rating also lowers the risk to prospective investors (bond buyers) and correspondingly lowers the cost of debt to the City and our citizens.

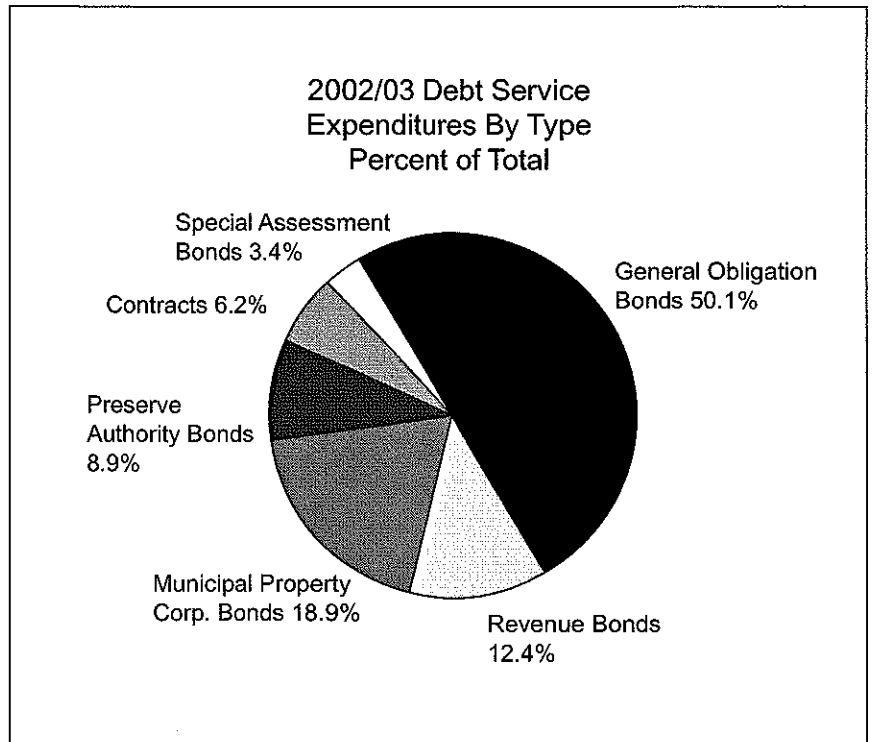
The Debt Service budget increases \$4.5 million (6.1%) from 2001/02 adopted budget. The increase is due to the planned issuances of General Obligation and Municipal Properties Corporation bonds.

General Obligation (G.O.) Bonds are bonds which are secured by the full faith and credit of the issuer. G.O. bonds issued by local units of government are secured by a pledge of the issuer's property taxing power, and must be authorized by the electorate. They are usually authorized and issued to pay for general capital improvements such as parks and roads.

Debt service for G.O. bonds increases \$3.8 million in 2002/03 for planned bond issuances to acquire land within the approved preserve boundaries - \$15.4 million, to be repaid by the dedicated 0.2% sales tax authorized by voter in 1995; and to fund a variety of capital projects as approved in the 2000 Bond Authorization Election - \$60.4 million.

Revenue Bonds are bonds payable from a specific source of revenue, which do not pledge the full faith and credit of the issuer. Revenue bonds are usually authorized and issued to pay for capital improvements such as water and sewer systems and facilities. Issuance of revenue bonds must be authorized by the electorate, but has no effect on the property tax rate. Instead, debt service on the bonds is paid solely from related revenues. Water and sewer revenue bonds, for instance, are paid from water and sewer user fees.

Debt service for revenue bonds remains level in 2002/03 from prior years, as there are no plans to issue new bonds. Development fees and utility user fees will pay debt service for water and sewer bonds.



**Budget Comparison by Debt Service
In Millions of Dollars**

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
General Obligation Bonds	\$30.4	\$36.4	\$34.5	\$38.7
Revenue Bonds	9.6	9.6	9.6	9.6
Municipal Properties Corporation Bonds	13.4	10.8	12.1	14.6
Preserve Authority Bonds	6.9	6.9	6.9	6.9
Special Assessment Bonds	3.8	3.2	2.8	2.6
Contracts	5.3	5.8	4.8	4.8
Total	\$69.4	\$72.7	\$70.7	\$77.2

Debt Service Overview, continued

City. Debt service for contracts payables decreases \$1 million (-17.4%) in 2002/03 due to debt retirement and projected reductions in sales tax agreement obligations based on new estimates.

Municipal Property Corporation (MPC) Bonds are issued by the Municipal Property Corporation, a nonprofit corporation established to issue bonds to fund City capital improvements. The debt incurred by the corporation is a City obligation and the repayment of debt is financed by pledged excise taxes. Issuance of this type of bond does not require voter approval, and is secured by the City's excise taxes.

Debt service for MPC bonds increases \$3.8 million in 2002/03. The increase supports the issuance of bonds for waterfront improvements - \$4.2 million; purchase of nearly 52 acres of state land adjacent to WestWorld to allow for parking during events at WestWorld and the TPC golf courses - \$9.9; and a visual arts museum in the Loloma district of Scottsdale - \$3.0 million. MPC bonds may be issued for arsenic mitigation treatment to comply with the Arsenic Rule of the Safe Drinking Water Act. The timing and amount of issuance is dependent upon the results of evaluating various arsenic mitigation treatment techniques.

Preserve Authority Bonds represent prior debt issuances related to land acquisition in the McDowell Mountain Sonoran Preserve. The debt service remains level in 2002/03 as no new bonds will be issued. All future issuances of bonds to acquire preserve land will be General Obligation bonds, as approved by voters, and all preserve debt, past and future, is repaid from the dedicated .2% sales tax authorized by the voters in 1995.

Special Assessment Bonds are issued for property owners desiring improvements to their property such as roads, water lines, sewer lines, streetlights, or drainage. The expenditure of funds to construct the specific capital improvements and to pay the debt service on bonds is appropriated as part of the City's budget, however, the debt service is repaid by the property owners through a special assessment on their improved property. The City's debt management policy requires that the full cash value of the property to debt ratio is a minimum of 3:1 prior to issuance of debt and at least 5:1 after construction of the improvements.

Debt service for Special Assessment bonds decreases approximately \$500,000 (-16.6%) in 2002/03. The decrease is due to debt retirement.

Contracts Payable represents a liability reflecting amounts due on long-term (more than one year) contracts of goods or services furnished to the

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- **The following pages contain**
- Scottsdale's Debt Management Policies, a five year
- debt service schedule, schedule of long-term debt
- outstanding, and a computation of the legal debt
- margin as of June 30, 2002.
- Additional information concerning specific capital
- projects for which debt has been or will be issued
- can be found in the Capital Improvement Program
- section of this book.
-

Debt Management Policies

- 1** The City will seek to maintain and, if possible, improve our current bond rating in order to minimize borrowing costs and preserve access to credit.
- 2** An analysis showing how the new issue combined with current debt impacts the City's debt capacity and conformance with City debt policies will accompany every future bond issue proposal.
- 3** The City will communicate, and, where appropriate, coordinate with all jurisdictions with which we share a common tax base concerning our collective plans for future debt issues.
- 4** City Debt Service costs (GO, MPC, HURF, Revenue Bond, Mountain Preservation and Contractual Debt) should not exceed 25% of the City's operating revenue in order to control fixed costs and ensure expenditure flexibility. Improvement District (ID) and Community Facility District (CFD) debt service is not included in this calculation because it is paid by district property owners and is not an obligation of the general citizenry. Separate criteria have been established regarding ID and CFD debt policies.
- 5** General Obligation debt, which is supported by property tax revenues and grows in proportion to the City's assessed valuation and/or property tax rate increases, will be utilized as authorized by voters. Other types of voter-approved debt (e.g., water, sewer, and HURF) may also be utilized when they are supported by dedicated revenue sources (e.g., fees and user charges).

Debt Management Policies, continued

6 General Obligation debt issuances will be managed on an annual basis to match funds to Capital Improvement Plan cashflow requirements while being sensitive to the property tax burden on citizens. Careful management of bond issuances will allow the City to not exceed \$1.50 property tax per \$100 assessed value.

7 Municipal Property Corporation and contractual debt, which is non-voter approved, will be utilized only when a dedicated revenue source (e.g., golf course revenue, bed tax) can be identified to pay debt service expenses. The following considerations will be made to the question of pledging of project (facility) revenues towards debt service requirements:

- The project requires monies not available from other sources.
- Matching fund monies are available which may be lost if not applied for in a timely manner.
- Catastrophic conditions.
- The project to be financed will generate net positive revenues (i.e., the additional tax revenues generated by the project will be greater than the debt service requirements). The net revenues should not simply be positive over the life of the bonds, but must be positive each year within a reasonably short period (e.g., by the third year of debt service payments).

8 McDowell Mountain Preservation debt service will be funded by the dedicated .2% privilege tax. The City's privilege tax to debt service goal will be at least 1.5:1 for senior lien debt to ensure the City's ability to pay for preserve debt from this elastic revenue source.

9 Improvement District (ID) and Community Facility District *(CFD) Bonds shall be permitted only when there is a general City benefit. ID and CFD bonds will be utilized only when it is expected that they will be issued for their full term. It is intended that ID and CFD bonds will be primarily issued for existing neighborhoods desiring improvements to their property such as roads, water lines, sewer lines, streetlights, and drainage.

- Improvement District debt will be permitted only when the full cash value of the property, as reported by the Assessor's Office, to debt ratio (prior to improvements being installed) is a minimum of 3/1 prior to issuance of debt and 5/1 or higher after construction of improvements. Should the full cash value to debt ratio not meet the minimum requirements, property value may

be determined by an appraisal paid for by the applicant and administered by the City. In addition, the City's cumulative improvement district debt will not exceed 5 percent of the City's secondary assessed valuation. Bonds issued to finance improvement district projects will not have maturities longer than ten years.

- Community Facility District debt will be permitted only when the full cash value of the property, as reported by the Assessor's Office, to debt ratio (prior to improvements being installed) is a minimum of 3/1 prior to issuance of debt and 5/1 or higher after construction of improvements. In addition, the City's cumulative facility district debt will not exceed 5 percent of the City's secondary assessed valuation. The landowner/developer shall also contribute \$.25 in public infrastructure improvement costs of each dollar of public infrastructure improvement debt to be financed by the district.

10 Debt financing should not exceed the useful life of the infrastructure improvement with the average (weighted) bond maturities at or below ten years.

11 A ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the City's ability to pay short-term obligations.

12 Bond interest earnings will be limited to funding changes to the bond financed Capital Improvement Plan, as approved by City Council, or be applied to debt service payment on the bonds issued for construction of this plan.

13 Utility rates will be set, as a minimum, to ensure the ratio of revenue to debt service meets our bond indenture requirement of 1.2/1. The City goal will be to maintain a minimum ratio of utility revenue to debt service of 1.6/1 or greater, to ensure debt coverage in times of revenue fluctuations attributable to weather or other causes, and to ensure a balanced pay-as-you-go Capital Improvement Plan.

Debt Schedules

Debt Service Expense

	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07	Payment Date
General Obligation Bonds						
Debt Service Fund:						
1989 Series C (issued 1992)	1,114,473	1,116,710	-	-	-	06/30/04
1993 G. O. Refunding	1,004,870	3,145,370	3,165,370	3,650,370	3,730,495	06/30/09
1989 Series D (issued 1993)	1,504,543	1,463,623	1,471,773	1,477,673	1,485,035	06/30/13
1993A G. O. Refunding	3,416,818	1,846,818	3,093,443	744,943	2,132,803	06/30/11
1989 Series E (1994)	658,125	-	-	-	-	06/30/03
1994 Various Purpose	740,250	-	-	-	-	06/30/03
1995 G.O. Series & Pima Road	1,094,188	1,073,688	1,067,300	1,084,400	1,073,400	06/30/15
1997 Series H & Pima Road	2,252,000	2,245,500	2,212,000	2,205,250	2,205,750	06/30/16
1997 Refunding Bonds	1,111,308	1,139,083	1,140,443	1,956,533	3,989,450	06/30/14
1989 Series I (1998)	1,666,820	1,650,795	1,632,495	1,611,920	1,594,070	06/30/18
1999A G.O. Bonds	2,086,700	2,078,200	2,066,450	2,051,450	2,033,200	06/30/19
2001 G.O. Refunding Bonds	2,358,176	3,741,576	3,637,576	2,803,376	788,176	06/30/22
2002 Various Purpose G.O. Bonds Series A	3,272,184	3,208,700	3,175,275	3,139,275	3,115,025	06/30/14
Future Bond-Series 2003 Var. Purpose Series B	1,000,000	5,073,338	5,071,424	5,072,681	5,070,960	06/30/22
Future Bond-Series 2004 Var. Purpose Series C		1,441,398	5,765,591	6,630,445	6,632,158	06/30/17
Future Bond-Series 2005 Var. Purpose Series D			704,846	4,916,969	4,904,658	06/30/25
Future Bond-Series 2006 Var. Purpose Series E				482,722	4,806,267	06/30/26
Fiscal Agent Fees	19,400	20,900	21,800	22,800	11,500	
Total Debt Service Fund-Property Tax	23,299,855	29,245,699	34,225,786	37,850,807	43,572,947	
Preserve Sales Tax						
1999 Preserve G.O. Bonds	2,815,781	2,812,656	2,777,031	2,760,781	2,737,031	06/30/24
2001 Preservation G.O. Bonds	2,567,780	2,555,280	2,546,030	2,527,093	2,505,855	06/30/24
2001 Preservation G.O. Refunding Bonds	1,464,980	1,464,980	1,464,980	1,464,980	1,464,980	06/30/22
2002 Preservation G. O. Bonds	2,262,420	1,939,218	1,939,218	1,939,218	1,939,218	06/30/24
Future Bond-Preservation Series 2003		1,030,813	824,650	824,650	824,650	06/30/24
Future Bond-Preservation Series 2004			3,384,250	2,707,400	2,707,400	06/30/24
Total Debt Service Fund-Preserve Sales Tax	9,110,961	9,802,947	12,936,159	12,224,122	12,179,134	
Water Utility Fund:						
1993 Refunding	5,334,000	4,818,000	4,848,000	5,473,000	-	06/30/06
1993A Refunding	67,065	67,065	67,065	1,382,065	-	06/30/06
1993 Refunding CAB Accretion	827,768	873,474	438,790	-	-	06/30/05
Fiscal Agent Fees	2,000	2,000	2,000	2,000	-	
Total Water Utility Fund	6,230,833	5,760,539	5,355,855	6,857,065	-	
Total General Obligation Bonds						
	38,641,649	44,809,185	52,517,801	56,931,994	55,752,081	
Revenue Bonds						
Highway User Revenue Fund:						
1993 Refunding	3,109,050	3,106,306	3,119,269	3,141,294	3,154,450	06/30/07
Fiscal Agent Fees	1,000	1,000	1,000	1,000	1,000	
Total Highway User Fund	3,110,050	3,107,306	3,120,269	3,142,294	3,155,450	
Water Utility Fund:						
1989 Series B (1992)	220,820	222,067	222,742	222,828	225,010	06/30/12
1989 Series C (1994)	137,279	136,003	137,117	-	-	06/30/05
1996 Refunding Bonds	478,437	473,594	486,986	620,271	624,092	06/30/14
Fiscal Agent Fees	3,000	3,000	3,000	2,500	2,500	
Total Water Utility Fund	839,536	834,664	849,845	845,599	851,602	
Sewer Utility Fund:						
1989 Series B (1992)	188,106	189,168	189,743	189,817	191,675	06/30/12
1989 Series C (1994)	116,941	115,854	116,803	-	-	06/30/05
1996 Refunding Bonds	407,558	403,432	414,840	528,379	531,634	06/30/14
1989 Series D (1997)	1,437,131	1,424,069	1,409,194	1,417,506	1,412,038	06/30/22
1989 Series E (1998)	3,521,150	3,545,800	3,544,100	3,536,100	3,491,800	06/30/23
Fiscal Agent Fees	3,500	3,500	3,500	3,500	3,500	
Total Sewer Utility Fund	5,674,386	5,681,823	5,678,180	5,675,302	5,630,647	
Total Revenue Bonds						
	9,623,972	9,623,793	9,648,294	9,663,195	9,637,899	

Debt Service Expense, continued

Debt Schedules

	Adopted 2002/03	Forecast 2003/04	Forecast 2004/05	Forecast 2005/06	Forecast 2006/07	Payment Date
Municipal Prop. Corp. (MPC) Bonds						
Excise Debt Fund:						
1992 Asset Transfer Refunding	1,004,738	-	-	-	-	11/01/02
1993 Refunding	4,378,956	4,381,513	4,394,138	-	-	06/30/05
1994 Refunding	1,132,383	1,135,620	-	-	-	06/30/04
1995 TPC	301,080	301,180	295,380	299,130	297,930	06/30/15
1996 McCormick/Stillman	357,260	356,660	-	-	-	06/30/04
1998 Various Purposes	189,400	188,400	187,200	190,800	184,000	06/30/08
2002 Refunding	2,773,215	-	-	-	-	6/30/03
Future Bonds - Westworld (July 2002)	536,228	565,100	595,539	1,079,370	1,079,590	06/30/22
Future Bonds - Waterfront (Jan 2003)	210,000	419,047	417,415	418,571	418,911	06/30/18
Future Bonds - Loloma Museum (Jan 2003)	150,023	299,317	298,151	299,048	299,998	06/30/18
Future Bonds - Preserve Gateway (July 2005)	-	-	-	217,783	222,083	06/30/20
Future Bonds - Desert Discovery Museum (Jul 2006)	-	-	-	-	449,128	06/30/20
Future Bonds - Preserve North Access (July 2006)	-	-	-	-	177,375	06/30/21
Fiscal Agent Fees	60,000	60,000	55,000	55,000	55,000	
Total Excise Debt Fund	11,093,282	7,706,837	6,242,823	2,559,702	3,184,015	
Solid Waste Fund:						
1995 Transfer Station	337,993	341,493	339,243	341,493	337,993	06/30/10
Fiscal Agent Fees	4,000	4,000	4,000	4,000	4,000	06/30/01
Total Solid Waste Fund	341,993	345,493	343,243	345,493	341,993	
Water Fund:						
2001 Scottswater	1,676,725	1,715,700	1,756,700	1,804,550	1,868,900	6/30/08
Future Bonds - Arsenic & Regulatory (Feb 2003)	1,500,000	3,288,875	3,288,350	3,288,150	3,288,000	6/30/17
Future Bonds - Arsenic & Regulatory (July 2004)	-	-	3,848,000	3,848,125	3,848,025	6/30/19
Future Bonds - Arsenic & Regulatory (July 2006)	-	-	-	-	2,900,500	6/30/21
Fiscal Agent Fees	4,000	4,000	4,000	4,000	4,000	
Total Water Fund	3,180,725	5,008,575	8,897,050	8,944,825	11,909,425	
Sewer Fund:						
Future Bonds - Sewer (July 2003)	-	1,435,000	1,434,635	1,435,345	1,434,965	6/30/18
Total Sewer Fund	-	1,435,000	1,434,635	1,435,345	1,434,965	
Total MPC Bonds	14,616,000	14,495,905	16,917,751	13,285,365	16,870,398	
Scottsdale Preserve Authority						
Series 1997A	671,750	654,900	641,113	-	-	06/30/05
Series 1998	5,299,426	5,301,826	5,307,926	5,312,126	5,304,126	06/30/24
Series 2001 Refunding	905,246	901,996	903,746	1,520,246	1,525,921	06/30/22
Fiscal Agent Fees	5,000	5,000	8,000	8,000	8,000	
Total Preserve Authority Bonds	6,881,422	6,863,722	6,860,785	6,840,372	6,838,047	
Contracts Payable						
General Fund:						
U.S. Corps of Engineers - IBW	231,166	231,166	231,166	231,166	231,166	2032
Dial Corp	31,000	31,000	31,000	31,000	31,000	2008
US Patent Office	-	-	2,050	-	-	2009
Nordstrom Garage Lease	2,374,868	2,446,114	2,519,498	2,595,083	2,672,935	2008
Nordstrom Garage Sales Tax	45,122	46,476	47,870	49,307	50,786	2008
Anchor National Life	200,000	500,000	500,000	500,000	417,270	2010
BOR Administration/Westworld	55,000	55,000	55,000	55,000	55,000	2032
BOR Administration/TPC	55,000	55,000	55,000	55,000	55,000	2035
Promenade	883,000	883,000	883,000	883,000	344,190	2007
Future - Waterfront Garage Lease	-	1,019,000	1,019,000	1,019,000	1,019,000	2009
Total General Fund	3,875,157	5,266,757	5,343,584	5,418,555	4,876,347	
Special Revenue Fund:						
McDowell Sonoran Preserve	955,213	956,583	955,115	951,765	952,290	2013
Total Special Revenue Fund	955,213	956,583	955,115	951,765	952,290	
Total Contracts Payable	4,830,370	6,223,340	6,298,699	6,370,320	5,828,637	
Special Assessment Bonds						
Existing Districts (excluding ID 104)	2,518,270	2,862,070	2,763,528	1,101,884	1,064,203	2013
Series 104	43,940	41,743	39,546	37,349	35,152	2013
Total Special Assessment Bonds	2,562,210	2,903,813	2,803,074	1,139,233	1,099,355	
TOTAL DEBT SERVICE	\$ 77,155,622	\$ 84,919,756	\$ 95,046,403	\$ 94,230,479	\$ 96,026,216	

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Debt Schedules

Debt Outstanding

	Balance at 6/30/02	Balance at 6/30/03	Balance at 6/30/04	Balance at 6/30/05	Balance at 6/30/06	Final Payment Date
General Obligation Bonds						
1989 Series C (1992)	2,065,000	1,060,000	-	-	-	06/30/04
1993 G.O. Refunding	25,135,000	20,025,000	19,110,000	18,245,000	10,095,000	06/30/09
1989 Series D (1993)	12,845,000	11,915,000	10,985,000	10,005,000	8,975,000	06/30/13
1993A G.O. Refunding	17,480,000	17,180,000	16,105,000	13,735,000	12,280,000	06/30/11
1989 Series E (1994)	625,000	-	-	-	-	06/30/03
1994 Various Purpose	700,000	-	-	-	-	06/30/03
1995 G.O.	8,775,000	8,125,000	7,450,000	6,750,000	6,000,000	06/30/15
1997 Series H	21,850,000	20,720,000	19,540,000	18,305,000	17,015,000	06/30/16
1997 Refunding	19,900,000	19,850,000	19,770,000	19,685,000	18,780,000	06/30/14
1989 Series I (1998)	17,875,000	17,090,000	16,270,000	15,415,000	14,525,000	06/30/18
1999 A	22,875,000	21,975,000	21,025,000	20,025,000	18,975,000	06/30/19
1999	23,900,000	22,525,000	21,050,000	19,500,000	17,850,000	06/30/24
2001	34,080,000	33,130,000	32,145,000	31,120,000	30,055,000	06/30/24
2001 Refunding	50,860,000	49,570,000	46,845,000	44,115,000	42,110,000	06/30/24
2002	68,000,000	66,260,000	64,295,000	62,275,000	60,190,000	06/30/24
Future Bonds	-	75,400,000	182,385,000	236,450,000	289,815,000	06/30/27
Total G.O. Bonds	326,965,000	384,825,000	476,975,000	515,625,000	546,665,000	
Revenue Bonds						
1993 HURF Refunding	13,385,000	10,990,000	8,475,000	5,815,000	2,990,000	06/30/07
1989 Util Series B (1992)	3,145,000	2,910,000	2,660,000	2,395,000	2,115,000	06/30/12
1989 Util Series C (1994)	680,000	465,000	240,000	-	-	06/30/05
1996 Refunding	7,210,000	6,700,000	6,175,000	5,600,000	4,750,000	06/30/14
1989 Util Series D (1997)	17,625,000	17,100,000	16,550,000	15,975,000	15,350,000	06/30/22
1989 Util Series E (1998)	45,285,000	44,055,000	42,745,000	41,345,000	39,855,000	06/30/23
Total Revenue Bonds	87,330,000	82,220,000	76,845,000	71,130,000	65,060,000	
MPC Bonds						
1992 Asset Transfer Refund	975,000	-	-	-	-	11/01/02
1993 Refunding	11,875,000	8,120,000	4,170,000	-	-	06/30/05
1994 Refunding	2,105,000	1,080,000	-	-	-	06/30/04
1995 Taxable Excise - TPC	2,380,000	2,270,000	2,150,000	2,025,000	1,885,000	06/30/15
1996 McCormick/Sillman Park	665,000	340,000	-	-	-	06/30/04
1998 Various Purpose	985,000	835,000	680,000	520,000	350,000	06/30/08
1995 Transfer Station	2,215,000	1,985,000	1,740,000	1,485,000	1,215,000	06/30/10
2001 Scottswater	9,340,000	8,025,000	6,625,000	5,135,000	3,545,000	06/30/08
2002 Refunding	30,570,000	-	-	-	-	10/1/02
Future Bonds	-	48,920,022	60,209,723	93,808,783	90,856,905	06/30/15
Total MPC Bonds	61,110,000	71,575,022	75,574,723	102,973,783	97,851,905	
Scotts Preserve Auth Bonds						
1997 Excise Tax	1,700,000	1,160,000	595,000	-	-	06/30/05
1998 Excise Tax	71,450,000	69,740,000	67,925,000	65,995,000	63,945,000	06/30/24
2001 Refunding	17,435,000	17,370,000	17,305,000	17,235,000	16,545,000	06/30/22
Total SPA Bonds	90,585,000	88,270,000	85,825,000	83,230,000	80,490,000	
Contracts						
U.S. Corps of Engineers	3,362,319	3,303,168	3,240,991	3,175,633	3,106,932	2032
Dial Corporation	302,675	271,675	240,675	209,675	178,675	2009
U.S. Patent Office	5,130	5,130	5,130	3,080	3,080	01/29/09
Nordstrom Garage Lease	31,502,906	32,007,403	32,486,765	32,936,558	33,351,876	01/31/28
Bureau of Reclamation/Westworld	1,705,000	1,650,000	1,595,000	1,540,000	1,485,000	07/29/32
Bureau of Reclamation/TPC	1,815,000	1,760,000	1,705,000	1,650,000	1,595,000	06/10/35
McDowell Sonoran Preserve	8,000,000	7,430,000	6,825,000	6,195,000	5,540,000	06/30/13
Underground Improvement District 104	241,670	219,700	197,730	175,760	153,790	06/30/13
Anchor National Life/Portales	2,117,270	1,917,270	1,417,270	917,270	417,270	06/30/07
Promenade	3,899,226	3,016,226	2,133,226	1,250,226	367,226	06/30/07
Future	-	-	4,789,300	3,770,300	2,751,300	06/30/07
Total Contracts Payable	52,951,196	51,580,572	54,636,087	51,823,502	48,950,149	
Special Assessment Bonds						
Existing Districts	13,062,204	11,140,470	8,754,734	6,340,000	5,505,000	01/01/13
Future Districts	-	-	-	-	-	
Total Spec Assmt Bonds	13,062,204	11,140,470	8,754,734	6,340,000	5,505,000	
Total All Existing Bonds and Contracts	632,003,400	565,291,042	531,226,521	497,093,202	461,098,849	
Total All Future Bonds and Contracts	-	124,320,022	247,384,023	334,029,083	383,423,205	
TOTAL LONG-TERM DEBT OUTSTANDING	\$ 632,003,400	\$ 689,611,064	\$ 778,610,544	\$ 831,122,285	\$ 844,522,054	

COMPUTATION OF LEGAL DEBT MARGINS
June 30, 2002

Net Secondary Assessed Valuation as of June 30, 2002 \$ 3,526,604,612

Debt Limit Equal to 20% of Assessed Valuation 705,320,922

General Obligation Bonded Debt Subject to 20% Debt Limit (net of amounts available in Debt Service Funds for payment on July 1, 2002):

1989 Series C (1992)	\$ 385,000
1993 Refunding	12,706,000
1989 Series D (1993)	12,845,000
1993A Refunding	14,654,400
1995 Storm Sewer & Streets	8,775,000
1997 Series H Storm Sewer	6,000,000
1997 GO Refunding	17,405,000
1989 GO Series I (1998)	4,500,000
1999A	7,803,000
1999 Preservation GO	23,900,000
2001 Preservation GO	34,080,000
2001 Refunding	47,155,000
2002 Preservation GO	40,000,000
2002 Series A	<u>15,000,000</u>

Net Outstanding Bonded Debt Subject to 20% Limit 245,208,400

Legal 20% Debt Margin (Available Borrowing Capacity) \$ 460,112,522

Debt Limit Equal to 6% of Assessed Valuation \$ 211,596,277

General Obligation Bonded Debt Subject to 6% Debt Limit (net of amounts available in Debt Service Funds for payment on July 1, 2001):

1989 Series C (1992)	\$ 1,680,000
1993 GO Refunding	12,429,000
1993A Refunding	2,825,600
1989 Series E (1994)	625,000
1994 Various Purpose	700,000
1997 Series H Pima Road	12,650,000
1997 Series H Roads	3,200,000
1997 GO Refunding	2,495,000
1989 Series I (1998)	13,375,000
1999A Streets	11,563,258
1999A Pima Road	3,508,742
2001 Refunding	3,705,000
2002 Series A	<u>13,000,000</u>

Net Outstanding Bonded Debt Subject to 6% Limit 81,756,600

Legal 6% Debt Margin (Available Borrowing Capacity) \$ 129,839,677

Per Arizona Statute, municipalities may not incur general obligation debt in an amount exceeding 6% of the taxable property within the municipal boundaries. However, for certain types of bonded expenditures such as water, sewers, open space preserves, parks, and playgrounds, the limit is 20%. The schedule above indicates that the assessed value of property within Scottsdale allows bonding of \$705.3 million for projects subject to the 20% limitation and \$211.6 million for projects subject to the 6% limit. Considering current outstanding debt, the available debt (borrowing) capacity is for 20% general obligation debt is \$460.1 million and \$129.8 million for 6% debt.

Authorized Personnel/Positions

	Actual 2000/01	Adopted 2001/02	Forecast 2001/02	Adopted 2002/03
General Government				
Total FTE - Full-time	165.00	189.00	189.00	189.00
Total FTE - Part-time	5.97	5.75	6.50	6.50
Total FTE - Grant	1.00	1.00	1.00	-
Total Full-time Equivalent (FTE)	171.97	195.75	196.50	195.50
Police				
Total FTE - Full-time	504.00	537.00	569.00	586.00
Total FTE - Part-time	3.10	3.10	3.10	3.10
Total FTE - Grant	37.00	33.00	2.00	2.00
Total Full-time Equivalent (FTE)	544.10	573.10	574.10	591.10
Financial Services				
Total FTE - Full-time	140.00	142.00	142.00	142.00
Total FTE - Part-time	2.97	2.97	2.50	2.50
Total Full-time Equivalent (FTE)	142.97	144.97	144.50	144.50
Transportation				
Total FTE - Full-time	41.00	45.00	45.00	45.00
Total FTE - Part-time	1.85	1.85	1.85	1.35
Total Full-time Equivalent (FTE)	42.85	46.85	46.85	46.35
Community Services				
Total FTE - Full-time	319.00	332.00	335.00	335.00
Total FTE - Part-time	167.11	170.64	170.35	170.35
Total FTE - Grant	11.75	10.75	10.75	10.75
Total Full-time Equivalent (FTE)	497.86	513.39	516.10	516.10
Information Systems				
Total FTE - Full-time	65.00	73.00	73.00	72.00
Total FTE - Part-time	0.81	0.81	0.81	0.81
Total Full-time Equivalent (FTE)	65.81	73.81	73.81	72.81
Water Resources				
Total FTE - Full-time	136.00	139.00	140.00	139.00
Total FTE - Part-time	0.75	0.75	-	-
Total Full-time Equivalent (FTE)	136.75	139.75	140.00	139.00
Municipal Services				
Total FTE - Full-time	189.00	206.00	207.00	210.00
Total FTE - Part-time	3.75	3.00	3.00	3.00
Total Full-time Equivalent (FTE)	192.75	209.00	210.00	213.00
Citizen & Neighborhood Resources				
Total FTE - Full-time	18.00	31.00	35.00	35.00
Total FTE - Part-time	-	-	-	-
Total Full-time Equivalent (FTE)	18.00	31.00	35.00	35.00
Human Resources				
Total FTE - Full-time	33.00	34.00	34.00	33.00
Total FTE - Part-time	2.00	2.50	2.50	2.50
Total Full-time Equivalent (FTE)	35.00	36.50	36.50	35.50
Economic Vitality				
Total FTE - Full-time	4.00	6.00	10.00	10.00
Total FTE - Part-time	-	-	-	-
Total Full-time Equivalent (FTE)	4.00	6.00	10.00	10.00
Planning and Development Services				
Total FTE - Full-time	169.00	163.00	157.00	151.00
Total FTE - Part-time	-	-	-	-
Total Full-time Equivalent (FTE)	169.00	163.00	157.00	151.00
Total FTE - Full-time Positions	1,783.00	1,897.00	1,936.00	1,947.00
Total FTE - Part-time Positions	188.31	191.37	190.61	190.11
Total FTE - Grant Funded Positions	49.75	44.75	13.75	12.75
Total FTE - Citywide Positions	2,021.06	2,133.12	2,140.36	2,149.86

Note:

Full-Time Equivalent (FTE) - A calculation used to convert part-time hours to equivalent full-time positions. Full-Time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing number of hours budgeted by 2,080.

40 Part-time Fire Support Positions (2.68 FTE) included in the City Council Broad Goal Enhance and Protect Community and Neighborhoods are excluded from the Citywide Positions FTE total.

These part-time positions are held by regular full-time City employees who are already included in the position count.

Budget Liaisons

Budget Liaisons serve as the vital communication link between the City staff and the budget staff. Liaisons are responsible for coordinating information, checking to see if forms are completed properly, making sure that all necessary documentation is submitted, monitoring the internal review process to meet timelines, and serving as troubleshooters for problems throughout the budget process. Listed below are the budget liaisons and their area of responsibility.



General Government

- Mayor and City Council Jeff Kulaga
- Office of the City Clerk Linda Lorbeer
- City Attorney & Prosecution Sue Mitrisin
- City Auditor Jeri Futo
- City Court Lisa Gurtler
- City Manager's Office Jeff Kulaga
- Communications & Public Affairs Maggie Wilson
- Intergovernmental Relations Steve Olson
- WestWorld Jennifer Bowley
- Preservation Susan Quinet
- Police Department Holly Christian/Carla Murillo

- Financial Services Department Kathy Rivetna
- Transportation Department Janet Secur
- Community Services Department Jeanne Jones
- Information Systems Department Jennifer Jensen
- Fire Department Jim Ford, Rural Metro
- Water Resources Department Rick Gregoire
- Municipal Services Department Nancy Linssen
- Citizen and Neighborhood Resources Carrie Abts
- Human Resources Joe Kilser
- Economic Vitality Kathy Montalvo
- Planning & Dev. Services Dan VandenHam

Capital Improvement Plan Coordination Team

The **Capital Improvement Plan Coordination Team** is comprised of staff from various City departments. The team is responsible for reviewing all capital projects for timing and cost considerations, compiling lifecycle costs, and preparing a preliminary capital improvement plan recommendation for review and revision by the General Managers, City Manager, City Council and various boards and commissions staffed by citizens. List below are the Coordination Team members and their area of responsibility.



- Police Department Holly Christian, Marc Eisen
- Financial Services Valerie Fenske, Jeff Nichols
- Transportation Department Ginny Coltman, Dave Meinhart, Doug Cullinane
- Community Services Department Don Penfield
- Information Systems Rich Peterson
- Planning and Development Services Dan VandenHam, Tim Conner, Matteo Moric
- Water Resources Ron Dolan
- Municipal Services Bob Forsyth
- Capital Project Management Alex McLaren

Glossary of Terms, continued

Division – A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Encumbrance – Encumbrance includes obligations in the form of purchase orders, contracts, or other commitments. They cease to be encumbrances when paid, canceled, or when the actual liability is set up.

Encumbrance Rebudgets – The balance of unliquidated purchase commitments brought forward from the previous fiscal year.

Ending Balance – The residual non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Enterprise Fund – An enterprise fund is established to account for operations financed and operated in a manner similar to private business enterprises, i.e., where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. Examples of enterprise funds are those for the water and sewer utility, airport, and solid waste.

Equipment Rental – Equipment rental represents fees charged to other areas of the City for the maintenance, repair, and replacement of City vehicles. The fee for these charges is returned to the fleet management internal service fund as revenue.

Estimated – Estimated, as used throughout the budget document, represents the original adopted budget plus any approved changes and anticipated year-end savings.

Excise Debt – Excise debt is debt that is repaid by excise taxes. In this case, the excise taxes used to fund the debt service payments are a portion of the transaction privilege (sales) tax and transient occupancy tax.

Expenditures – Expenditures are decreases in net financial resources. They include current operating expenses which require the current or future use of net current assets, debt services, and capital outlays.

Fees – Fees are charges for specific services.

Financial Policy – A government's policies with respect to revenues, spending, reserves, and debt management as these relate to government services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. Scottsdale's fiscal year is July 1 through June 30.

Five-Year Financial Plan – An estimation of revenues and expenses required by the City to operate for the next five-year period.

Forecast – A prediction of a future outcome based on known and unknown factors.

Franchise Fee – The franchise fee charged to the water and sewer utility fund is a reimbursement to the general fund for the utility's use of City streets and rights-of-way.

Fringe Benefits – Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

Full Time Equivalent (FTE) – A calculation used to convert part time hours to equivalent full time positions. Full time employee salaries are based on 2,080 hours per year. The full time equivalent of a part time employee is calculated by dividing number of hours budgeted by 2,080.

Fund – A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances and changes therein which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance – The balance of net financial resources that are spendable or available for appropriation.

Fund Summary – A fund summary, as reflected in the budget document, is a combined statement of revenues, expenditures, and changes in fund balance for the prior year's actual, adopted, and estimated budgets, and the current year's adopted budgets.

GAAP Adjustments – Differences arising from the use of a basis of accounting for budgetary purposes that differs from the basis of accounting applicable when reporting on operations in conformity with Generally Accepted Accounting Principles (GAAP). For example, depreciation and amortization in Enterprise Funds are not considered expenses on the budget basis of accounting, but are considered expenses on the GAAP basis.

General Fund – The general fund is used to account for all financial resources except those required to be accounted for in another fund.

General Long-term Debt – General long-term debt represents any unmatured debt not considered to be a fund liability.

General Obligation Bonds (G.O. Bonds) – General obligation bonds are bonds which are secured by the full faith and credit of the issuer. G.O. bonds issued by local

units of government are secured by a pledge of the issuer's property taxing power (secondary portion). They are usually issued to pay for general capital improvements such as parks and roads.

Generally Accepted Accounting Principles (GAAP) – GAAP are the uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provide a standard by which to measure financial presentations.

Goal – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Grant – A grant is a contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function, e.g., education or drug enforcement, but it is sometimes for general purposes.

Golf Course Surcharge – A \$1.00 per nine hole surcharge established in 1994 for all City owned golf courses. Revenue collected from this source is used for capital improvements, debt service on capital improvements, silt management, catastrophic flood funding, and support of the Phoenix Open golf tournament.

Highway User Fuel Tax – Highway user fuel tax is gasoline tax shared with municipalities; a portion is distributed based upon the population of the City and a portion is distributed based upon the origin of the sales of the fuel. The Arizona state constitution requires that this revenue be used solely for street and highway purposes.

Improvement Districts – Improvement districts are formed consisting of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on affected property. Improvement District debt is paid for by a compulsory levy (special assessment) made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Indirect Cost Allocation – Indirect cost allocation is funding transferred to the general fund from enterprise funds for specific central administrative functions which benefit those funds, e.g., City Manager, Financial Services department, Human Resources, Legal, etc.

In Lieu Property Tax – The in lieu property tax is a charge to the enterprise funds which compensates the general fund for the property tax that would have been paid if the utilities were for-profit companies.

Glossary of Terms, continued

Intergovernmental Revenues – Revenues levied by one government but shared on a predetermined basis with another government or class of governments.

Internal Service Fund – An internal service fund is used to account for the financing of goods and services provided by one department or agency to other departments or agencies of a government, or to other governments on a cost-reimbursement basis.

Municipal Property Corporation (MPC) – The Municipal Property Corporation is a non-profit corporation established to issue bonds to fund City capital improvements projects.

Needs Assessment – The Needs Assessment is the foundation for determining what City customers feel is needed. Market surveys, public hearings, and boards and commission surveys are conducted.

Objective – Something to be accomplished in specific, well defined, and measurable terms and that is achievable within a specific time frame.

Operating Budget – The operating budget is the plan for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is required by law in Arizona and is a requirement of Scottsdale's City Charter.

Operating Revenue – Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance – An ordinance is a formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Other Fiscal Activity – Other fiscal activity refers to various trust and agency funds used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units, and other funds.

Outstanding Debt – The balance due at any given time resulting from the borrowing of money or from the purchase of goods and services.

Pay-as-you-go Capital Improvement Projects (PAYG) – PAYG capital improvement projects are capital projects whose funding source is derived from City revenue sources other than through the sale of voter-approved bonds.

Glossary of Terms, continued

PC Replacement Program – The Personal Computer (PC) Replacement Program was established to centralize the responsibility for personal computer service and maintenance of computer and printer inventories. Departments are assessed an annual fee based upon their inventory of PCs and printers in use. The charge is accumulated in the PC Replacement Fund and used to replace printers, and desktop/laptop computers on a standard replacement schedule.

Performance Measure – Data collected to determine how effective or efficient a program is in achieving its objectives.

Personal Services – Expenditures for salaries, wages, and fringe benefits of a government's employees.

Preserve Bonds – Preserve bonds are excise tax revenue bonds. The bonds are special revenue obligations of the Scottsdale Preserve Authority payable solely from and secured by a 0.2% sales tax approved by City voters. The bonds are issued for the purpose of acquiring land for the McDowell Sonoran Preserve.

Program – A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the City is responsible. A program differs from a division from the standpoint that cost centers from different departments may make up a program while cost centers from the same department make up a division.

Program Budget – A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Property Tax – Property tax is based according to value of property and is used as the source of monies to pay general obligation debt (secondary property tax) and to support the general fund (primary property tax).

Primary Property Tax – Primary property taxes are levied for the purpose of funding general government operations. Annual increases are limited to 2% of the previous year's maximum allowable primary property tax levy plus allowances for new construction and annexation of new property and tort litigation settlements.

Rebudget – Carryover represents encumbered and committed funds carried forward to the next fiscal year budget.

Refunding – Refunding is a procedure whereby an issuer refinances an outstanding bond issue by issuing new bonds. There are generally two major reasons for refunding: to reduce the issuer's interest costs or to remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced. The proceeds of the new bonds are either deposited into escrow to pay the debt service on the outstanding obligations when due, or they are used to immediately retire the outstanding obligations. The new obligations are referred to as the refunding bonds and the outstanding obligations being refinanced are referred to as the refunded bonds or the prior issue.

Reserve – Reserve is an account which records a portion of the fund balance which must be segregated for some future use and which is, therefore, not available for further appropriation or expenditure.

Revenue Bonds – Revenue bonds are bonds payable from a specific source of revenue which do not pledge the full faith and credit of the issuer. Revenue bonds are payable from identified sources of revenue and do not affect the property tax rate. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-property tax.

RICO Funds – Racketeered Influenced and Corrupt Organizations (RICO) Funds are funds obtained from an anti-racketeering revolving fund maintained by either the Federal or State government as a result of asset forfeitures from criminal enterprises, and are allocated to municipalities for approved non-recurring public safety expenditures.

Secondary Property Tax – Secondary property taxes are levied for the purpose of funding the principal, interest, and redemption charges on general obligation bonds of the City. The amount of this tax is determined by the annual debt service requirements on the City's general obligation bonds.

Self Insurance – The retention by an entity of a risk of loss arising out of the ownership of property or from some other cause instead of transferring that risk through the purchase of an insurance policy.

Service Levels – The service level describes the present services provided by a City department and/or division within the department.

Sinking Fund – A sinking fund is an account into which a debt issuer makes periodic deposits to ensure the timely availability of sufficient monies for the payment of debt service requirements. The revenues to be deposited into the sinking fund and payments therefrom are determined by the terms of the bond contract.

Special Assessment – A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Street Light Districts – Street light improvement districts are formed to provide a means for properties within a district to maintain street lights within their boundaries. A street light tax is levied against the property owner to cover the cost of electrical billings received and paid by the City.

Taxes – Taxes are compulsory charges levied by a government for the purpose of financing services performed for common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

Tax Rate – The tax rate is the amount of tax levied for each \$100 of assessed valuation.

Transfers – Transfers are the authorized exchanges of cash or other resources between funds.

Trust Fund – A trust fund consists of resources received and held by the government unit as trustee, to be expended or invested in accordance with the conditions of the trust.

Unreserved Fund Balance – The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Fee – The fee charged for services to the party or parties who directly benefits.

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• *Glossary of Terms,*
• *continued*
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Budget Adoption Ordinance

ORDINANCE NO. 3446

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, FINALLY DETERMINING AND ADOPTING ESTIMATES OF PROPOSED EXPENDITURES BY THE CITY OF SCOTTSDALE FOR THE FISCAL YEAR BEGINNING JULY 1, 2002, AND ENDING JUNE 30, 2003, AND DECLARING THAT SUCH SHALL CONSTITUTE THE BUDGET FOR THE CITY OF SCOTTSDALE.

WHEREAS, in accordance with the provisions of Title 42 Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.) and the City Charter, the Mayor and Council did, on May 20, 2002, make an estimate of the different amounts required to meet the public expenses for the ensuing year, an estimate of receipts from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the city of Scottsdale, Arizona, and

WHEREAS, in accordance with said sections of said Code and City Charter and following due public notice, the Mayor and Council met on June 3, 2002, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures or tax levies, and

WHEREAS, it appears that publication has been duly made, as required by law, of said estimates, together with a notice that the Mayor and Council will meet on June 17, 2002, in the City Hall Kiva for the purpose of making tax levies as set forth in said estimates, and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not, in the aggregate, exceed that amount for primary property taxes as computed in A.R.S. 42-17051, and

WHEREAS, the Mayor and Council have appeared and filed with the City Clerk said Tentative Budget for the fiscal year beginning July 1, 2002 and ending June 30, 2003, and

WHEREAS, the budget provides resources for specific program activity and service levels, therefore

BE IT ORDAINED by the Mayor and Council of the City of Scottsdale, Arizona, as follows:

SECTION 1. That the following estimates of revenue and expenditures as now reduced or changed are hereby adopted as the budget of the City of Scottsdale, Arizona, for the fiscal year 2002/03.

SECTION 2. Upon the recommendation of the City Manager, and with the approval of the City Council, expenditures may be made from the appropriation for contingencies. The transfer of sums within any expenditure appropriation may be made upon approval of the City Manager. Any unencumbered appropriation balance or portion thereof may be transferred between offices, departments, or agencies to offset budget variances upon approval of the City Manager.

SECTION 3. Money from any fund may be used for any of the appropriations, except money specifically restricted by State law or by City Ordinance or by Resolution.

SECTION 4. Schedules A of the Adopted Budget follows:

Budget Adoption Ordinance

SCHEDULE A

City of Scottsdale Specific Budget Appropriations Fiscal Year 2002/03

	Operating Budget	Capital Budget	Other Fiscal Activity	Total Activity
Operating Budget				
General Government	\$ 16,366,775			\$ 16,366,775
Police	51,613,480			51,613,480
Financial Services	15,506,654			15,506,654
Transportation	11,819,717			11,819,717
Community Services	45,331,418			45,331,418
Information Systems	7,578,079			7,578,079
Planning Systems	13,230,692			13,230,692
Economic Vitality	6,530,719			6,530,719
Fire	17,916,459			17,916,459
Water Resources	39,306,787			39,306,787
Municipal Services	35,453,423			35,453,423
Citizen & Neighborhood Resources	2,785,007			2,785,007
Human Resource Systems	3,458,750			3,458,750
Internal Service Fund Offsets	(14,569,605)			(14,569,605)
Debt Service	77,155,622			77,155,622
Capital Improvements		513,903,400		513,903,400
Other Fiscal Activity				
Grants			25,633,657	25,633,657
Designated Funds			1,268,900	1,268,900
Total 2002/03 Budget	\$ 329,483,977	\$ 513,903,400	\$ 26,902,557	\$ 870,289,934
Reserve/Contingency Appropriations	22,980,550	6,000,000		28,980,550
Total Budget Appropriation	\$ 352,464,527	\$ 519,903,400	\$ 26,902,557	\$ 899,270,484

Property Tax Levy Ordinance

ORDINANCE NO. 3447

AN ORDINANCE OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF SCOTTSDALE, SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF ASSESSED VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR THE VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES; ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2003.

WHEREAS, by the provisions of the City Charter and State Statute, an ordinance is required to set the property tax levy for fiscal year 2002/03.

WHEREAS, the county of Maricopa is assessing and collecting authority for the City of Scottsdale, the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCOTTSDALE, ARIZONA, AS FOLLOWS:

SECTION 1. There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Scottsdale, except such property as may be by law exempt from taxation, a primary property tax levy not to exceed the maximum levy allowed by law for the fiscal year ending on the 30th day of June, 2003, and allowable tort liability claims. The primary levy is \$16,392,334, resulting in a tax rate of \$0.5073 per \$100 of assessed value. Said figure subject to change only if a court decision were to reduce the net assessed valuation in a significant manner.

SECTION 2. In addition to the rate set in SECTION 1 hereof, there is hereby levied on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Scottsdale, except such property as may be by law exempt from taxation, a secondary property tax rate of \$0.6456 per \$100 of assessed value, a rate sufficient to raise the sum of \$22,766,364 for the purpose of providing a bond interest and redemption fund for General Obligation debt service for the fiscal year ending June 30, 2003.

SECTION 3. Failure by the county officials of Maricopa County, Arizona, to properly return the delinquent list, any irregularity in assessments or omission in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer(s) to timely perform any of the assigned duties shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Scottsdale upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for the collection of taxes or the foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 4. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

