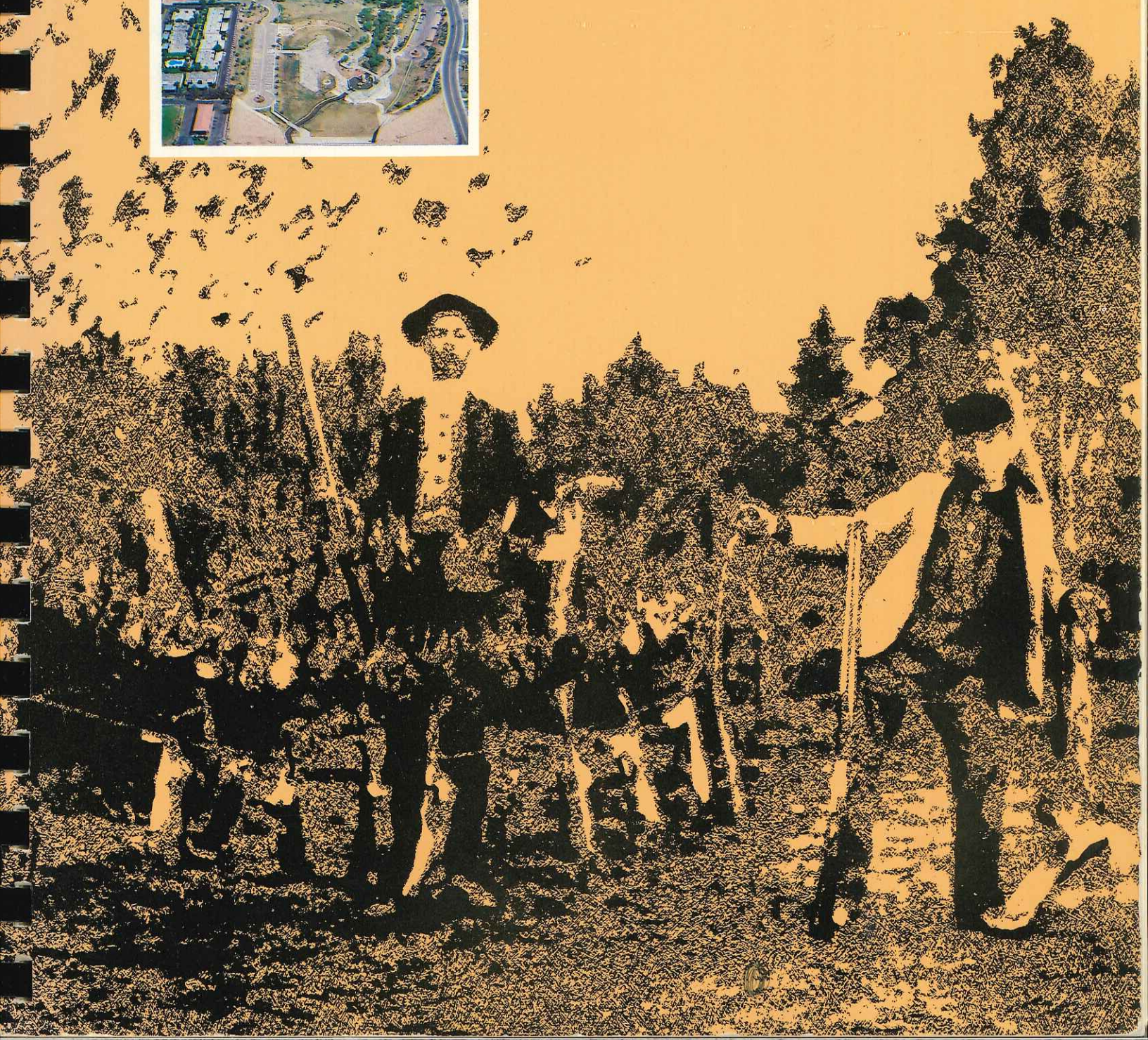
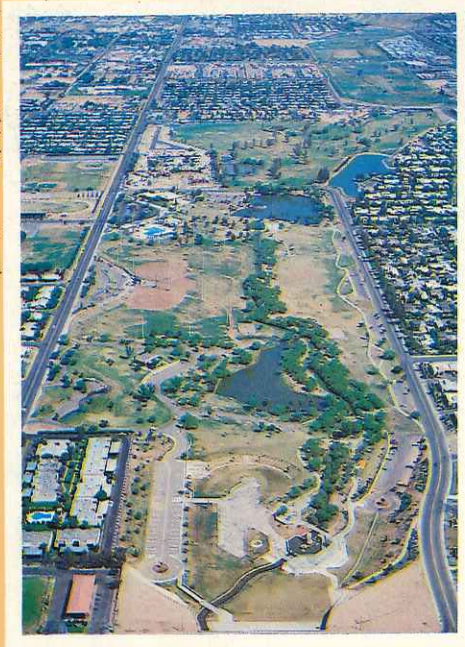


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CITY OF SCOTTSDALE, ARIZONA

ANNUAL FINANCIAL
REPORT FOR THE
FISCAL YEAR ENDED
JUNE 30, 1984





**CITY OF SCOTTSDALE, ARIZONA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FISCAL YEAR ENDED
JUNE 30, 1984**

CITY COUNCIL

HERBERT R. DRINKWATER, MAYOR

JEAN L. BLACK

JAMES D. BRUNER

DIANE D. CUSACK

BILLIE AXLINE GENTRY

BILL WALTON

RENE' WENDELL

ROY R. PEDERSON - CITY MANAGER

TOM DAVIS - ASSISTANT CITY MANAGER

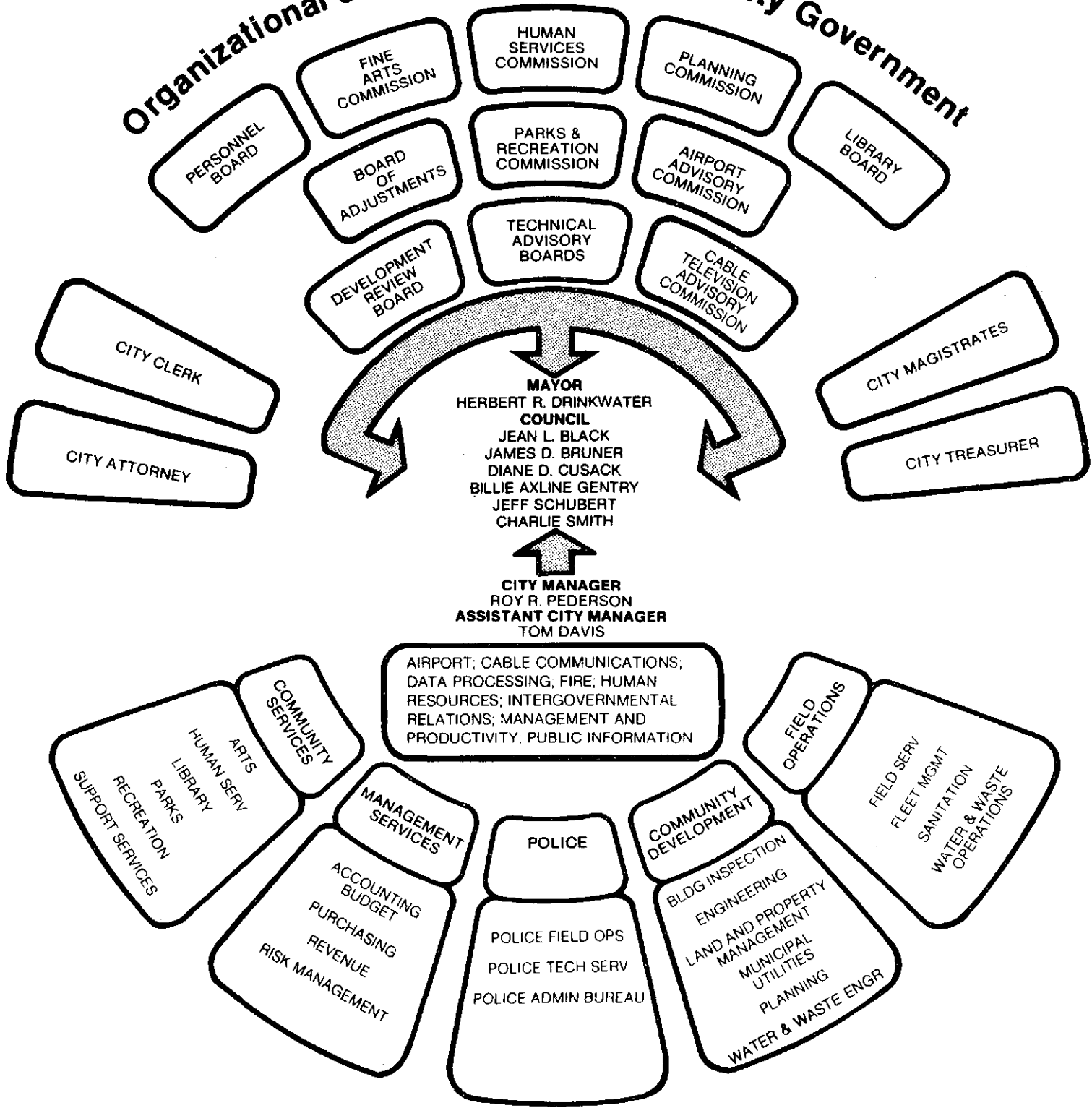
Prepared by

Management Services Department

James A. Jenkins

Management Services Dept. Head/City Treasurer

Organizational Structure for Scottsdale City Government



*Chart reflects Fiscal Year 82-83 organizational structure

City of Scottsdale
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 1984

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**INTRODUCTORY
SECTION**



September 5, 1984

To The Honorable Mayor and City Council
City of Scottsdale, Arizona

Dear Mayor and City Council:

The annual financial report of the City of Scottsdale, Arizona, for the fiscal year ended June 30, 1984, is submitted in accordance with Article 6, Section 14, of the City Charter.

This report consists of three sections. The Introductory Section contains this letter of transmittal which highlights the financial affairs of the City for the fiscal year and the supplemental Certificate of Conformance in Financial Reporting issued to the City for its June 30, 1983, annual financial report. The Financial Section includes: (1) The opinion of the independent certified public accountants based upon their audit as required by City Charter and State Law; (2) Combined financial statements; (3) Combining statements - by fund type and individual fund; and (4) Schedules presenting greater detail for information reported in the statements. The Statistical Section includes financial information for both prior and current periods of time and related non-financial data which provide insight into the financial basis of the City.

Financial Policies

The accounting policies of the City of Scottsdale, Arizona, conform to generally accepted accounting principles as applicable to governmental units.

The Proprietary Funds are maintained on the accrual basis of accounting. The accrual basis of accounting recognizes revenue when it is earned and measurable and expenses when incurred, if measurable. The Governmental and Fiduciary Funds are maintained on the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenue when cash is received, except for amounts, which, if determinable, are recognized as revenue when measurable and available. Expenditures are recognized when liabilities are incurred, if measurable, except for unmatured interest on general long-term debt and on special assessment indebtedness secured by interest-bearing special assessment liens, which are recognized when due.

Budgetary control is maintained by a monthly allotment system and the encumbrance of allotment balances with purchase orders prior to their release to vendors. Purchase orders which exceed allotment balances are not released until additional appropriations are made. Open encumbrances are reported as reservations of fund balance at June 30, 1984.

Financial Overview

A comparison of fund balances for Governmental and Fiduciary Funds shows a large increase in total. The General Fund and Debt Service Funds show substantial increases in fund balance. The General Fund increase can be attributed to continued economic expansion and a very strong construction industry. The Debt Service Fund increase is created by continued contributions to satisfy the Sinking Fund requirement associated with the 1973 General Obligation Storm Sewer Bonds. A Capital Projects fund has been established for construction of assets from General Obligation bond proceeds and Highway User bond proceeds. As of June 30, 1984, only \$1.77 million has been expended on projects. This Fund Balance will decline as construction activity on various Capital Improvement Projects is completed. The Special Assessment Fund Balance decreased \$1.25 million. This occurs because expenditures are recorded currently, whereas the revenue associated with the Special Assessments is recorded over the life of the special assessment receivable. The assessment receivable is greater than the deficit shown.

	<u>FY 1983-84</u>	<u>FY 1982-83</u>	<u>Increase (Decrease)</u>
General	\$ 3,834,828	\$ 1,688,531	\$ 2,146,297
Highway User	98,436	146,036	(47,600)
Federal Revenue Sharing	-0-	-0-	-0-
Community Development	15,762	339	15,423
Grants	104,985	148,656	(43,671)
Debt Service	7,362,713	5,683,287	1,679,426
Capital Projects	30,268,310		30,268,310
Special Assessments	(2,378,419)	(1,130,207)	(1,248,212)
Trust and Agency	484,736	629,619	(144,883)
Total Fund Balances	<u>\$39,791,351</u>	<u>\$ 7,166,261</u>	<u>\$32,625,090</u>

A comparison of total retained earnings as restated for Proprietary Funds reveals a substantial increase over last year. Water and Sewer increased significantly over last year. This is necessary to fund the extensive capital improvement expenditures that are planned to keep pace with the City's growth.

	<u>FY 1983-84</u>	<u>FY 1982-83</u>	<u>Increase (Decrease)</u>
Water and Sewer	\$27,158,690	\$20,779,321	\$ 6,379,369
Airport	(1,029,489)	(818,035)	(211,454)
Public Housing	(134,414)	(118,866)	(15,548)
Motor Pool	763,723	342,655	421,068
Self Insurance	588,782	916,555	(327,773)
Total Retained Earnings	<u>\$27,347,292</u>	<u>\$21,101,630</u>	<u>\$ 6,245,662</u>

Governmental and Fiduciary Funds Revenue

Revenue for Governmental and Fiduciary Funds totaled \$54,889,111 in 1984, an increase of 23.0 percent over 1983. Taxes - Local increased \$4,915,425 over 1983, with local privilege tax providing the major portion of the increase. Taxes - Intergovernmental increased \$1,910,115 over 1983, with State Shared Sales Tax reflecting a strong statewide economic recovery and Auto Lieu Tax displaying the rebound of auto sales. Grants decreased \$685,482 from last year's actual as a result of reduced Federal aid. Charges for current services are over last year's actual by \$1,876,969 which represents continued growth in the construction industry. Fines and Forfeitures are over 1983 by \$286,415. This is due to increased citations issued by motorcycle patrol units and increased collections for parking fines. Use of Money and Property increased because of interest generated by unexpended bond proceeds and higher interest rates. CIP Reimbursements are \$494,213 over 1983 due to reimbursement for Paradise Valley Drainage System.

<u>Revenue Source</u>	<u>FY 1983-84</u>	<u>FY 1982-83</u>	<u>Increase (Decrease)</u>	<u>%</u>
Taxes-Local	\$23,760,587	\$18,845,162	\$ 4,915,425	26.1
Taxes-Intergovernmental	14,539,774	12,629,659	1,910,115	15.1
Grants	2,104,496	2,789,978	(685,482)	(24.6)
Licenses	385,009	402,894	(17,885)	(4.4)
Charges for Current Services	7,085,896	5,208,927	1,876,969	36.0
Fines and Forfeitures	1,009,111	722,696	286,415	39.6
Use of Money & Property	2,829,344	1,582,514	1,246,830	78.8
Miscellaneous	2,162,931	1,911,530	251,401	13.2
CIP Reimbursements	1,011,963	517,750	494,213	95.5
Total	<u>\$54,889,111</u>	<u>\$44,611,110</u>	<u>\$10,278,001</u>	<u>23.0</u>

Another interesting comparison is that of percentage contribution by revenue source. This comparison generally shows changes that are explained above.

<u>Revenue Source</u>	<u>FY 1983-84</u>	<u>FY 1982-83</u>	<u>Increase (Decrease)</u>
Taxes-Local	43.2%	42.2%	1.0%
Taxes-Intergovernmental	26.5	28.3	(1.8)
Grants	3.8	6.2	(2.4)
Licenses	.7	.9	(.2)
Charges for Current Services	12.9	11.7	1.2
Fines and Forfeitures	1.8	1.6	.2
Use of Money & Property	5.2	3.6	1.6
Miscellaneous	4.0	4.3	(.3)
CIP Reimbursements	1.9	1.2	.7
Total	<u>100.0%</u>	<u>100.0%</u>	<u>-0-</u>

Governmental and Fiduciary Funds Expenditures

Expenditures of Governmental and Fiduciary Funds increased by 23.8 percent or \$10,809,612 over 1983. Several departments were restructured during 1983-84, i.e., the creation of Non-Departmental. The fiscal year 1982-83 expenditures have been reclassified to reflect this restructuring.

<u>Department</u>	<u>FY 1983-84</u>	<u>FY 1982-83</u>	<u>Increase (Decrease)</u>	<u>%</u>
General Government	\$ 2,930,695	\$ 2,756,017	\$ 174,678	6.3
Police	7,433,027	8,411,315	(978,288)	(11.6)
Management Services	1,631,739	1,516,891	114,848	7.6
Field Operations	9,035,611	8,329,776	705,835	8.5
Community Services	7,198,146	6,469,869	728,277	11.3
Community Development	5,678,868	5,402,471	276,397	5.1
Debt Service	2,607,555	1,836,486	771,069	42.0
Non Departmental	5,833,286	3,930,222	1,903,064	48.4
Capital Improvements	13,641,878	6,705,466	6,936,412	103.4
Provision for Litigation	161,000		161,000	
Total	<u>\$56,151,805</u>	<u>\$45,358,513</u>	<u>\$10,793,292</u>	<u>23.8</u>

Treasury Management

Temporarily, idle cash was invested during the year in Time Certificates of Deposit, U. S. Treasury Securities, Federal Agency Securities, and the State of Arizona Investment Pool. These investments yielded 9.88 percent on an average daily invested balance of \$33,930,000. At June 30, 1984, the investments totaled \$68,906,190 and consisted of:

U. S. Treasury Securities	\$29,326,140	43%
Federal Agency Securities	24,434,050	35%
State Investment Pool	14,500,000	21%
Certificates of Deposit	400,000	.5%
Improvement District Bonds	246,000	.5%
	<u>\$68,906,190</u>	<u>100%</u>

The maturities for these investments range from three days to ten years with interest yields from 6.5% to 11.037%.

Debt Administration

The ratio of annual debt service for general bonded debt to total general expenditures provides an indication of a municipality's ability to meet debt service requirements. This percentage is 4.89 percent for 1983-84 compared to 3.07 percent for 1982-83. More detailed information about bonded debt can be found in the Statistical Section.

The City of Scottsdale presently has the following bond ratings. General Obligation Bonds - Moody's Investor Service Aa 1, Standard and Poor's AA; Water and Sewer Revenue Bonds - Moody's Investor Service A-1, Standard and Poor's A. Additionally, the City has a legal debt margin of \$20,379,200 for 6% General Obligation Bonds and \$116,144,195 for 20% General Obligation Bonds. There is no legal limit on Revenue Bonds.

General Fixed Assets

The general fixed assets of the City are those assets used in the performance of general governmental functions and exclude the fixed assets of utilities and other enterprise activities. As of June 30, 1984, the general fixed assets of the City amounted to \$345,646,602. This amount represents the original cost of assets or the estimated fair market value where the original cost was not calculable or where the asset was contributed by a developer or other party to the City. The values for land and for buildings and improvements for statement purposes are considerably less than their present value. Depreciation of general fixed assets is not recognized in the City's accounting system.

Water and Sewer System

The retained earnings for the water and sewer system increased \$6,379,369 from last year. The primary reasons for this increase are higher revenues for water service charges of \$1,580,463, water development fees, \$499,817, and sewer development fees, \$1,232,563.

Expenses have increased \$921,063 over last year for a total of \$7,553,275. The indirect cost allocation is \$168,961 higher than last year, and Sewer operations are \$845,860 higher than last year.

Airport

The net loss for the Airport decreased \$112,959 from last year to \$211,454 for fiscal year 1983-84. Revenue increased \$26,791 over last year due primarily to revenue from an increased number of businesses offering services at the airport. Expenses decreased \$86,168 from last year primarily due to lower interest expenses for the airport land purchase.

Public Housing Fund

The Public Housing Fund is operated in conjunction with the Neighborhood Development Project. It was designed to provide low-cost, subsidized housing for those families that were displaced by the project. The net loss for the Public Housing Fund for fiscal year 1983-84 was \$15,548 down from a net income of \$19,234 last year. The primary reason for the variance is the \$46,694 gain on the sale of real estate that was recorded in 1982-83. Without the effect of the property sale the net loss for fiscal year 83-84 was \$11,912 less than 1982-83. The major reasons for this change are lower expenses for maintenance, utilities, and indirect costs.

Internal Service Funds

These funds provide services or commodities to other programs within the City. The intent is to be self-sustaining by charging the users a fee that is consistent with the fund's cost of providing the service. The Motor Pool Fund achieved a net increase in unreserved retained earnings of \$421,068 on total revenue of \$3,891,005, thus meeting the objective to be self-sustaining. The Self Insurance Fund incurred a decrease in unreserved retained earnings of \$327,773 primarily as a result of greater than anticipated claim expenses. This decrease is not a material change from plan as the total fund equity at year end is \$1,333,117. It is simply a cyclical swing of expenses above the amount used to establish annual user fees.

Significant Events and Accomplishments for Fiscal Year 1983-84

- o The local economy registered a significant increase over last year.

Local Privilege Tax receipts increased \$2,945,460 or 21.7 percent. Inflation as measured by the Phoenix Metro CPI increased 4.2 percent during the same period.

State Shared Sales Tax increased \$501,833 or 12 percent. This tax source did not grow as much as the local privilege tax. This was due primarily to the lack of a statewide economic recovery, in particular, the mining and timber sectors.

3,504 residential building unit permits were issued, up 1,100 permits from last year. Single family unit permits were up 280 and multi-family unit permits were up 820.

Residential and non-residential permit valuations totaled \$420.1 million for 1983-84, up \$215.3 million (105 percent) from \$204.8 million total permitted valuation in 1982-83.

Significant Events and Accomplishments for Fiscal Year 1983-84 (Continued)

- o The combined property tax rate for 1984-85 is \$.90. The primary rate is \$.48 as compared to \$.51 for 1983-84. The secondary rate is \$.42 as compared to \$.40 for 1983-84. The secondary rate increase was necessary to fund the additional debt service expense applicable to the 1983-84 bond issues. The tax levy for 1984-85 will be \$5,846,000, up \$837,538 from the 1983-84 levy of \$5,008,462.
- o \$14,338,353 was expended on capital improvements during the year. The major capital improvement projects completed during 1983-84 were:

Traffic Systems

Traffic Signals

Eight New Signals

Improvements to Twelve Existing Signals

40 Signals Added to Computer System Control

Public Buildings

City Hall and SCA Handicapped Doors

Human Resources Office Remodel

Design for New Corporation Yard

Recreation

Eldorado Pool Renovation

Chaparral and Eldorado Ballfield Lights

McCormick Railroad Park Arboretum

Vista Del Camino Park Bridges

Airport

Greenway Security Gate

Lights Along Runway Extension

Taxiway Extension

Major Streets

Street Overlay Program

Shea Boulevard, 64th Street to Pima Road

Scottsdale Road Widening, Thunderbird to Greenway

McKellips Road, Scottsdale to Miller

Three Traffic Bottleneck Projects

Fire Station No. 12 Parking Lot

Water and Sewer

Two Major Wells Outfitted and Connected

Major Intertie Transmission Line - Jomax Road

Major Transmission - Pima Road

North Valley Water Company Acquisition

Major Sewer Line - Pima Road

Significant Events and Accomplishments For Fiscal Year 1983-84 (Continued)

- o Water production for the year totaled 5,475,627,097 gallons.
- o Sewage treated during FY 1983-84 at the Multi-City Wastewater Facility totaled 3.10 billion gallons. This is an average of over 8.5 million gallons per day, an increase of 2.4 percent over the previous year.
- o The Sanitation program added service to 1,361 new residential homes and collected 155,846,000 pounds of refuse from commercial and residential services for an average of 1,451 pounds per resident.
- o 90 miles of water lines, 65 miles of sewer lines, and 978 fire hydrants were added to serve our expanding population.
- o A master plan of all water resources north of Bell Road was completed.
- o A Water Conservation Program was approved by City Council and implementation is now in progress.
- o An Industrial Pre-treatment Program has been implemented to control industrial waste discharges.
- o City Council has approved the acquisition of Planet Ranch with its certified surface water rights which can be transferred to Scottsdale. This transfer of water rights could virtually assure Scottsdale of adequate water supplies consistent with quality growth and development for the foreseeable future.

The property, consisting of 8,400 acres of deeded land and 75,500 acres of leased land, is located on both sides of the Bill Williams River in Mohave and La Paz Counties.

- o Wastewater reclamation continues with construction of the City's first plant and contracting with a developer for design and construction of a second and third plant.
- o 1,704,198 square yards of City streets were resurfaced during 1983/84.
- o The City has installed a new telephone system. This new system is estimated to save the City approximately \$1 million over the next 10 years.
- o The City has installed a new computer system. One hundred fifty terminals will be operational by September, 1984, with another 150 installed throughout City offices by September, 1985.
- o The City is developing a new financial package on the Sperry computer system to replace ARMS. The new MSA package will allow users to produce their own reports based on their specific information needs.
- o Organizational studies are being conducted in the Human Resources and Purchasing Programs in an attempt to improve the total effectiveness and efficiency of both Programs.

Significant Events and Accomplishments For Fiscal Year 1983-84 (Continued)

- o A City-wide records inventory was completed, and a records management program is in the process of being implemented. Records management will facilitate records retention and retrieval and is in coordination with the office automation efforts.
- o Intake interviews by the staff at Vista del Camino Center increased from 1,097 to 1,408 in FY 1983-84, which is a 28 percent increase or an increase of 93 hours of direct interview work.
- o The Christmas and Thanksgiving Adopt-a-Family program increased from 1,025 people the previous year to 1,202 served in 1983-84.
- o The Mobility Program increased its ridership by 9 percent for a total of 15,571 passengers. The cost per trip to the City increased from \$2.26 in FY 82-83 to \$2.64 per trip in FY 83-84 due to a change in contractors.
- o The Human Services Mobility program added a third vehicle to provide special transportation to the elderly and handicapped.
- o A 62% increase in number of emergency food boxes distributed was realized during FY 83-84 at the Vista del Camino Center. A total of 979 food boxes were distributed.
- o The Recreation Division's total revenue for 83-84 increased 15% over 82-83.
- o Plans for an addition to the Indian School Park Locker and Shower facility to house Club SAR were approved. This facility will house boxing, judo, recreational classes, and the San Francisco Giants during spring training.
- o A food bank was approved for the Vista del Camino Service Center. This will provide space for community donations that will be distributed to needy families.
- o An increase in social services to Scottsdale residents was made possible through the distribution of CDBG funds to social service agencies in Scottsdale.
- o The City Council authorized the sale of the Vista del Camino Apartments to a public service organization to provide social services to Scottsdale residents. The award of the sale will be based on the best use of the facility to meet the needs of Scottsdale residents.
- o City Council has approved the expansion of the Civic Center Library and the construction of a full service branch on City owned property at 90th Street near Pima. The architect selection process is near completion, and the building programs are being finalized.
- o 936,439 items were checked out of the Library for an increase of 3% in material circulated.

Significant Events and Accomplishments For Fiscal Year 1983-84 (Continued)

- o The Library's Computer Literacy Program has served 5,336 citizens, an increase of 326% over last year. Four public access microcomputers with accompanying software are now available for in-library use by children and adults.
- o Continued Cable TV production of the weekly Children's Storytime which is broadcast by United Cable on Channels 9 and 6 and is included in local TV listings.
- o The attendance at Recreation programs totaled 2,322,247, an increase of 91,702 from the previous year: Eldorado Park attendance, 512,233; McCormick Railroad Park, 305,151; Indian School Park, 629,072.
- o The total number of ticketed events at the Center for the Arts has grown from 110 in 1982-83 to 149 in 1983-84, a 26% increase.
- o The Center for the Arts support organizations, Scottsdale Arts Center Association (SACA) and the Men's League, combined efforts raised over \$620,000 for programming, promotion, and improvements for the Center.
- o The planning of a new Police building and a joint Police-Fire training facility got underway and is proceeding on schedule. Completion of the two (2) projects is expected in 1986.
- o A five-man motorcycle unit was trained and put into operation. Over 8,000 citations were issued, and a great deal of information related to traffic accidents was obtained. The public's overall acceptance of the unit has been excellent.
- o The crime index for major crimes in Scottsdale decreased 11% during FY 83-84.
- o Over 100 managers and professional employees have completed the Scottsdale Professional Development Program. The program has been accredited by Scottsdale Community College and future participants will earn six college credits.
- o User fee increases during FY 1983-84 were:

Commercial Refuse	10 Percent
Residential Refuse	18 Percent
Residential Sewer	16 Percent
Commercial Sewer	Average increase of 19%
Water Service	20 Percent
- o \$39.4 million of the \$69 million bond authorization was issued in January, 1984, with the balance anticipated to be sold in 1986.

Future Outlook

The 1984-85 budget provides for an operating expenditure level of \$53 million, up 11 percent from last year. In addition a contingency program of \$33 million was approved of which \$22 million is designated for capital improvements. The capital improvements projects will be authorized periodically if sufficient revenue is received to fund the projects. This insures that the operating programs can be funded before capital programs, should the actual economic situation be less favorable than anticipated at budget preparation time.

The budget for 1984-85 estimates current revenue at \$15 million more than budgeted for 1983-84. This is a 23 percent increase with the significant revenue increases being:

Privilege tax is projected to increase \$5,630,000 over the adopted budget for FY 1983-84. Food stores are projected flat, while construction is projected to increase 57%. Automotive, hotels and motels, major department stores, utilities, and other taxable activity are projected to be up 10% to 25%.

Water service revenue is projected to increase \$2,950,000 with \$1,498,000 due to a 20% rate increase 03/19/84. The balance of the increase results from an increased number of customers being served.

Highway User Fuel Tax is projected to increase \$431,000 of which \$145,000 is from the State's one cent per gallon gas tax increase, effective July, 1984.

The City's portion of State Shared Sales Tax is projected to increase \$424,000 reflecting an expected upturn in the State's economy.

Equipment rental revenue's projected decrease reflects the utilization of Fleet Maintenance accumulated surplus from prior years.

Property Tax is projected to increase by \$943,000. This is comprised of an increase of \$578,000 in the primary portion of the levy and a \$365,000 increase in the secondary portion. The primary tax is permitted a maximum increase of 2% plus the addition of new property added to the 1984 tax roll. The projected increase in the secondary is due to an issuance of general obligation bonds in 1984.

State Revenue Sharing is projected to be up \$568,000 and reflects the City's share of the State income tax collections for the calendar year 1982.

Refuse Collection Revenue is projected to increase \$373,000. The increase reflects additional new housing units in FY 1984-1985. No rate increase is included in this budget since we expect current rates to be adequate to keep the service self-sustaining.

Capital Improvement Project (CIP) Reimbursements is projected to increase \$2,973,000. \$2,640,000 of this increase results from the sale of the Corporation Yard. The remaining increase comes from the receipt of developer deposits. Should these events not occur, the revenue would not be received, and CIP projects would have to be reduced accordingly.

Future Outlook (Continued)

Sewer revenue is projected to increase \$613,000 due to a proposed 5% rate increase and an increased number of customers being served.

Operational expenditures are budgeted for 1984-85 at \$5 million more than 1983-84. This is an 11 percent increase with the significant increases being:

An increase of \$2,047,000 for personal services includes the projected cost increases for existing fringe benefits, new rates for liability insurance, a provision for wage adjustments for employees during FY 1984-85, and the addition of 10 full-time positions and 3 part time-positions.

Contractual Services increases \$2,098,000. Significant items contributing to this increase are: Rural Metro Fire Protection Contract, \$539,000; Community Promotion, \$206,000; Additional Electrical Usage and Rate Increase, \$416,000; Automated Systems and Programs, \$380,000; and \$500,000 for increased development activity experienced in FY 1983-84 and anticipated to continue in FY 1984-85.

The 1984/85 budget reflects a significant reorganization of the Community Development Department. The reorganization was instituted to allow for a more streamlined approach to the planning, development approval, and capital project process. The "One Stop Shop" concept has had a direct impact on those programs dealing with the development process.

Capital Outlay increases \$625,000 primarily due to the purchase of additional vehicles in the Police Department as well as in Field Operations.

The fiscal year 1983-84 was the second year for the State Constitutional expenditure limitation. The approved budget was estimated to be 11.0 million under the State limitation of \$49.0 million. This includes the voter approved exclusion for Capital Improvement Projects. Without this exclusion the approved budget would have been over the limitation by 6.3 million.

The FY 1984-85 Budget anticipates favorable economic conditions allowing for continued growth in the construction of new housing.

Certificate Of Conformance

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Conformance in Financial Reporting to the City of Scottsdale, Arizona, for its comprehensive annual financial report for the fiscal year ended June 30, 1983.

Certificate of Conformance (Continued)

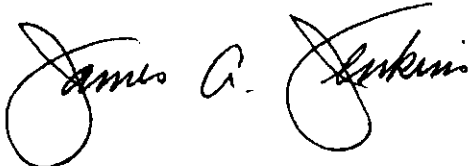
In order to be awarded a Certificate of Conformance, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Conformance is valid for a period of one year only. It is believed the current report continues to conform to Certificate of Conformance Program requirements, and the City will submit it to Governmental Finance Officers Association to determine its eligibility for another certificate.

Acknowledgment

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the accounting program, who assisted and contributed in its preparation. I also wish to thank your office and members of the City Council for their interest and support in planning and conducting the financial affairs of the City in a responsible and progressive manner.

Respectfully submitted,



James A. Jenkins
Management Services Department Head/
City Treasurer

JAJ:bkc

Certificate of Conformance in Financial Reporting

Presented to
**City of
Scottsdale, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1983

A Certificate of Conformance in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to governmental units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) are judged to substantially conform to program standards.



Arthur W. Mansfield
President

Jeffrey L. Esser
Executive Director

**FINANCIAL
SECTION**



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
100 West Clarendon
Phoenix, Arizona 85013

The Honorable Members of the City Council
City of Scottsdale, Arizona:

We have examined the combined financial statements of the City of Scottsdale, Arizona and the combining and individual fund financial statements of the City as of and for the year ended June 30, 1984 as identified in the Financial Section Table of Contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the combined financial statements referred to above present fairly the financial position of the City of Scottsdale, Arizona at June 30, 1984 and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year, after giving retroactive effect to the change, with which we concur, in the method of accounting for refunded debt as described in note 10 to the financial statements. Also, in our opinion, the combining and individual fund financial statements present fairly the financial position of the individual funds of the City of Scottsdale, Arizona at June 30, 1984 and the results of operations of such funds and the changes in financial position of individual proprietary funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year, after giving retroactive effect to the change, with which we concur, in the method of accounting for refunded debt as described in note 10 to the financial statements.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining and individual fund financial statements. The exhibits of supplemental information identified in the Financial Section Table of Contents are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Scottsdale, Arizona. The information has been subjected to the auditing procedures applied in the examination of the combined, combining, individual fund, and account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Peat, Marwick, Mitchell & Co.

September 5, 1984

CITY OF SCOTTSDALE
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1984
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1983

EXHIBIT A-1

ASSETS AND OTHER DEBITS	GOVERNMENTAL FUND TYPES					FIDUCIARY	PROPRIETARY FUND TYPES		ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	SPECIAL ASSESSMENTS	TRUST AND AGENCY	ENTERPRISE	INTERNAL SERVICE	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	JUNE 30, 1984	JUNE 30, 1983
Cash and Short-term Investments	\$ 3,440,475	\$ 103,628	\$ 570,866	\$ 29,748,679	\$ 7,979,067	\$ 2,858,887	\$ 14,757,105	\$ 2,287,025	\$	\$	\$ 61,745,732	\$ 12,874,616
Cash with Fiscal Agents		412,748	7,713,438		82,297	848,520					9,057,003	6,900,839
Investments	246,000										246,000	436,920
Receivables												
Accrued Interest	301,577			864,522	221,157		542,839	80,421			2,010,516	352,954
Property Taxes	339,942		95,170								435,112	275,295
State Shared Sales Tax	437,146										437,146	375,995
Auto Lieu Tax	96,566										96,566	71,191
Gas Tax		518,710									518,710	286,877
Federal Revenue Sharing		201,583									201,583	227,041
Grants		6,142					404,851				410,993	7,795
Special Assessments												
Current					441,656						441,656	551,830
Deferred					9,520,540						9,520,540	1,626,941
Accounts	444,861						2,141,887	6,002			2,592,750	2,148,013
Miscellaneous	65,058	53,380					30,316				172,874	525,491
Inventory of Supplies	214,904										214,904	197,797
Prepaid Expenses	49,126										49,126	2,000
Restricted Cash, Investments, and Receivables							4,570,431				4,570,431	3,347,245
Assets Held in Trust for Retirement of Refunded Debt												2,930,505
Property, Plant, and Equipment - Less Applicable Accumulated Depreciation and Amortization							82,335,474	3,005,645	345,646,602		430,987,721	382,054,748
Excess Purchase Price Over Fair Market Value of Water System Assets Acquired							944,184				944,184	1,047,130
Amount Available in Debt Service Fund										6,696,862	6,696,862	5,683,287
Amount to be Provided for Retirement of Long-term Debt										48,602,137	48,602,137	16,265,102
Total Assets and Other Debits	\$ 5,635,655	\$ 1,296,191	\$ 8,379,474	\$ 30,613,201	\$ 18,244,717	\$ 3,731,527	\$105,727,087	\$ 5,379,093	\$345,646,602	\$ 55,298,999	\$579,952,546	\$438,189,612

See Notes to Financial Statements.

ANNUAL FINANCIAL REPORT

CITY OF SCOTTSDALE
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1984
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1983

EXHIBIT A-1

LIABILITIES AND FUND EQUITY	GOVERNMENTAL FUND TYPES					FIDUCIARY FUND TYPE	PROPRIETARY FUND TYPES		ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	SPECIAL ASSESSMENTS	TRUST AND AGENCY	ENTERPRISE	INTERNAL SERVICE	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	JUNE 30, 1984	JUNE 30, 1983
Liabilities												
Cash Overdraft	\$	\$ 402,168	\$	\$	\$	\$	\$ 897,857	\$	\$	\$	\$ 1,300,025	\$ 252,870
Claims Payable	556,907	216,216		344,891	645,219	36,381	732,871	469,840			3,002,325	2,084,680
Accrued Payroll	656,658	45,876					73,867	95,583			871,984	698,352
Accrued Payroll Withholdings	34,191										34,191	655,250
Accrued Interest Payable	45,856	412,748					132,315				590,919	146,247
Guaranty and Other Deposits						3,210,410					3,210,410	2,052,670
Deferred Revenue												
Property Taxes	255,474										255,474	316,942
Special Assessments					9,520,540						9,520,540	1,626,941
Bonds Interest Payable			915,761		136,724		546,314				1,599,799	637,424
Bonds Payable - Current			100,000				1,250,000				1,350,000	1,050,000
Contracts Payable - Current	90,741						1,450,581				1,541,322	1,444,491
Other Deposits												123,896
Long-term Debt (Less Current Portion)					10,318,212		18,498,524				84,115,735	36,553,523
Other	161,000				2,441		384,748			55,298,999	548,189	271,708
Refunded Debt to be Retired By Assets Held in Trust												3,283,072
Total Liabilities	<u>1,800,827</u>	<u>1,077,008</u>	<u>1,016,761</u>	<u>344,891</u>	<u>20,623,136</u>	<u>3,246,791</u>	<u>23,967,077</u>	<u>565,423</u>		<u>55,298,999</u>	<u>107,940,913</u>	<u>51,198,066</u>
Fund Equity												
Contributed Capital							55,765,223	3,461,164			59,226,387	46,623,998
Investment in General Fixed Assets									345,646,602		345,646,602	312,452,224
Retained Earnings												
Reserved for												
Revenue Bond Retirement							1,531,489				1,531,489	1,374,272
Water and Sewer System Replacement							980,548				980,548	720,404
Debt Service												
Unreserved							23,482,750	1,352,506			24,835,256	18,654,387
Fund Balances												
Reserved for												
Encumbrances	1,201,784	116,478		469,167	5,146,372	6,953					6,940,754	844,196
Inventory of Supplies	214,904										214,904	197,797
Debt Service			6,696,862								6,696,862	5,712,700
Street Light Districts					498,947						498,947	390,847
Unreserved	2,418,140	102,705	665,851	29,799,143	(8,023,738)	477,783					25,439,884	20,721
Total Retained Earnings/ Fund Balance	<u>3,834,828</u>	<u>219,183</u>	<u>7,362,713</u>	<u>30,268,310</u>	<u>(2,378,419)</u>	<u>484,736</u>	<u>25,994,787</u>	<u>1,352,506</u>			<u>67,138,644</u>	<u>27,915,324</u>
Total Fund Equity	<u>3,834,828</u>	<u>219,183</u>	<u>7,362,713</u>	<u>30,268,310</u>	<u>(2,378,419)</u>	<u>484,736</u>	<u>81,760,010</u>	<u>4,813,670</u>	<u>345,646,602</u>		<u>472,011,633</u>	<u>386,991,546</u>
Total Liabilities and Fund Equity	<u>\$ 5,635,655</u>	<u>\$ 1,296,191</u>	<u>\$ 8,379,474</u>	<u>\$ 30,613,201</u>	<u>\$ 18,244,717</u>	<u>\$ 3,731,527</u>	<u>\$ 105,727,087</u>	<u>\$ 5,379,093</u>	<u>\$ 345,646,602</u>	<u>\$ 55,298,999</u>	<u>\$ 579,952,546</u>	<u>\$ 438,189,612</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE
 COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1984
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1983

	GOVERNMENTAL FUND TYPES					FIDUCIARY	TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	SPECIAL ASSESSMENTS	TRUST AND AGENCY	(MEMORANDUM ONLY) JUNE 30, 1984	JUNE 30, 1983
Revenue								
Taxes - Local	\$ 21,153,856		\$ 2,606,731		\$		\$ 23,760,587	\$ 18,845,162
Taxes - Intergovernmental	9,255,900	5,283,874					14,539,774	13,622,461
Grants		2,104,496					2,104,496	1,797,176
Licenses	385,009						385,009	402,894
Charges for Current Services	7,085,896						7,085,896	5,208,927
Fines and Forfeitures	1,009,111						1,009,111	722,696
Use of Money and Property	884,223		493,575	1,035,776	415,770		2,829,344	1,582,514
Miscellaneous	748,570	53,740			1,318,730	541,891	2,167,931	1,911,530
CIP Reimbursements	1,011,963						1,011,963	517,750
Total Revenue	<u>41,034,528</u>	<u>7,442,110</u>	<u>3,100,306</u>	<u>1,035,776</u>	<u>1,734,500</u>	<u>541,891</u>	<u>54,889,111</u>	<u>44,611,110</u>
Expenditures								
Current								
General Government	1,927,456						1,927,456	2,159,564
Police	7,417,374	15,653					7,433,027	8,411,315
Management Services	1,631,739						1,631,739	1,516,891
Field Operations	4,531,702	4,503,909					9,035,611	8,329,776
Community Services	6,821,037	377,109					7,198,146	6,469,869
Community Development	3,777,847	1,901,021					5,678,868	5,402,471
Non Departmental	5,833,286						5,833,286	3,930,222
Street Light Districts					316,465		316,465	296,600
Trust and Agency						686,774	686,774	299,853
Provision for Litigation	161,000						161,000	
Debt Service								
Principal Retirement	297,284		225,800				524,084	633,343
Interest and Fiscal Charges	394,988	355,694	1,194,080		178,709		2,083,471	1,203,143
Capital Improvements	<u>7,212,302</u>	<u>2,174,572</u>		<u>1,767,466</u>	<u>2,487,538</u>		<u>13,641,878</u>	<u>6,705,466</u>
Total Expenditures	<u>39,966,015</u>	<u>9,327,958</u>	<u>1,420,880</u>	<u>1,767,466</u>	<u>2,982,712</u>	<u>686,774</u>	<u>56,151,805</u>	<u>45,358,513</u>
Excess (Deficiency) of Revenue Over Expenditures	1,068,513	(1,885,848)	1,679,426	(731,690)	(1,248,212)	(144,883)	(1,262,694)	(747,403)
Other Sources (Uses)								
Bonds Payable				31,000,000			31,000,000	
Contracts Payable	2,870,677						2,870,677	3,400,000
Operating Transfers In		1,810,000					1,810,000	1,900,000
Operating Transfers (Out)	<u>(1,810,000)</u>						<u>(1,810,000)</u>	<u>(1,900,000)</u>
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	2,129,190	(75,848)	1,679,426	30,268,310	(1,248,212)	(144,883)	32,607,983	2,652,597
Fund Balances July 1	1,688,531	295,031	5,683,287		(1,130,207)	629,619	7,166,261	7,273,652
Prior Period Adjustments								(2,330,509)
Fund Balances July 1 As Restated								4,943,143
Reserve for Inventory	17,107						17,107	(10,974)
Residual Equity Transfers In								160,542
Residual Equity Transfers Out								(579,047)
Fund Balances June 30	<u>\$ 3,834,828</u>	<u>\$ 219,183</u>	<u>\$ 7,362,713</u>	<u>\$ 30,268,310</u>	<u>\$ (2,378,419)</u>	<u>\$ 484,736</u>	<u>\$ 39,791,351</u>	<u>\$ 7,166,261</u>

See Notes To Financial Statements.

ANNUAL FINANCIAL REPORT

CITY OF SCOTTSDALE
 COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL-BUDGET BASIS-GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1984

EXHIBIT A-3

	TOTALS			GENERAL FUNDS			SPECIAL REVENUE FUNDS			DEBT SERVICE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenue												
Taxes - Local	\$ 21,790,000	\$ 23,760,587	\$ 1,970,587	\$ 19,193,588	\$ 21,153,856	\$ 1,960,268	\$	\$	\$	\$ 2,596,412	\$ 2,606,731	\$ 10,319
Taxes - Intergovernmental	14,039,000	14,539,774	530,774	8,825,000	9,255,900	430,900	5,184,000	5,283,874	99,874			
Grants	904,000	831,791	(72,209)				904,000	831,791	(72,209)			
New Revenue Source	4,000,000		(4,000,000)	4,000,000		(4,000,000)						
Licenses	447,000	385,009	(61,991)	447,000	385,009	(61,991)						
Charges for Current Services	3,358,000	7,085,896	1,227,896	5,858,000	7,085,896	1,227,896						
Fines and Forfeitures	790,000	1,009,111	219,111	790,000	1,009,111	219,111						
Use of Money and Property	668,000	884,223	216,223	661,000	884,223	223,223	7,000		(7,000)			
Miscellaneous	350,000	302,310	(47,690)	350,000	248,570	(101,430)		53,740	53,740			
CIP Reimbursements	4,460,000	1,011,963	(3,448,037)	3,660,000	1,011,963	(2,648,037)	800,000		(800,000)			
Total Revenue	53,276,000	49,810,664	(3,465,336)	43,784,588	41,034,528	(2,750,060)	6,895,000	6,169,405	(725,595)	2,596,412	2,606,731	\$ 10,319
Expenditures												
Current												
General Government	2,060,898	2,087,100	(26,202)	2,060,898	2,087,100	(26,202)						
Police	7,653,172	7,456,948	196,224	7,653,172	7,456,948	196,224						
Management Services	1,958,835	1,895,184	63,651	1,958,835	1,895,184	63,651						
Field Operations	8,635,617	9,291,434	(655,817)	4,587,049	4,663,591	(76,542)	4,048,568	4,627,843	(579,275)			
Community Services	7,083,318	7,075,176	8,142	7,083,318	7,075,176	8,142						
Community Development	5,001,395	4,959,512	41,883	3,981,493	3,946,776	34,717	1,019,902	1,012,736	7,166			
Non-Departmental	6,781,805	6,277,112	4,693	6,281,805	6,277,112	4,693						
Contingency	582,728	3,031,677	(2,448,949)	582,728	3,031,677	(2,448,949)						
Debt Service												
Principal Retirement	563,597	524,084	39,513	336,797	297,284	39,513				226,800	226,800	
Interest & Fiscal Charges	2,011,054	1,904,762	106,292	407,358	354,988	52,370	285,336	355,694	(70,358)	1,318,360	1,194,080	124,280
Sinking Fund Deposits	520,000	520,000								520,000	520,000	
Capital Improvements	14,114,784	6,951,263	7,163,521	11,252,590	4,710,589	6,542,001	2,862,194	2,240,674	621,520			
Total Expenditures	56,467,203	51,974,252	4,492,951	46,186,043	41,796,425	4,389,618	8,216,000	8,236,947	(20,947)	2,065,160	1,940,880	124,280
Excess (Deficiency) of Revenue Over Expenditures	(3,191,203)	(2,163,588)	1,027,615	(2,401,455)	(761,897)	1,639,558	(1,321,000)	(2,067,542)	(746,542)	531,252	665,851	134,599
Other Sources (Uses)												
Contracts Payable		2,870,677	2,870,677		2,870,677	2,870,677						
Operating Transfers In	2,579,065	1,810,000	(769,065)	1,181,065		(1,181,065)	1,598,000	1,810,000	412,000			
Operating Transfers Out		(1,810,000)	(1,810,000)		(1,810,000)	(1,810,000)						
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	(512,138)	707,089	1,319,227	(1,220,390)	298,780	1,519,170	77,000	(257,542)	(334,542)	531,252	665,851	134,599
Encumbrances Canceled		807,700	807,700		607,308	667,308		140,392	140,392			
Fund Balances July 1, 1983	1,220,390	647,494	(572,906)	1,220,390	709,411	(510,979)		(61,927)	(61,927)			
Fund Balances June 30, 1984	\$ 608,252	\$ 2,162,273	\$ 1,554,021	\$ -0-	\$ 1,675,499	\$ 1,675,499	\$ 77,000	\$ (179,077)	\$ (256,077)	\$ 531,252	\$ 665,851	\$ 134,599

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT A-4

COMBINED STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN RETAINED EARNINGS - ALL PROPRIETARY FUND TYPESFOR THE FISCAL YEAR ENDED JUNE 30, 1984
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1983

	ENTERPRISE	INTERNAL SERVICE	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 1984	JUNE 30, 1983
Operating Revenue				
Water Service Charges	\$ 6,086,078	\$	\$ 6,086,078	\$ 4,505,615
Water Connection Fees	329,962		329,962	189,346
Water Development Fees	1,487,112		1,487,112	987,295
Sewer Service Fees	2,961,628		2,961,628	2,634,751
Sewer Development Fees	2,030,298		2,030,298	797,735
Tie Downs and Rentals	225,054		225,054	240,599
Commissions on Sales	184,451		184,451	142,127
Property Rentals	45,920		45,920	44,725
Billings to User Programs		4,121,604	4,121,604	3,970,687
Other	112,642	217,474	330,116	240,418
Total Operating Revenue	<u>13,463,145</u>	<u>4,339,078</u>	<u>17,802,223</u>	<u>13,753,298</u>
Operating Expenses				
Water Operations	1,855,839		1,855,839	2,061,784
Sewer Operations	1,885,157		1,885,157	1,039,297
Customer Collection	272,486		272,486	245,794
Airport Operations	297,677		297,677	311,910
Public Housing Operations	42,316		42,316	50,294
Motor Pool Operations		2,690,751	2,690,751	2,670,639
Self-Insurance Operations		774,812	774,812	581,316
Depreciation & Amortization	2,146,109	780,219	2,926,328	2,749,338
Indirect Cost	898,502		898,502	730,190
Total Operating Expenses	<u>7,398,086</u>	<u>4,245,782</u>	<u>11,643,868</u>	<u>10,440,562</u>
Operating Income	6,065,059	93,296	6,158,355	3,312,736
Non-Operating Revenue (Expenses)				
Interest Earnings	927,267		927,267	721,356
Interest Expense	(839,861)		(839,861)	(1,023,915)
Miscellaneous Expense	(98)		(98)	
Gain on Sale of Real Estate				46,694
Total Non-Operating Revenue (Expenses)	87,308	-0-	87,308	(255,865)
Net Income	6,152,367	93,296	6,245,663	3,056,871
Retained Earnings July 1	19,489,853	1,259,210	20,749,063	17,804,997
Prior Period Adjustments	352,567		352,567	(112,805)
Retained Earnings July 1 As Restated	19,842,420	1,259,210	21,101,630	17,692,192
Retained Earnings June 30	<u>\$ 25,994,787</u>	<u>\$ 1,352,506</u>	<u>\$ 27,347,293</u>	<u>\$ 20,749,063</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT A-5

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION -
ALL PROPRIETARY FUND TYPES

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1983

	ENTERPRISE	INTERNAL SERVICE	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 1984	JUNE 30, 1983
Sources of Funds				
From Operations				
Net Income	\$ 6,152,367	\$ 93,296	\$ 6,245,663	\$ 3,056,871
Noncash Charge-Deprecia- tion & Amortization	2,146,109	780,219	2,926,328	2,749,338
Total From Operations	<u>8,298,476</u>	<u>873,515</u>	<u>9,171,991</u>	<u>5,806,209</u>
Contributions				
Water/Sewer Assets From Subdividers	12,167,538		12,167,538	4,845,708
From Government Units	434,850		434,850	1,032,143
From Municipality				455,566
Increase In				
Current Liabilities	1,352,749	221,953	1,574,702	694,405
Long-Term Debt	6,861,962		6,861,962	
Other Liabilities	20,610		20,610	285,669
Decrease In				
Receivables	31,415		31,415	20,686
Net Assets Held for Re- funded Debt				150,664
Restricted Cash & Invest- ments				470,318
Property, Plant, and Equipment		2,455	2,455	553,999
	<u>29,167,600</u>	<u>1,097,923</u>	<u>30,265,523</u>	<u>14,315,367</u>
Uses of Funds				
Contributions of Water/Sewer Assets From Subdividers	12,167,538		12,167,538	4,845,708
Purchase of Other Property, Equipment, & Construction In Progress	5,351,373	1,045,519	6,396,892	6,961,459
Increase In Receivables	1,102,011	85,318	1,187,329	758,257
Increase In Restricted Cash and Investments	1,254,601		1,254,601	
Decrease In				
Refunded Debt				168,180
Other Liabilities	31,462		31,462	879
Long-Term Debt	350,573		350,573	1,285,790
Contributions from Govern- ment Units				142,847
Current Liabilities	30		30	69,177
	<u>20,257,588</u>	<u>1,130,837</u>	<u>21,388,425</u>	<u>14,232,297</u>
Increase (Decrease) in Cash and Short Term Investments	8,910,012	(32,914)	8,877,098	83,070
Cash and Short-Term Investments July 1	5,847,093	2,319,939	8,167,032	8,083,962
June 30	<u>\$ 14,757,105</u>	<u>\$ 2,287,025</u>	<u>\$ 17,044,130</u>	<u>\$ 8,167,032</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1984

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Scottsdale was incorporated on June 25, 1951, under Arizona Revised Statute Chapter 9, Section 101. The current City Charter was adopted on November 16, 1961, under Arizona Revised Statute Chapter 9, Section 281. The Charter provides for the Council - Manager form of government and provides such services as are authorized by the Charter, as limited by the State Constitution.

The accounting policies of the City of Scottsdale, Arizona, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

A. Basis Of Presentation - Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures or expenses. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the City:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Fund - A capital projects fund enables administrators to ensure that revenue designated for certain purposes is properly used. A capital projects fund further enhances reporting to ensure that requirements regarding the use of the revenue were fully satisfied.

Special Assessment Funds - Special Assessment Funds are used to account for the financing of public improvements or services deemed to benefit the properties against which special assessments are levied.

PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUNDS (Continued)Enterprise Funds (Continued)

The costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis.

FIDUCIARY FUNDS

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The City's Trust and Agency Fund is an expendable Trust and Agency Fund, which is accounted for and reported as a governmental fund.

ACCOUNT GROUPS

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds.

General Long-Term Debt Account Group - This account group is established to account for all long-term debt of the City except that accounted for in the proprietary funds and special assessment funds.

B. Basis of Accounting

The modified accrual basis of accounting is followed by the governmental funds and expendable trust and agency funds. Under the modified accrual basis of accounting, revenue is recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt which is recorded when due, are recorded when the liability is incurred.

In applying the susceptible to accrual concept to intergovernmental revenue, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of this revenue. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenue is recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and nearly irrevocable, i.e., revocable only for

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

failure to comply with prescribed compliance requirements, e.g., equal employment opportunity. These resources are reflected as revenue at the time of receipt or earlier if they meet the available criterion.

Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenue (except investment earnings) are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available (See Note 4 for a discussion of property taxes.)

The proprietary funds are accounted for using the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred. Unbilled utility service receivables are recorded at year end.

C. Budgetary Data

The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

- o On or before the second regular Council meeting in May, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- o Two public hearings are held prior to the budget's final adoption in order to obtain taxpayer comments.
- o At the first regular Council meeting in June, the budget is legally enacted through passage of an ordinance. The ordinance sets the limit for expenditures during the fiscal year. Additional expenditures may be authorized for expenditures directly necessitated by a natural or man-made disaster as prescribed in the State Constitution, Article 9, Section 20. No such action was taken during this fiscal year.
- o The expenditure appropriations in the adopted budget are by department. The maximum legal expenditure permitted for the fiscal year is the sum of all departmental expenditure appropriations. Departmental appropriations may be amended during the year.
- o Upon the recommendation of the City Manager and with the approval of the City Council, transfers may be made from the appropriations for contingencies to departments. At the request of the City Manager and within the last three months of the fiscal year, the City Council may transfer unencumbered appropriations from one department to another.
- o Management control of budgets is further maintained at a line item level within department. Transfers between line items within a department may be done only upon approval of the City Manager.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgetary Data (Continued)

- o Initial year budget information can be amended during the year in a legally permissible manner.
- o All expenditure appropriations lapse at year-end.

Certain differences as described in Note 2 exist between the basis of accounting used for budgetary purposes and that used for reporting in accordance with generally accepted accounting principles.

Budgets for the Community Development and Grants Funds, included as Special Revenue Funds, are established pursuant to the terms of the related grant awards. Accordingly, no annual budget is prepared and no comparison of budget to actual is presented in the financial statements.

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental and similar trust funds. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

Encumbrance accounting is not employed in the proprietary funds since they are reported on the accrual basis. Funds aggregating \$1,832,528 have been committed by the proprietary funds.

E. Investments

Investments are stated at cost, or amortized cost, which approximates market. The City's policy is to invest in certificates of deposit, federal government securities, and federal agency securities.

F. Inventories

The costs of inventory items are recorded as expenditures when purchased for financial statement purposes and are included on the balance sheet of the General Fund. Inventories aggregated \$214,904 at June 30, 1984, based on a lower of cost or market valuation with cost being determined using an average cost method.

G. General Fixed Assets

General fixed assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded in general fixed assets at fair market value on the date of acquisition.

It is the City's policy to include public domain fixed assets, such as, roads, bridges, streets, and similar items in the General Fixed Assets Account Group.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. General Fixed Assets (Continued)

No depreciation has been provided on general fixed assets.

General fixed assets sold or otherwise disposed of are eliminated from the accounts.

H. Property, Plant, and Equipment - Proprietary Funds

Property, plant, and equipment of the Enterprise and Internal Service Funds are stated at cost or, if donated, at fair market value on the date of acquisition. Depreciation and amortization are provided on the straight-line method over the following estimated useful lives:

Water System	10 to 75 Years
Sewer System	30 to 50 Years
Buildings and Improvements	25 Years
Motor Vehicles and Other Equipment	5 to 10 Years
Furniture, Fixtures, and Office Equipment	5 to 10 Years

When fixed assets of proprietary funds are disposed, the cost and accumulated depreciation or amortization is removed from the accounts, and the appropriate gain or loss is recognized.

Contributions of funds from Federal, State, or local grants restricted for the purpose of purchasing property, plant, or equipment are recorded as equity contributions. Depreciation of contributed assets is recorded as an expense in the statement of operations.

I. Excess Purchase Price Over Fair Market Value of Assets Acquired

The excess purchase price over fair market value of assets acquired in the Water and Sewer Utility Fund is amortized on the straight-line method over 20 to 25 years.

J. Property, Plant, and Equipment - Estimated Fair Value

Certain contributed fixed assets for which historical costs are not available are recorded in the accounts at estimated fair market value on the date of acquisition. Estimates used for fixed assets are as follows:

General Fixed Assets:	
Streets and Storm Drains	\$248,732,946
Land	4,664,000
Traffic Signal Equipment	606,000
Water and Sewer Utility Fund:	
Water System and Sewer System	\$ 43,033,804

K. Comparative Total Columns

Comparative total columns for the current and prior year have been presented in the accompanying combined financial statements in order to

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Comparative Total Columns (Continued)

provide an understanding of changes in the City's financial position and operations. Data in these columns do not present financial position, results of operations, or changes in financial position in accordance with generally accepted accounting principles (GAAP). These totals do not represent consolidated financial information. Interfund eliminations have not been made in the aggregation of this data.

L. Transactions Between Funds

Transactions that would be treated as revenue, expenditures, or expenses if they involved organizations external to the governmental unit are accounted for as revenue, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

Non-recurring or non-routine transfers of equity between funds are treated as residual equity transfers and are reported as additions to or deductions from the beginning fund balance of governmental funds. Residual equity transfers to proprietary funds are treated as contributed capital, and such transfers from proprietary funds are reported as reductions of retained earnings or contributed capital as is appropriate in the circumstances. All other transactions are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

Indirect administrative costs are allocated to the enterprise funds by applying an indirect cost rate to budgeted costs.

M. Funds Servicing Long-Term Debt

The Debt Service Fund is specifically established to account for and service all general long-term debt of the City except as noted below:

The General Fund accounts for and services contracts payable funded by general revenues.

The Highway User Fuel Tax Fund accounts for and services bonds funded by Highway User Revenues.

The Special Assessments Fund accounts for and services all Special Assessment Bonds.

Each Enterprise Fund individually accounts for and services the applicable bonds and contracts payable which benefit that fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Reporting Entity

The financial statements of the City of Scottsdale include the funds and account groups of all organizational entities for which the City has oversight responsibility and are consequently determined to be includable in the City's financial reporting entity in accordance with National Council on Governmental Accounting Statement 3, Defining the Governmental Reporting Entity. The City's major operations include police protection, parks and recreation, health and certain social services, and general administration service. In addition, the City owns and operates enterprise funds which include water, sewer, airport, and public housing.

The statements also include the activities and functions of the City of Scottsdale Municipal Property Corporation since it was determined that the City had significant oversight responsibilities, participation in the selection of the governing authority and the designation of management, and the ability to significantly influence operations and accountability for fiscal matters.

NOTE 2 - BUDGETARY BASIS OF ACCOUNTING

The City of Scottsdale prepares its annual budget on a basis which differs from generally accepted accounting principles (GAAP basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the combined statement of revenue and expenditures - budget and actual - general, special revenue funds, and debt service funds to provide a meaningful comparison of actual results with the budget. The major difference between budget and GAAP basis is that encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP).

Adjustments necessary to convert the fund balances at the end of the year on a GAAP basis to budget basis are as follows:

	FUND BALANCES (DEFICITS) AT END OF YEAR		
	GENERAL	SPECIAL REVENUE FUND TYPES	DEBT SERVICE
GAAP Basis	\$ 3,834,828	\$ 219,183	\$ 7,362,713
Reserved encumbrances at June 30, 1984, recognized as expenditures for budget purposes	(1,201,784)	(93,997)	
Indirect costs allocated to Proprietary Funds not recognized as a reduction of expenditures for budget purposes	(1,399,299)	(229,392)	
Reserve for inventory of supplies recognized as expenditures for budget purposes	(214,904)		
Accrued payroll at June 30, 1984 not recognized as an expenditure for budget purposes	656,658	45,876	
Fund balance from sinking fund not recognized for budget purposes			(6,696,862)
*Fund Balance for Non-Budgeted Funds		(120,747)	
Budget Basis	<u>\$ 1,675,499</u>	<u>\$ (179,077)</u>	<u>\$ 665,851</u>

*Community Development and Grants Funds are not budgeted funds.

NOTE 2 - BUDGETARY BASIS OF ACCOUNTING (Continued)

Adjustments necessary to convert the results of operations for the year on a GAAP basis to the budget basis are as follows:

	EXCESS (DEFICIENCY) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES		
	GENERAL	SPECIAL REVENUE FUND TYPES	DEBT SERVICE
GAAP Basis	\$ 2,129,190	\$ (75,848)	\$ 1,679,426
Reserved encumbrances during year ended June 30, 1984, recognized as expenditures for budget purposes	(1,201,784)	(93,997)	
Accrued payroll not recognized as an expenditure for budget purposes	145,601	8,330	
Indirect costs allocated to Propriet- ary Funds not recognized as a re- duction of expenditures for budget purposes	(774,227)	(124,275)	
Sinking fund interest earnings not rec- ognized as revenue for budget pur- poses			493,575
Sinking fund deposit recognized as an expenditure for budget purposes			520,000
* Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses for Unbudgeted Funds		28,248	
Budget Basis	<u>\$ 298,780</u>	<u>\$ (257,542)</u>	<u>\$ 665,851</u>

*Community Development and Grants Funds are not budgeted funds.

NOTE 3 - CASH AND INVESTMENTS

Pooled cash and investments, excluding amounts held by fiscal agents and including those restricted for designated purposes, at June 30, 1984, consist of the following:

Cash in Checking Accounts	\$ (5,703,107)
Certificate of Deposit	400,000
U. S. Treasury Securities	29,326,140
Federal Agency Securities	24,434,050
Improvement District Bonds	246,000
State Investment Pool	14,500,000
	<u>\$63,203,083</u>

NOTE 4 - PROPERTY TAX

Property taxes are recognized as revenue on the modified accrual basis, i.e., when both measurable and available. Because property taxes levied in August, 1984, are not available for the current year, such taxes will not be recognized as revenue until the subsequent fiscal year. Prior year levies were recorded using these same principles, and remaining receivables from such levies are also recognized as revenue, when available.

The City's property tax is levied each year on or before the third Monday in August based on the previous January 1 full cash value as determined by the Maricopa County Assessor. Levies are due and payable in two installments on September 1 and March 1. First half becomes delinquent on November 1; second half becomes delinquent on May 1. Interest at the rate of 12% per annum attaches following delinquent dates. Maricopa County, at no charge to the taxing entities, bills and collects all property taxes.

Property taxes levied for current operation and maintenance expenses on residential property are limited to 1% of the primary full cash value of such property. In addition, taxes levied for current operation and maintenance expenses on all types of property are limited to a maximum increase of 2% over the prior year's levy adjusted for new construction and annexations.

Property taxes levied to pay principal and interest on bonded indebtedness are unlimited.

NOTE 5 - DUE FROM OTHER GOVERNMENTS

Grants Receivable include:

- \$287,064 Due from the Federal Aviation Administration for reimbursement of expenses for taxiway construction at the Scottsdale Airport. This receivable is accounted for in the Airport Enterprise Fund.
- \$ 61,645 Due from the Federal Aviation Administration for reimbursement of expenses for Noise Study and Master Plan update at the Scottsdale Airport. This receivable is accounted for in the Airport Enterprise Fund.
- \$ 56,142 Due from the Arizona Department of Transportation for reimbursement of expenses incurred in the construction of a drainage system for runway 3/21 at the Scottsdale Airport. This receivable is accounted for in the Airport Enterprise Fund.

NOTE 6 - FIXED ASSETS

A summary of changes in General Fixed Assets follows:

	BALANCE 06/30/83	ADDITIONS	DELETIONS	BALANCE 06/30/84
Land	\$ 9,894,397	\$ 2,228,995	\$	\$ 12,123,392
Buildings and Improvements	32,624,764	259,864		32,884,628
Streets and Storm Drains	264,299,592	22,412,069		286,711,661
Machinery and Equipment	3,343,218	3,727,927	21,440	7,049,705
Construction in Progress	2,290,253	8,808,070	4,221,107	6,877,216
	<u>\$312,452,224</u>	<u>\$ 37,436,925</u>	<u>\$ 4,242,547</u>	<u>\$345,646,602</u>

A summary of Proprietary Fund Types Fixed Assets at June 30, 1984, follows:

	ENTERPRISE	INTERNAL SERVICE
Land	\$ 9,007,956	\$ 67,904
Water System	44,295,672	
Sewer System	36,329,045	
Buildings and Improvements	1,462,577	436,374
Motor Vehicles		4,907,914
Machinery and Equipment		974,199
Furniture and Fixtures	280,632	22,576
Construction in Progress	4,634,198	856,644
	<u>96,010,080</u>	<u>7,265,611</u>
Accumulated Depreciation	(13,674,606)	(4,259,966)
	<u>\$ 82,335,474</u>	<u>\$ 3,005,645</u>

NOTE 7 - MUNICIPAL PROPERTY CORPORATION BONDS

In fiscal 1974, the City of Scottsdale Municipal Property Corporation ("Corporation"), an Arizona not for profit corporation organized for the purpose of financing the construction of municipal buildings on land owned by the City, issued bonds aggregating \$9,020,000 for the construction of the Scottsdale Center for the Arts, for a parking facility, and for the refinancing of outstanding debt. Concurrently, the City entered into contracts with the Corporation, whereby the City will pay to the Corporation amounts sufficient to retire the Corporation's bonds and related interest.

The City has collateralized the bonds of the Corporation by (1) a first lien pledge of all excise, transaction privilege, and franchise taxes collected by the City, and (2) a pledge of all net revenue derived by the City from the property.

The Corporation retains legal title to the properties until the contracts with the City are paid in full. The City has the sole right to the use of the facilities and is responsible for all operating and maintenance costs.

In accordance with National Council on Governmental Accounting Statement 5, the bonds payable of the Corporation are recorded in the General Long Term Debt Account Group, and land (\$88,350) and buildings and improvements (\$6,559,303) are included in General Fixed Assets at June 30, 1984.

NOTE 8 - LONG-TERM DEBT- EXCLUDING REFUNDED DEBT

Under the provisions of the Arizona Constitution, outstanding general obligation bonded debt for combined water, sewer, light, and (after January 1, 1974) parks and open space purposes may not exceed 20% of a City's net secondary assessed valuation, nor may outstanding general obligation bonded debt for all other purposes exceed 6% of a City's net secondary assessed valuation. The following is a summary of legal borrowing capacity:

<u>Water, Sewer, Light, and Parks and Open Space Pur- poses Bonds</u>		<u>All Other General Obliga- tion Bonds</u>	
20% Constitutional Limit	\$123,597,333	6% Constitutional Limit	\$ 37,079,200
Net such general obligation bonds outstanding	<u>7,453,138</u>	Net such general obligation bonds outstanding	<u>16,700,000</u>
Available 20% limitation borrowing capacity	<u>\$116,144,195</u>	Available 6% limitation borrowing capacity	<u>\$ 20,379,200</u>

At June 30, 1984, the City has authorized but unissued bonds approved by the voters at a special bond election on June 21, 1983.

<u>Type of Bond</u>	<u>Amount Authorized</u>	<u>Amount Issued</u>	<u>Amount Unissued</u>
General Obligation	\$29,800,000	\$20,000,000	\$ 9,800,000
Revenue	39,200,000	19,400,000	19,800,000
Total	<u>\$69,000,000</u>	<u>\$39,400,000</u>	<u>\$29,600,000</u>

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

The City's proportionate share of general obligation debt of all local governmental units which provide services within the City's boundaries and which must be borne by properties in the City is summarized below:

<u>NAME OF GOVERNMENTAL UNIT</u>	<u>NET BOND OUTSTANDING</u>	<u>% APPLICABLE TO THIS MUNICIPALITY</u>	<u>CITY OF SCOTTSDALE SHARE OF DEBT</u>
City of Scottsdale	\$24,507,116	100.00	\$24,507,116
State of Arizona			
Maricopa County	46,115,983	8.26	3,809,180
Maricopa County C. C. D.		8.26	
Phoenix Union H. S. D. No. 210	15,498,584	.27	41,846
S. D. No. 32 (Balsz)		4.71	
Scottsdale Unified S. D. No. 48		65.77	
S. D. No. 69 (Paradise Valley)	60,706,344	13.86	8,413,899
Cave Creek S. D.	2,318,564	2.32	<u>53,790</u>
Total Direct and Overlapping Debt			<u>\$36,775,831</u>

NOTE 8 - LONG-TERM DEBT - EXCLUDING REFUNDED DEBT (Continued)

The following is a summary of changes in general long-term debt:

	GENERAL OBLIGATION BONDS	HUFT REVENUE	MUNICIPAL PROPERTY CORP. BONDS	CONTRACTS PAYABLE	CITY OWNED SPECIAL ASSESSMENTS	COMPENSATED ABSENCES	TOTAL
Balance June 30, 1983	\$10,900,000			\$10,040,000	\$ 18,201	\$ 990,188	\$21,948,389
Transfer to Bond			6,640,000	(6,640,000)			
Provision for Compensated Absences						64,257	64,257
Debt Incurred	20,000,000	11,000,000		2,720,768			33,720,768
Debt Retired			320,000		14,415		334,415
Debt To Be Retired							
July 1, 1984	<u>100,000</u>						<u>100,000</u>
Balance June 30, 1984*	<u>\$30,800,000</u>	<u>\$11,000,000</u>	<u>\$ 6,320,000</u>	<u>\$ 6,120,768</u>	<u>\$ 3,786</u>	<u>\$ 1,054,445</u>	<u>\$55,298,999</u>

*This does not include the 1961 General Obligation Sewer Serial Bonds in the amount of \$100,000. These bonds are serviced by and recorded in the Water and Sewer Enterprise Fund.

The following is a summary of bond transactions of the City:

	GENERAL OBLIGATION	UTILITY REVENUE	HUFT REVENUE	MUNICIPAL PROPERTY CORP.	SPECIAL ASSESSMENT	TOTAL
Bonds Payable at June 30, 1983	\$11,365,000	\$ 9,615,000	\$	\$ 6,640,000	\$ 2,618,000	\$30,238,000
New Debt Issued:						
G. O. Bonds - '84	20,000,000					20,000,000
Utility Revenue - '84		8,400,000				8,400,000
HUFT - '84			11,000,000			11,000,000
Improvement District 83					57,942	57,942
Improvement District 84					6,410,000	6,410,000
Improvement District 85					1,660,000	1,660,000
Improvement District 86					162,212	162,212
Debt Retired						
Serial Bonds (Paid 07/01/83)	(140,000)	(685,000)				(825,000)
Term Bonds (Paid 07/01/83)	(225,000)					(225,000)
Serial Bonds (Paid 01/01/84)					(589,942)	(589,942)
Serial Bonds (Paid 06/30/84)				(320,000)		(320,000)
Total Bonds Payable at June 30, 1984	<u>\$31,000,000</u>	<u>\$17,330,000</u>	<u>\$11,000,000</u>	<u>\$ 6,320,000</u>	<u>\$10,318,212</u>	<u>\$75,968,212</u>
Current Portion	<u>(150,000)</u>	<u>(1,200,000)</u>				<u>(1,350,000)</u>
Long-Term Bonds Payable June 30, 1984	<u>\$30,850,000</u>	<u>\$16,130,000</u>	<u>\$11,000,000</u>	<u>\$ 6,320,000</u>	<u>\$10,318,212</u>	<u>\$74,618,212</u>

NOTE 8 - LONG TERM DEBT - EXCLUDING REFUNDED DEBT (Continued)

The following is a summary of debt service requirements to maturity, including contracts payable as of June 30, 1984. The interest portion of the total is \$53,192,554.

FISCAL YEAR	ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS						TOTAL
	GENERAL OBLIGATION BONDS	UTILITY REVENUE BONDS	HUFT REVENUE BONDS	SPECIAL ASSESSMENT BONDS	MUNICIPAL PROPERTY CORPORATION	OTHER DEBT	
1985	\$ 2,757,675	\$ 2,421,571	\$ 1,215,600	\$ 1,536,825	\$ 679,170	\$ 2,765,934	\$ 11,376,775
1986	4,720,865	2,034,061	1,217,537	1,860,493	676,490	2,144,735	12,654,181
1987	4,452,470	1,723,111	1,216,913	1,899,847	678,030	1,560,817	11,531,188
1988	4,234,365	1,724,798	1,213,725	1,827,054	678,530	1,014,917	10,693,389
1989	4,043,390	1,729,798	1,207,975	1,587,751	677,990	931,415	10,178,319
1990	3,851,230	1,727,073	1,224,662	1,430,239	681,410	301,526	9,216,140
1991	3,711,225	1,697,623	1,211,225	1,287,061	683,530	1,052,059	9,642,723
1992	3,555,225	1,722,123	1,200,625	1,201,980	683,420	198,000	8,561,373
1993	3,075,725	1,725,623	1,215,563	1,058,883	681,960	198,000	7,955,754
1994	2,569,075	1,729,998	1,226,375	974,989	679,150	198,000	7,377,587
1995	2,428,500	1,715,688	1,233,062	879,351	679,450	198,000	7,134,051
1996	261,750	1,724,062	1,234,188		1,498,100	198,000	4,916,100
1997		1,721,250	1,229,500			198,000	3,148,750
1998-2033		4,382,550	7,396,500			7,326,000	19,105,050
	<u>\$39,661,495</u>	<u>\$27,779,329</u>	<u>\$23,243,450</u>	<u>\$15,544,473</u>	<u>\$ 8,977,230</u>	<u>\$18,285,403</u>	<u>\$133,491,380</u>

Water and sewer utility revenue bonds are collateralized by revenue in excess of operating and maintenance expenses of the City's utility system. The bond indenture ordinances require the maintenance of certain defined reserve funds. The aggregate amount of funds restricted for these requirements was \$2,512,037 at June 30, 1984.

General Obligation Bonds

\$700,000, 1961 Sewer Serial Bonds due in annual installments of \$10,000 to \$50,000 through July 1, 1985; interest at 3.90% to 4.30%. (Recorded in Water and Sewer Enterprise Fund.)	\$ 50,000
\$700,000, 1966 Parks and Recreation Improvement Serial Bonds due in annual installments of \$10,000 to \$75,000 through July 1, 1986; interest at 4.50% to 5.00%.	150,000
\$1,000,000, 1967 Civic Center Improvement Serial Bonds due in annual installments of \$10,000 to \$180,000 through July 1, 1990; interest at 3.70% to 5.00%.	750,000
\$1,400,000, 1968 Civic Center Improvement Serial Bonds due in annual installments of \$75,000 to \$250,000 beginning July 1, 1990, through July 1, 1996; interest at 4.70% to 5.00%.	1,400,000
\$3,500,000, 1973 Storm Sewer Series A Term Bonds due in one installment of \$3,500,000 on July 1, 1993; interest at 5.35%.	3,500,000*

NOTE 8 - LONG-TERM DEBT - EXCLUDING REFUNDED DEBT (Continued)

General Obligation Bonds (Continued)

\$4,000,000, 1973 Storm Sewer Series C Term Bonds due in four installments of \$1,000,000 each July 1, 1986, through July 1, 1989; interest at 5.60% to 5.90%.	\$ 4,000,000*
\$1,000,000, 1973 Storm Sewer Series D Term Bonds due in two installments of \$300,000 and \$700,000 July 1, 1985, and July 1, 1986; interest at 5.125%.	1,000,000*
\$20,000,000, 1983 Capital Improvement Projects Bonds due in annual installments of \$2,000,000 July 1, 1985, through July 1, 1995; interest at 6.6% to 8.6%.	20,000,000
	<u>\$30,850,000</u>

*Annual payments are made to the Sinking Fund and all bond retirements are paid from the Sinking Fund.

Revenue Bonds

\$3,910,000, 1973 Utility Revenue Refunding Issue Serial annual installments of \$50,000 to \$310,000 through July 1, 1995; interest at 4.80% to 5.80%.	\$ 2,760,000
\$4,000,000, 1977 Utility Revenue Series C Serial Bonds due in annual installments of \$400,000 to \$550,000 beginning July 1, 1985, through July 1, 1992; interest at 4.75% to 5.50%.	4,000,000
\$1,800,000, 1980 Utility Revenue Series D Serial Bonds due in annual installments of \$50,000 to \$670,000 through July 1, 1986; interest at 5.40% to 6.25%.	970,000
\$8,400,000, 1983 Utility Revenues Serial Bonds due in annual installments of \$50,000 to \$1,525,000 beginning July 1, 1985, through July 1, 2000; interest at 8.6% to 10.5%	8,400,000
\$11,000,000, 1983 Highway User Fuel Tax Revenue Serial Bonds due in annual installments of \$225,000 to \$1,150,000 beginning July 1, 1985, through July 1, 2003; interest at 8.25% to 10.25%	11,000,000
	<u>\$27,130,000</u>

Municipal Property Corporation Bonds

\$7,130,000, 1974 Municipal Property Corporation Bonds due in annual installments of \$185,000 to \$1,420,000 through June 30, 1996; interest at 5.20% to 6.00%	<u>\$ 6,320,000</u>
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NOTE 8 - LONG-TERM DEBT - EXCLUDING REFUNDED DEBT (Continued)

Special Assessment Bonds

\$6,424,162 Special Assessment Bonds issued May 17, 1972, through March 5, 1984, maturity January 1, 1982, through January 1, 1995. Interest 6.00% to 10.0%. Annual installments of \$2,000 to \$174,000.	\$ 2,248,212
\$6,410,000 Special Assessment Bonds; Northeast Scottsdale Water and Paving, issued March 1, 1984, maturity, January 1, 1986, through January 1, 1995. Interest, 8.9%. Annual installments of \$545,000 to \$655,000	6,410,000
\$1,660,000 Special Assessment Bonds; Sewer Improvement District, issued March 1, 1984, maturity, January 1, 1986, through January 1, 1995. Interest, 8.9%. Annual installments of \$130,000 to \$170,000	1,660,000
	<u>\$10,318,212</u>

NOTE 9 - CONTRACTS PAYABLE

Contracts payable at June 30, 1984, include the following:

	GENERAL FUND	AIRPORT FUND	WATER AND SEWER UTILITY FUND	TOTAL
Contracts payable to the U. S. Army Corps of Engineers for the construction of flood control and recreation facilities; 5.1% due in annual installments through 2033.	\$ 3,400,000	\$	\$	\$ 3,400,000
Purchase contracts for acquisition of water companies 5.75% to 12.0%; due in annual installments through 1987.			2,255,986	2,255,986
Purchase contract for land, water, and wastewater treatment plants; 12.0% due in annual installments through 1990.			811,971	811,971
Purchase contracts for acquisition of land for airport runway extension; 12.0% due in annual installments through 1986.		701,148		701,148
Purchase contract for City-owned telephone system; 9.095% due in monthly installments through January, 1989.	614,841			614,841

NOTE 9 - CONTRACTS PAYABLE (Continued)

Purchase contract for computer equipment, 8.35% due in semi-annual installments through March, 1989.

2,196,668			2,196,668
<u>6,211,509</u>	<u>701,148</u>	<u>3,067,957</u>	<u>9,980,614</u>

Less Current Portion

502,376	350,573	1,100,008	1,952,957
<u>\$ 5,709,133</u>	<u>\$ 350,575</u>	<u>\$ 1,967,949</u>	<u>\$ 8,027,657</u>

The purchase contracts for the acquisition of water companies are payable only from the operating revenue of the water and sewer utility system.

In fiscal 1976, the City entered into an agreement with the U. S. Army Corps of Engineers for the construction of flood control and recreation facilities throughout Indian Bend Wash. The City agreed to pay half of the total construction cost of the recreation facilities, with payment to be made in 50 annual installments plus interest at 5.1%, commencing from the date the recreation facilities were completed. In fiscal 1983, the facilities were substantially completed; but final determination of the amount to be paid has not been made. Accordingly, the City has recorded an estimate of the contracts payable amount of \$3,400,000 in the long-term debt account group, and an estimate of the fixed assets value of \$6,800,000 in the general fixed asset account group. Upon final determination of the amount to be paid, the estimates will be revised and payment will begin.

NOTE 10 - LIABILITIES TO BE PAID FROM ASSETS HELD IN TRUST

Liabilities to be paid from assets held in trust include bonded debt of the City that has been provided for through an advanced refunding bond issue. Under an advanced refunding arrangement, refunding bonds are issued and the net proceeds, plus additional resources that may be required, are used to purchase securities issued or guaranteed by the United States Government. These securities are then deposited in an irrevocable trust under an agreement which provides that all proceeds from the trust will be used to fund the principal and interest payments of the previously issued bonded debt being refunded. The trust deposits have been computed so that the securities in the trust, along with future cash flow generated by the securities, will be sufficient to service the previously issued bonds.

In accordance with Statement of Financial Accounting Standards No. 76, Extinguishment of Debt, a prior period adjustment was recorded to remove the refunded debt from the City's financial statements. An increase of \$352,567, was recorded in beginning retained earnings because the refunded liabilities exceeded the related assets due to a difference in interest rates. The effect on current year operations was not material.

Refunded debt outstanding of the City at June 30, 1984, is as follows:

1964 Sewer Revenue	\$ 925,000
1966 Sewer Revenue	1,010,000
1971 Water Revenue	<u>1,105,000</u>
Total Refunded Bonds Outstanding	<u>\$3,040,000</u>

NOTE 11 - SPECIAL ASSESSMENTS FUNDS

As trustee for improvement districts, the City is responsible for collection of assessments levied against the owners of property within the improvement districts and for disbursement of these amounts for retirement of the respective bonds issued to finance the improvements. At June 30, 1984, the special assessments receivable, together with amounts paid in advance and interest to be received over the life of the assessment period, are adequate for the scheduled maturities of the bonds payable and the related interest.

Improvement bonds are collateralized by properties within the districts. In the event of default by the property owner, the City may enforce auction sale to satisfy the debt service requirements of the improvement bonds. The City is contingently liable on special assessment bonds to the extent that proceeds from auction sales are insufficient to retire outstanding bonds.

NOTE 12 - RETIREMENT AND PENSION PLANS

Substantially all full-time employees are covered by one of two contributory retirement and pension plans which are administered by the State of Arizona.

City policemen are covered by the Arizona Public Safety Personnel Retirement System. Funding of the system is provided by (1) member contributions amounting to 8 percent of compensation as set by State law, and, (2) employer contributions, as described below. The total employer pension expense for 1983-84 was \$377,069, which was paid to the system. This amount is computed as a level percent of payroll (10.12 percent for 1983-84) which includes current service costs and will amortize the unfunded accrued normal costs over a period of 34 years beginning July 1, 1984. Based upon the most recent actuarial valuation of the System (June 30, 1983), the actuarially computed value of vested benefits for the City of Scottsdale participants was less than the pension fund assets attributed to those participants, and the unfunded accrued normal costs for the City participants amounted to \$408,767.

The Arizona State Retirement Plan ("Plan") covers all City employees except policemen. Funding of the Plan is provided by (1) member contributions amounting to 7.0 percent of compensation as set by State law, and (2) employer contributions also at 7.0 percent as set by State law. The total employer pension expense for 1983-84 was \$975,992, which was paid to the Plan. This amount includes current service costs and will amortize the unfunded accrued normal costs over a period of 31 years beginning July 1, 1984.

Based upon the most recent actuarial valuation of the Plan (June 30, 1983), the Plan's total unfunded accrued normal costs was \$301,074,283. Separate actuarial data for the City of Scottsdale's portion is not available. The City has 689 employee participants in the Plan, which has 145,481 participants in total.

NOTE 13 - CONTINGENT LIABILITIES

The City participates in a number of Federal and State assisted grant programs, principal of which are the Federal Revenue Sharing, Community Development Block Grants, and Local Public Works programs, which are subject to financial and

NOTE 13 - CONTINGENT LIABILITIES (Continued)

compliance audits. The audits of these programs for or including the year ended June 30, 1984, have not been conducted. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is a defendant in pending litigation on an inverse condemnation action. The judgment against the City in this case in the amount of \$161,000 is being appealed. The amount of the judgment represents engineering and legal fees incurred by the plaintiff. The City has accrued \$161,000 at June 30, 1984. The City is also party to several other lawsuits incident to its normal operations. In the opinion of the City Attorney, settlement of these lawsuits will not have a material affect on the financial position of the various funds to the City.

Sick leave benefits provide for ordinary sick pay and are not vested with the employee. Unused benefits are payable only upon the death or retirement of an employee. The amount not recorded in the accounts for accrued sick pay benefits aggregated \$969,291 at June 30, 1984.

NOTE 14 - SEGMENTS OF ENTERPRISE ACTIVITIES

Water and sewer, airport, and housing are three major services provided by the City of Scottsdale which are financed by user charges and are of such significance as to warrant disclosure as segments of Enterprise Activities. The key financial data for the year ended June 30, 1984, for these services are as follows (in thousands of dollars):

	<u>TOTAL</u>	<u>WATER AND SEWER</u>	<u>AIRPORT</u>	<u>HOUSING</u>
Operating Revenue	\$ 13,463	\$ 13,007	\$ 410	\$ 46
Operating Expenses				
Depreciation	2,146	1,965	168	13
Other	5,252	4,844	360	48
	<u>7,398</u>	<u>6,809</u>	<u>528</u>	<u>61</u>
Operating Income (Loss)	<u>\$ 6,065</u>	<u>\$ 6,198</u>	<u>\$ (118)</u>	<u>\$ (15)</u>
Net Income (Loss)	<u>\$ 6,152</u>	<u>\$ 6,379</u>	<u>\$ (212)</u>	<u>\$ (15)</u>
Assets	<u>\$ 105,727</u>	<u>\$ 96,221</u>	<u>\$ 8,994</u>	<u>\$ 512</u>
Bonds Payable	<u>\$ 17,430</u>	<u>\$ 17,430</u>		
Fund Equity	<u>\$ 81,760</u>	<u>\$ 74,243</u>	<u>\$ 7,247</u>	<u>\$ 270</u>
Acquisition of Property, Plant, and Equipment	<u>\$ 17,519</u>	<u>\$ 16,778</u>	<u>\$ 741</u>	

NOTE 15 - DEFICITS IN FUNDS

The Special Assessment Fund shows a total fund deficit of \$2,378,419. This deficit occurs because expenditures for special assessment districts are recorded currently, whereas the revenue for special assessment districts is recorded over the life of the special assessment receivable. The total special assessment receivable will more than offset the deficit.

The Airport Fund and Public Housing Fund have accumulated deficits of \$1,029,489 and \$134,414, respectively. These deficits are due in large part to the small size of the operation, the significant contributed capital value and the fact that depreciation is taken on the contributed asset values. The total fund equity for both of these funds is positive, the Airport Fund being \$7,246,828 and the Public Housing Fund \$270,161.

NOTE 16 - CAPITALIZED INTEREST

During the fiscal year 1984, the Water and Sewer Fund capitalized net interest costs of \$98,004 (interest expense of \$347,975, reduced by interest income of \$249,971).

Total interest, income, and expense in that fund before capitalization was \$1,175,395 and \$1,092,352, respectively.

During the fiscal year 1984, the Airport Fund incurred \$115,725 of interest of which \$20,241 was capitalized.

NOTE 17 - OTHER MATTERS

- A. In fiscal 1982-83, the City entered into a ten-year agreement with Metropolitan Fire Department, Inc. ("Metropolitan") whereby Metropolitan will provide fire protection and related services to the City. Annual amounts due in 1984-85 will approximate \$2,917,009.
- B. The City established a Self Insurance Fund during fiscal 1979. The Self Insurance Fund is responsible for the budgeting, investigation, and payment of claims that are incurred by the City of Scottsdale. The Self Insurance Fund is protected by excess insurance designed to limit the exposure to loss for any single loss occurrence. For fiscal year 1983-84 the Self Insurance Fund was responsible for the first \$150,000 per occurrence for workmen's compensation claims and the first \$100,000 for liability claims against the City. The Fund was also responsible for the first \$25,000 per occurrence for claims relating to vehicle and property damage and the first \$25,000 for claims relating to fidelity bonds.
- C. On July 26, 1984, the City purchased the property known as Planet Ranch. The sales price was \$11,650,000 with \$2,900,000 paid at the close of escrow and the balance payable at 9% interest over eight years. Planet Ranch has been authorized as a division of the City's Field Operations Department with a 1984/85 operating budget of \$1,684,684 and a Capital Improvements Program of \$2,268,021.
- D. The City of Scottsdale is currently involved in negotiations to acquire the North Valley Water Co. for an amount in excess of \$1,700,000.

GENERAL FUND

The General Fund is established to account for the revenue and expenditures necessary to carry out basic governmental activities of the City, such as, police protection, fire protection, recreation, planning, legal services, administrative services, etc. Appropriations are made from the fund annually. The fund will continue to exist indefinitely.

Revenue for this and other funds is recorded by source, i.e., taxes, licenses, service charges, etc. Expenditures are recorded first by character, then by program, and then by object of the expenditure.

General Fund expenditures are made primarily for current day-to-day operating expenses and operating equipment. Capital expenditures for large-scale public improvements, such as buildings, parks, or streets, are accounted for primarily in the Capital Projects Funds, Special Revenue Funds, or Enterprise Funds.

CITY OF SCOTTSDALE

EXHIBIT B-1

GENERAL FUND

BALANCE SHEET

JUNE 30, 1984

ASSETS

Cash and Short-Term Investments	\$ 3,440,475
Investments	246,000
Receivables	
Accrued Interest	301,577
Property Taxes	339,942
State-Shared Sales Tax	437,146
Auto Lieu Tax	96,566
Accounts, Including Unbilled of \$108,575	444,861
Miscellaneous	65,058
Inventory of Supplies	214,904
Other	49,126
	<hr/>
Total Assets	\$ 5,635,655
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

Liabilities	
Claims Payable	\$ 556,907
Accrued Payroll	656,658
Accrued Payroll Withholdings	34,191
Installment Contracts Payable	90,741
Accrued Interest Payable	45,856
Other	161,000
Deferred Revenue - Property Taxes	255,474
	<hr/>
Total Liabilities	1,800,827
	<hr/>
Commitments	
Fund Balance	
Reserved for	
Encumbrances	1,201,784
Inventory of Supplies	214,904
Unreserved	2,418,140
	<hr/>
Total Fund Balance	3,834,828
	<hr/>
Total Liabilities and Fund Balance	\$ 5,635,655
	<hr/> <hr/>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT B-2

GENERAL FUND

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

Revenue	
Taxes - Local	\$ 21,153,856
Taxes - Intergovernmental	9,255,900
Licenses	385,009
Charges for Current Services	7,085,896
Fines and Forfeitures	1,009,111
Use of Money and Property	884,223
Miscellaneous	248,570
CIP Reimbursements	1,011,963
Total Revenue	<u>41,034,528</u>
Expenditures	
Current	
General Government	1,927,456
Police	7,417,374
Management Services	1,631,739
Field Operations	4,531,702
Community Services	6,821,037
Community Development	3,777,847
Non-Departmental	5,833,286
Provision for Litigation	161,000
Capital Improvements	7,212,302
Debt Service	
Principal Retirement	297,284
Interest and Fiscal Charges	354,988
Total Expenditures	<u>39,966,015</u>
Excess of Revenue Over Expenditures	1,068,513
Other Sources (Uses)	
Contracts Payable	2,870,677
Operating Transfers (Out)	<u>(1,810,000)</u>
Excess of Revenue and Other Sources Over Expenditures and Other Uses	2,129,190
Fund Balance July 1, 1983	1,688,531
Reserve for Inventory	<u>17,107</u>
Fund Balance June 30, 1984	<u>\$ 3,834,828</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT B-3

GENERAL FUND

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenue			
Taxes - Local	\$ 19,193,588	\$ 21,153,856	\$ 1,960,268
Taxes - Intergovernmental	8,825,000	9,255,900	430,900
New Revenue Source	4,000,000		(4,000,000)
Licenses	447,000	385,009	(61,991)
Charges for Current Services	5,858,000	7,085,896	1,227,896
Fines and Forfeitures	790,000	1,009,111	219,111
Use of Money and Property	661,000	884,223	223,223
Miscellaneous	350,000	248,570	(101,430)
CIP Reimbursements	3,660,000	1,011,963	(2,648,037)
Total Revenue	<u>43,784,588</u>	<u>41,034,528</u>	<u>(2,750,060)</u>
Expenditures			
Current			
General Government	2,060,898	2,087,100	(26,202)
Police	7,653,172	7,456,948	196,224
Management Services	1,958,835	1,895,184	63,651
Field Operations	4,587,049	4,663,591	(76,542)
Community Services	7,083,318	7,075,176	8,142
Community Development	3,981,493	3,946,776	34,717
Non-Departmental	6,281,805	6,277,112	4,693
Capital Improvements	11,252,590	4,710,589	6,542,001
Contingency	582,728	3,031,677	(2,448,949)
Debt Service			
Principal Retirement	336,797	297,284	39,513
Interest and Fiscal Charges	407,358	354,988	52,370
Total Expenditures	<u>46,186,043</u>	<u>41,796,425</u>	<u>4,389,618</u>
Excess (Deficiency) of Revenue Over Expenditures	(2,401,455)	(761,897)	1,639,558
Other Sources & (Uses)			
Contracts Payable		2,870,677	2,870,677
Operating Transfers In	1,181,065		(1,181,065)
Operating Transfers Out		(1,810,000)	(1,810,000)
Excess (Deficiency) of Revenue Over Expenditures and Other Uses	(1,220,390)	298,780	1,519,170
Encumbrances Canceled		667,308	667,308
Fund Balance July 1, 1983	<u>1,220,390</u>	<u>709,411</u>	<u>(510,979)</u>
Fund Balance June 30, 1984	<u>\$ -0-</u>	<u>\$ 1,675,499</u>	<u>\$ 1,675,499</u>

See Notes To Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT B-4

GENERAL FUND

SCHEDULE OF REVENUE - ESTIMATED AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>ESTIMATED</u>	<u>ACTUAL</u>	<u>ACTUAL OVER/(UNDER) ESTIMATED</u>
Taxes - Local			
Property Tax	\$ 2,507,154	\$ 2,575,467	\$ 68,313
Transaction Privilege	14,299,434	16,325,869	2,026,435
Hotel/Motel Transient Tax	903,000	932,640	29,640
Light and Power Franchise	1,126,000	1,049,078	(76,922)
Cable TV Franchise	260,000	140,436	(119,564)
Salt River Project In Lieu	54,000	52,395	(1,605)
Fire Insurance Premium Tax	44,000	77,971	33,971
	<u>\$ 19,193,588</u>	<u>✓ \$ 21,153,856</u>	<u>\$ 1,960,268</u>
Taxes - Intergovernmental			
State-Shared Sales Tax	4,378,000	4,606,964	228,964
Automobile in Lieu	805,000	1,011,684	206,684
State Revenue Sharing	3,642,000	3,637,252	(4,748)
	<u>8,825,000</u>	<u>✓ 9,255,900</u>	<u>430,900</u>
New Revenue Sources	<u>4,000,000</u>		<u>(4,000,000)</u>
Licenses			
Business Licenses	210,000	146,883	(63,117)
Liquor Licenses	217,000	229,038	12,038
Application Fees	20,000	9,088	(10,912)
	<u>447,000</u>	<u>✓ 385,009</u>	<u>(61,991)</u>
Charges for Current Services			
Refuse Collection Charges	3,476,000	✓ 3,183,259	(292,741)
Building and Related Permits	1,792,000	✓ 3,277,357	1,485,357
Other Fees	180,000	✓ 120,028	(59,972)
Recreation Fees	410,000	✓ 505,252	95,252
	<u>5,858,000</u>	<u>7,085,896</u>	<u>1,227,896</u>
Fines and Forfeitures			
Moving Vehicles	463,000	603,933	140,933
Parking	200,000	172,044	(27,956)
Other Court Fees	87,000	163,651	76,651
Library	40,000	69,483	29,483
	<u>790,000</u>	<u>✓ 1,009,111</u>	<u>219,111</u>
Use of Money and Property			
Interest Earnings	578,000	786,353	208,353
Property Rental	83,000	97,870	14,870
	<u>661,000</u>	<u>884,223</u>	<u>223,223</u>
Miscellaneous	<u>350,000</u>	<u>248,570</u>	<u>(101,430)</u>
CIP Reimbursements	<u>3,660,000</u>	<u>1,011,963</u>	<u>(2,648,037)</u>
Total Revenue	<u>\$ 43,784,588</u>	<u>\$ 41,034,528</u>	<u>\$ (2,750,060)</u>

CITY OF SCOTTSDALE

EXHIBIT B-5

GENERAL FUND

SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>DEBT SERVICE</u>	<u>CAPITAL OUTLAY</u>
Current						
General Government	\$ 2,065,476	\$ 1,378,593	\$ 620,601	\$ 26,036	\$	\$ 40,246
Police	7,417,374	6,060,604	1,153,468	107,625		95,677
Management Services	1,839,638	1,584,817	219,611	(39,174)		74,384
Field Operations	4,620,479	1,854,254	2,276,486	466,156		23,583
Community Services	6,866,393	4,517,874	1,585,771	454,870		307,878
Community Development	3,777,847	2,812,649	851,018	69,511		44,669
Non-Departmental	6,127,461	1,787,641	4,130,316	93,464		116,040
Provision for Litigation	161,000		161,000			
Capital Improvements	7,212,302	76,348	3,052,287	101,660		3,982,007
Debt Service						
Principal Retirement	297,284				297,284	
Interest & Fiscal Charges	354,988				354,988	
Expenditures	<u>\$ 40,740,242</u>	<u>\$ 20,072,780</u>	<u>\$ 14,050,558</u>	<u>\$ 1,280,148</u>	<u>\$ 652,272</u>	<u>\$ 4,684,484</u>
Indirect Cost Allocation Out	<u>774,227</u>					
Total Expenditures	<u>\$ 39,966,015</u>					
Operating Transfer to:						
Highway User Fund	<u>\$ 1,810,000</u>					

SPECIAL REVENUE FUNDS

A special revenue fund is established to finance particular activities and is created out of receipts of specific taxes or other earmarked revenue. Such funds are authorized by statutory or charter provisions to pay for certain activities with some form of continuing revenue.

Highway User Fuel Tax Fund

This fund receives and expends the City's allocation of the Highway User Revenue money. The amount available to each city is allocated on a population basis which is determined by the latest federal census. Money allocated to this fund must be used for street construction, reconstruction, and maintenance.

Federal Revenue Sharing Fund

This fund receives and expends the City's allocation of Federal Revenue Sharing money. The amount available to each city is allocated on the basis of a formula established by the Congress of the United States. Federal Revenue Sharing money may be used for any purpose which is considered a permissible use of the government's own revenue under applicable state and local law.

Community Development Fund

This fund receives and expends the City's Community Development Block Grant money. The amount of the grant is awarded annually by the Housing and Urban Development Department upon application for funding by the City. Community Development Block Grant money may be used only for those projects approved in the grant budget and is subject to agency expenditure guidelines.

Grants Fund

This fund receives and expends the City's grant fund money. The amount of grants received is generally based upon application to granting agencies by the City and availability of funding by the grantors. Grant money may be used only for the stated purpose in the approved budget and is subject to grantor expenditure guidelines.

CITY OF SCOTTSDALE
 SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1984

EXHIBIT C-1

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>HIGHWAY USER FUEL TAX</u>	<u>FEDERAL REVENUE SHARING</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>GRANTS</u>
Cash and Short-Term Investments	\$ 103,628	\$	\$	\$	\$ 103,628
Cash with Fiscal Agents	412,748	412,748			
Receivables					
Gas Tax	518,710	518,710			
Federal Revenue Sharing	201,583		201,583		
Grants	6,142				6,142
Miscellaneous	53,380		560	52,820	
Total Assets	<u>\$ 1,296,191</u>	<u>\$ 931,458</u>	<u>\$ 202,143</u>	<u>\$ 52,820</u>	<u>\$ 109,770</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities					
Cash Overdraft	\$ 402,168	\$ 322,243	\$ 40,969	\$ 34,171	\$ 4,785
Claims Payable	216,216	52,155	161,174	2,887	
Accrued Payroll	45,876	45,876			
Interest Payable	412,748	412,748			
Total Liabilities	<u>1,077,008</u>	<u>833,022</u>	<u>202,143</u>	<u>37,058</u>	<u>4,785</u>
Fund Balances					
Reserved for Encumbrances	116,478	93,997		14,055	8,426
Unreserved	102,705	4,439		1,707	96,559
Total Fund Balances	<u>219,183</u>	<u>98,436</u>		<u>15,762</u>	<u>104,985</u>
Total Liabilities and Fund Balances	<u>\$ 1,296,191</u>	<u>\$ 931,458</u>	<u>\$ 202,143</u>	<u>\$ 52,820</u>	<u>\$ 109,770</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT C-2

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	TOTAL ALL FUNDS	HIGHWAY USER FUEL TAX	FEDERAL REVENUE SHARING	COMMUNITY DEVELOPMENT	GRANTS
Revenue					
Taxes-Intergovernmental	\$ 5,283,874	\$ 5,283,874	\$	\$	\$
Grants	2,104,496		831,791	923,614	349,091
Miscellaneous	53,740	53,740			
Total Revenue	<u>7,442,110</u>	<u>5,337,614</u>	<u>831,791</u>	<u>923,614</u>	<u>349,091</u>
Expenditures					
Current					
Police	15,653				15,653
Field Operations	4,503,909	3,672,118	831,791		
Community Services	377,109				377,109
Community Development	1,901,021	992,830		908,191	
Capital Improvements	2,174,572	2,174,572			
Debt Service	355,694	355,694			
Total Expenditures	<u>9,327,958</u>	<u>7,195,214</u>	<u>831,791</u>	<u>908,191</u>	<u>392,762</u>
Excess (Deficiency) of Revenue Over Expenditures	(1,885,848)	(1,857,600)	-0-	15,423	(43,671)
Other Sources					
Operating Transfer In	<u>1,810,000</u>	<u>1,810,000</u>			
Excess (Deficiency) of Revenue and Other Sources Over Expenditures	(75,848)	(47,600)		15,423	(43,671)
Fund Balances July 1, 1983	<u>295,031</u>	<u>146,036</u>		<u>339</u>	<u>148,656</u>
Fund Balances June 30, 1984	<u>\$ 219,183</u>	<u>\$ 98,436</u>	<u>\$ -0-</u>	<u>\$ 15,762</u>	<u>\$ 104,985</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT C-3

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	TOTALS			HIGHWAY USER FUEL TAX			FEDERAL REVENUE SHARING		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenue									
Taxes - Intergovernmental	\$ 5,184,000	\$ 5,283,874	\$ 99,874	\$ 5,184,000	\$ 5,283,874	\$ 99,874	\$	\$	\$
Grants	904,000	831,791	(72,209)				904,000	831,791	(72,209)
Use of Money and Property	7,000		(7,000)	7,000		(7,000)			
Miscellaneous		53,740	53,740		53,740	53,740			
CIP Reimbursement	800,000		(800,000)	800,000		(800,000)			
Total Revenue	<u>6,895,000</u>	<u>6,169,405</u>	<u>(725,595)</u>	<u>5,991,000</u>	<u>5,337,614</u>	<u>(653,386)</u>	<u>904,000</u>	<u>831,791</u>	<u>(72,209)</u>
Expenditures									
Current									
Field Operations	4,048,568	4,627,843	(579,275)	3,221,568	3,796,052	(574,484)	827,000	831,791	(4,791)
Community Development	1,019,902	1,012,736	7,166	1,019,902	1,012,736	7,166			
Debt Service	285,336	355,694	(70,358)	285,336	355,694	(70,358)			
Capital Improvements	2,862,194	2,240,674	621,520	2,862,194	2,240,674	621,520			
Total Expenditures	<u>8,216,000</u>	<u>8,236,947</u>	<u>(20,947)</u>	<u>7,389,000</u>	<u>7,405,156</u>	<u>(16,156)</u>	<u>827,000</u>	<u>831,791</u>	<u>(4,791)</u>
Excess (Deficiency) of Revenue Over Expenditures	(1,321,000)	(2,067,542)	(746,542)	(1,398,000)	(2,067,542)	(669,542)	77,000		(77,000)
Other Sources									
Operating Transfer	<u>1,398,000</u>	<u>1,810,000</u>	<u>412,000</u>	<u>1,398,000</u>	<u>1,810,000</u>	<u>412,000</u>			
Excess (Deficiency) of Revenue and Other Sources Over Expenditures	77,000	(257,542)	(334,542)		(257,542)	(257,542)	77,000		(77,000)
Encumbrances Canceled		140,392	140,392		140,392	140,392			
Fund Balances July 1, 1983		(61,927)	(61,927)		(61,927)	(61,927)			
Fund Balances June 30, 1984	<u>\$ 77,000</u>	<u>\$ (179,077)</u>	<u>\$ (256,077)</u>	<u>\$ -0-</u>	<u>\$ (179,077)</u>	<u>\$ (179,077)</u>	<u>\$ 77,000</u>	<u>\$</u>	<u>\$ (77,000)</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT C-4

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUE AND OTHER SOURCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>TOTAL ALL FUNDS</u>	<u>HIGHWAY USER FUEL TAX</u>	<u>FEDERAL REVENUE SHARING</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>GRANTS</u>
Taxes - Intergovernmental					
Gas Tax	\$ 5,283,874	\$ 5,283,874	\$	\$	\$
	<u>5,283,874</u>	<u>5,283,874</u>			
Grants					
Federal	1,755,405		831,791	923,614	
State	29,691				29,691
Miscellaneous	319,400				319,400
	<u>2,104,496</u>		<u>831,791</u>	<u>923,614</u>	<u>349,091</u>
Miscellaneous	<u>53,740</u>	<u>53,740</u>			
Other Sources					
Operating Transfer In	<u>1,810,000</u>	<u>1,810,000</u>			
Total	<u>\$ 9,252,110</u>	<u>\$ 7,147,614</u>	<u>\$ 831,791</u>	<u>\$ 923,614</u>	<u>\$ 349,091</u>

CITY OF SCOTTSDALE

EXHIBIT C-5

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUE AND OTHER SOURCES - ESTIMATED AND ACTUAL - BUDGET BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	TOTALS			HIGHWAY USER FUEL TAX			FEDERAL REVENUE SHARING		
	ESTIMATED	ACTUAL	ACTUAL	ESTIMATED	ACTUAL	ACTUAL	ESTIMATED	ACTUAL	ACTUAL
			OVER/(UNDER)			OVER/(UNDER)			OVER/(UNDER)
			ESTIMATED		ESTIMATED	ESTIMATED		ESTIMATED	ESTIMATED
Taxes-Intergovernmental									
Gas Tax	\$ 5,184,000	\$ 5,283,874	\$ 99,874	\$ 5,184,000	\$ 5,283,874	\$ 99,874	\$	\$	\$
Grants									
Federal Revenue									
Sharing	904,000	831,791	(72,209)				904,000	831,791	(72,209)
	<u>6,088,000</u>	<u>6,115,665</u>	<u>27,665</u>	<u>5,184,000</u>	<u>5,283,874</u>	<u>99,874</u>	<u>904,000</u>	<u>831,791</u>	<u>(72,209)</u>
Use of Money and Property									
Interest Earnings	7,000		(7,000)	7,000		(7,000)			
Miscellaneous		53,740	53,740		53,740	53,740			
CIP Reimbursement	800,000		(800,000)	800,000		(800,000)			
	<u>800,000</u>	<u>53,740</u>	<u>(746,260)</u>	<u>800,000</u>	<u>53,740</u>	<u>(746,260)</u>			
Total Revenue	<u>6,895,000</u>	<u>6,169,405</u>	<u>(725,595)</u>	<u>5,991,000</u>	<u>5,337,614</u>	<u>(653,386)</u>	<u>904,000</u>	<u>831,791</u>	<u>(72,209)</u>
Other Sources									
Operating Transfer									
In	<u>1,398,000</u>	<u>1,810,000</u>	<u>412,000</u>	<u>1,398,000</u>	<u>1,810,000</u>	<u>412,000</u>			
Total Revenue and									
Other Sources	<u>\$ 8,293,000</u>	<u>\$ 7,979,405</u>	<u>\$ (313,595)</u>	<u>\$ 7,389,000</u>	<u>\$ 7,147,614</u>	<u>\$ (241,386)</u>	<u>\$ 904,000</u>	<u>\$ 831,791</u>	<u>\$ (72,209)</u>

CITY OF SCOTTSDALE

EXHIBIT C-6

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>DEBT SERVICE</u>	<u>CAPITAL OUTLAY</u>
<u>HIGHWAY USER FUEL TAX</u>						
Current						
Field Operations	\$ 3,796,393	\$ 1,208,015	\$ 977,818	\$ 1,598,868	\$	\$ 11,692
Community Develop- ment	992,830	291,073	690,967	3,417		7,373
Debt Service	355,694				355,694	355,694
Capital Improvements	2,174,572	111,050	30,025	95,656		1,937,841
	<u>7,319,489</u>	<u>1,610,138</u>	<u>1,698,810</u>	<u>1,697,941</u>	<u>355,694</u>	<u>1,956,906</u>
<u>FEDERAL REVENUE SHARING</u>						
Current						
Field Operations	<u>831,791</u>		<u>831,791</u>			
<u>COMMUNITY DEVELOPMENT</u>						
Current						
Community Develop- ment	<u>908,191</u>	<u>161,741</u>	<u>369,051</u>	<u>2,458</u>		<u>374,941</u>
<u>GRANTS</u>						
Current						
Community Services	377,109	5,969	357,075	12,389		1,677
Police	15,653	5,814	9,838			1,677
	<u>392,762</u>	<u>11,783</u>	<u>366,913</u>	<u>12,389</u>		
Expenditures	\$ 9,452,233	\$ 1,783,662	\$ 3,266,565	\$ 1,712,788	\$ 355,694	\$ 2,333,524
Indirect Cost Allo- cation Out	<u>124,275</u>					
Total Expenditure	<u>\$ 9,327,958</u>					



DEBT SERVICE FUNDS

These funds are established to account for the accumulation and disbursement of money needed to comply with the interest and principal redemption requirements of the general obligation and excise debt bond issues. Provisions are made in the City's general property tax levy for monies sufficient to meet the general obligation debt and from the transaction privilege tax for the excise debt.

General Obligation Bond Debt Service funds presently established are as follows:

- 1966 Parks and Recreation Improvement Bonds
- 1967 Civic Center Improvement Bonds
- 1968 Civic Center Improvement Bonds
- 1973 Storm Sewer Construction Bonds
- 1976 Storm Sewer Construction Bonds
- 1978 Storm Sewer Construction Bonds
- 1983 Capital Improvement Project Bonds For
Public Buildings, Parks and Recreation,
and Storm Sewer Improvements

Excise Debt Service Funds presently established are as follows:

- 1974 Municipal Property Corporation Bonds

EXHIBIT D-1

CITY OF SCOTTSDALE
 DEBT SERVICE FUND
 BALANCE SHEET
 JUNE 30, 1984

GENERAL
 DEBT
 SERVICE

ASSETS

Cash with Fiscal Agents	\$7,713,438
Cash and Short Term Investments	570,866
Property Tax Receivable	95,170
Total Assets	<u>\$8,379,474</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Bonds Interest Payable	\$ 916,761
Bonds Payable	<u>100,000</u>
Total Liabilities	<u>1,016,761</u>
Fund Balance	
Reserved for Sinking Fund Requirements	6,696,862
Unreserved	<u>665,851</u>
Total Fund Balance	<u>7,362,713</u>
Total Liabilities and Fund Balance	<u>\$8,379,474</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>TOTAL ALL FUNDS</u>	<u>GENERAL DEBT SERVICE</u>	<u>EXCISE DEBT SERVICE</u>
Revenue			
Taxes - Local			
Property	\$2,404,822	\$2,404,822	\$
Transaction Privilege	201,909		201,909
Interest Earnings	<u>493,575</u>	<u>493,575</u>	
Total Revenue	<u>3,100,306</u>	<u>2,898,397</u>	<u>201,909</u>
Expenditures			
Payment to Fiscal Agents			
Principal	226,800	100,000	126,800
Interest	1,187,196	1,114,165	73,031
Fiscal Agents' Fees	<u>6,884</u>	<u>4,806</u>	<u>2,078</u>
Total Expenditures	<u>1,420,880</u>	<u>1,218,971</u>	<u>201,909</u>
Excess of Revenue Over Expenditures	1,679,426	1,679,426	
Reserved Fund Balances July 1, 1983	<u>5,683,287</u>	<u>5,683,287</u>	
Reserved Fund Balances June 30, 1984	<u>\$7,362,713</u>	<u>\$7,362,713</u>	<u>\$ -0-</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	TOTALS			GENERAL DEBT SERVICE			EXCISE DEBT SERVICE		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenue									
Taxes - Local									
Property	\$2,395,846	\$2,404,822	\$ 8,976	\$2,395,846	\$2,404,822	\$ 8,976	\$	\$	\$
Transaction Privilege	200,566	201,909	1,343				200,566	201,909	1,343
Total Revenue	<u>2,596,412</u>	<u>2,606,731</u>	<u>10,319</u>	<u>2,395,846</u>	<u>2,404,822</u>	<u>8,976</u>	<u>200,566</u>	<u>201,909</u>	<u>1,343</u>
Expenditures									
Payment to Fiscal Agents									
Principal	226,800	226,800		100,000	100,000		126,800	126,800	
Interest	1,308,949	1,187,196	121,753	1,236,245	1,114,165	122,080	72,704	73,031	(327)
Fiscal Agents' Fees	9,411	6,884	2,527	8,349	4,806	3,543	1,062	2,078	(1,016)
Sinking Fund Deposit	520,000	520,000		520,000	520,000				
Total Expenditures	<u>2,065,160</u>	<u>1,940,880</u>	<u>124,280</u>	<u>1,864,594</u>	<u>1,738,971</u>	<u>125,623</u>	<u>200,566</u>	<u>201,909</u>	<u>(1,343)</u>
Excess of Revenue Over Expenditures	531,252	665,851	134,599	531,252	665,851	134,599			
Reserved Fund Balances July 1, 1983									
Reserved Fund Balances June 30, 1984	<u>\$ 531,252</u>	<u>\$ 665,851</u>	<u>\$ 134,599</u>	<u>\$ 531,252</u>	<u>\$ 665,851</u>	<u>\$ 134,599</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

See Notes to Financial Statements

CAPITAL PROJECTS FUNDS

A capital projects fund is established to account for the resources expended to acquire assets of a relatively permanent nature. (Special revenue and enterprise fund resources are not included in this category.) These funds evolved from the need for special accounting for bond proceeds, grants, and contributions for the acquisition of capital assets.

A capital projects fund provides a formal mechanism which enables administrators to ensure that revenue designated for certain purposes is properly used. A capital projects fund further enhances reporting to ensure that requirements regarding the use of the revenue were fully satisfied.

A bond construction fund is utilized for receiving and expending proceeds from bond sales. Bonds are authorized by the general electorate for specific capital project construction periods, rather than on an annual basis. Each bond construction fund is terminated upon final completion of construction of the project for which it was created. Those presently in existence are as follows:

General Obligation Bond Construction Fund

Highway User Bond Construction Fund

CITY OF SCOTTSDALE
 CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1984

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>GENERAL OBLIGATION BOND CONSTRUCTION FUND</u>	<u>HIGHWAY USER BOND CONSTRUCTION FUND</u>
Cash and Short-Term Investments	\$29,748,679	\$19,890,446	\$ 9,858,233
Accrued Interest Receivable	<u>864,522</u>	<u>583,050</u>	<u>281,472</u>
Total Assets	<u>\$30,613,201</u>	<u>\$20,473,496</u>	<u>\$10,139,705</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Claims Payable	\$ 344,891	\$ 70,215	\$ 274,676
Fund Balances			
Reserved for Encumbrances	469,167	219,656	249,511
Unreserved	<u>29,799,143</u>	<u>20,183,625</u>	<u>9,615,518</u>
Total Fund Balances	<u>30,268,310</u>	<u>20,403,281</u>	<u>9,865,029</u>
Total Liabilities and Fund Balances	<u>\$30,613,201</u>	<u>\$20,473,496</u>	<u>\$10,139,705</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>TOTAL ALL FUNDS</u>	<u>GENERAL OBLIGATION BOND CONSTRUCTION FUND</u>	<u>HIGHWAY USER BOND CONSTRUCTION FUND</u>
Revenue			
Interest Earnings	\$ <u>1,035,776</u>	\$ <u>685,360</u>	\$ <u>350,416</u>
Total Revenue	<u>1,035,776</u>	<u>685,360</u>	<u>350,416</u>
Expenditures			
Capital Improvements	<u>1,767,466</u>	<u>282,079</u>	<u>1,485,387</u>
Total Expenditures	<u>1,767,466</u>	<u>282,079</u>	<u>1,485,387</u>
Excess (Deficiency) of Revenue Over Expendi- tures	(731,690)	403,281	(1,134,971)
Other Sources			
Bonds Payable	<u>31,000,000</u>	<u>20,000,000</u>	<u>11,000,000</u>
Excess Revenue and Other Sources Over Expendi- tures	30,268,310	20,403,281	9,865,029
Fund Balances July 1, 1983	_____	_____	_____
Fund Balances June 30, 1984	<u>\$30,268,310</u>	<u>\$20,403,281</u>	<u>\$ 9,865,029</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE
 CAPITAL PROJECTS FUNDS
 COMBINING SCHEDULE OF EXPENDITURES BY OBJECT
 FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>CAPITAL OUTLAY</u>
General Obligation Bond Construction Fund Capital Improvements	\$ 282,079	\$ 4,731	\$ 72,028	\$	\$ 205,320
Highway User Bond Construction Fund Capital Improvements	<u>1,485,387</u>	<u>42,810</u>	<u>43,362</u>	<u>900,632</u>	<u>498,583</u>
Total Expenditures	<u>\$1,767,466</u>	<u>\$ 47,541</u>	<u>\$ 115,390</u>	<u>\$ 900,632</u>	<u>\$ 703,903</u>

SPECIAL ASSESSMENTS FUND

A special assessments fund is established to finance and account for the construction or purchase of improvements (or provision of services) which are to be paid for from special assessments levied against the benefited properties.

Usually the total cost of a project to be financed by special assessments is so large that the fund cannot expect to collect in a single installment the entire amount of the needed contribution from each property owner benefited. Accordingly, the option of paying the assessment in annual installments over a specified period is granted. Improvement district serial bonds are issued to pay contractors and suppliers who must be paid upon completion of the project. These bonds are repaid from the annual installments paid by the property owners.

CITY OF SCOTTSDALE
 SPECIAL ASSESSMENTS FUND
 BALANCE SHEET
 JUNE 30, 1984

EXHIBIT F-1

ASSETS

Cash and Short-Term Investments	\$ 7,979,067
Cash with Fiscal Agents	82,297
Accrued Interest Receivable	221,157
Special Assessments Receivable - Current	441,656
Special Assessments Receivable - Deferred	<u>9,520,540</u>
Total Assets	<u>\$18,244,717</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Bonds Interest Payable	\$ 136,724
Bonds Payable	10,318,212
Deferred Special Assessment Revenue	9,520,540
Claims Payable	645,219
Special Assessment Overpayments	2,311
Other	<u>130</u>
Total Liabilities	<u>20,623,136</u>
Fund Balance (Deficit)	
Reserved for:	
Encumbrances	5,146,372
Street Light Districts	498,947
Unreserved	<u>(8,023,738)</u>
Total Fund (Deficit)	<u>(2,378,419)</u>
Total Liabilities and Fund (Deficit)	<u>\$18,244,717</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT F-2

SPECIAL ASSESSMENTS FUND

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

Revenue	
Penalty Income	\$ 3,582
Street Light Districts	424,567
Special Assessments	890,581
Interest Income	<u>415,770</u>
Total Revenue	<u>\$ 1,734,500</u>
Expenditures	
Street Light Districts	\$ 316,465
Capital Improvement Projects	2,487,538
Interest Expense	<u>178,709</u>
Total Expenditures	<u>2,982,712</u>
Excess of Expenditures Over Revenue	(1,248,212)
Fund (Deficit) July 1, 1983	<u>(1,130,207)</u>
Fund (Deficit) June 30, 1984	<u><u>\$(2,378,419)</u></u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

SPECIAL ASSESSMENTS FUND

SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>DEBT SERVICE</u>	<u>CAPITAL OUTLAY</u>
Special Assessments Fund					
Street Light Districts	\$ 316,465		\$ 316,465		
Capital Improvement Projects	2,487,538	21,680	16,629		2,449,229
Debt Service					
Interest & Fiscal Charges	<u>178,709</u>			<u>178,709</u>	
Total Expenditures	<u>\$2,982,712</u>	<u>\$ 21,680</u>	<u>\$ 333,094</u>	<u>\$ 178,709</u>	<u>\$2,449,229</u>

TRUST AND AGENCY FUND

The Trust and Agency Fund is established to administer resources received and held by a governmental unit as the trustee or as the agent for others. Use of these funds facilitates the discharge of responsibilities placed upon the governmental unit by virtue of law or other similar authority.

Included are: Fine Arts Trust
Library Friends Trust
Parks Enhancement Trust
Railroad and Mechanical Society Trust
Employee Benefits Trust
Senior Citizens Trust

CITY OF SCOTTSDALE
 TRUST AND AGENCY FUND
 BALANCE SHEET
 JUNE 30, 1984

EXHIBIT G-1

ASSETS

Cash and Short-Term Investments	\$ 2,858,887
Cash With Fiscal Agents	848,520
Miscellaneous Receivables	<u>24,120</u>
Total Assets	<u>\$ 3,731,527</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Claims Payable	\$ 36,381
Guaranty and Other Deposits	<u>3,210,410</u>
Total Liabilities	<u>3,246,791</u>
Fund Balance	
Reserved for Encumbrances	6,953
Unreserved	<u>477,783</u>
Total Fund Balance	<u>484,736</u>
Total Liabilities and Fund Balance	<u>\$ 3,731,527</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT G-2

TRUST AND AGENCY FUND

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

Revenue	\$ 541,891
Expenditures - Current	<u>686,774</u>
Excess of Expenditures Over Revenues	144,883
Fund Balance July 1, 1983	<u>629,619</u>
Fund Balance June 30, 1984	<u>\$ 484,736</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

TRUST AND AGENCY FUND

SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>CAPITAL OUTLAY</u>
Trust and Agency Fund					
Current					
Trust and Agency	\$ 686,774	\$ 63,750	\$ 436,215	\$ 45,801	\$ 141,008
Total Expenditures	<u>\$ 686,774</u>	<u>\$ 63,750</u>	<u>436,215</u>	<u>\$ 45,801</u>	<u>\$ 141,008</u>

ENTERPRISE FUNDS

Enterprise funds are established to account for the financing of self-supporting activities of governmental units which render services to the general public on a user charge basis. Enterprise funds are maintained on the accrual basis of accounting. Although the Water and Sewer Utility, Airport, and Public Housing Funds are operated as enterprise funds, their expenditures are controlled through budgetary accounting procedures similar to other City funds.

Water and Sewer Utility Fund

The Water and Sewer Utility Fund was established for control of the operating revenue and expenses of the City of Scottsdale Water and Sewer Utility. Although a program of the City government, the Utility is operated as a separate enterprise, and the accounting records are maintained on an enterprise fund basis. Accordingly, the account classifications used are designed specifically for the water and sewer operations.

Airport Fund

The Airport Fund was established for control of the operating revenue and expenses of the City of Scottsdale Airport. Airport Fund accounts are maintained on an enterprise fund basis with account classifications designed specifically for airport operations.

Public Housing Fund

The Public Housing Fund was established to provide low cost housing for families displaced by the Neighborhood Development Project of the City of Scottsdale and is operated as an enterprise of the City.

CITY OF SCOTTSDALE
 ENTERPRISE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1984

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>WATER AND SEWER UTILITY</u>	<u>AIRPORT</u>	<u>PUBLIC HOUSING</u>
Current Assets				
Cash and Short-Term Investments	\$ 14,757,105	\$14,746,887	\$	\$ 10,218
Accounts Receivable, Including Unbilled of \$443,060	2,141,887	2,141,887		
Accrued Interest Receivable	542,839	542,839		
Grant Receivables	404,851		404,851	
Miscellaneous Receivables	30,316	22,279	8,037	
Total Current Assets	<u>17,876,998</u>	<u>17,453,892</u>	<u>412,888</u>	<u>10,218</u>
Restricted Cash, Investments, & Receivables				
Cash with Fiscal Agents	1,818,111	1,818,111		
Revenue Bond Reserves	1,531,489	1,531,489		
Water and Sewer Replacement Notes Receivable	980,548	980,548		
	240,283			240,283
	<u>4,570,431</u>	<u>4,330,148</u>		<u>240,283</u>
Property, Plant, and Equipment				
Land	9,007,956	1,253,293	7,754,663	
Water System	44,295,672	44,295,672		
Sewer System	36,329,044	36,329,044		
Buildings and Improvements	1,462,578		1,058,135	404,443
Furniture, Fixtures, and Equipment	280,632	254,956	25,676	
Construction in Process	4,634,198	3,637,928	996,270	
	<u>96,010,080</u>	<u>85,770,893</u>	<u>9,834,744</u>	<u>404,443</u>
Accumulated Depreciation and Amortization	(13,674,606)	(12,277,957)	(1,253,209)	(143,440)
	<u>82,335,474</u>	<u>73,492,936</u>	<u>8,581,535</u>	<u>261,003</u>
Excess Purchase Price Over Fair Market Value of Water System Assets Acquired, Net of Accumulated Amortization of \$1,692,412	944,184	944,184		
Total Assets	<u>\$105,727,087</u>	<u>\$96,221,160</u>	<u>\$ 8,994,423</u>	<u>\$ 511,504</u>

See Notes to Financial Statements.

<u>LIABILITIES AND FUND EQUITY</u>	<u>TOTAL ALL FUNDS</u>	<u>WATER AND SEWER UTILITY</u>	<u>AIRPORT</u>	<u>PUBLIC HOUSING</u>
Current Liabilities				
Cash Overdraft	\$ 897,857	\$	\$ 897,857	\$
Claims Payable	732,871	616,488	116,383	
Accrued Payroll	73,867	62,699	11,168	
Accrued Interest Payable	132,315	111,276	21,039	
Current Portion of Contracts Payable	<u>1,450,581</u>	<u>1,100,008</u>	<u>350,573</u>	
Total Current Liabilities	<u>3,287,491</u>	<u>1,890,471</u>	<u>1,397,020</u>	
Current Liabilities (Payable from Restricted Assets)				
Bonds Interest Payable	546,314	546,314		
Current Portion of Bonds Payable	<u>1,250,000</u>	<u>1,250,000</u>		
Total Current Liabilities (Payable from Restricted Assets)	<u>1,796,314</u>	<u>1,796,314</u>		
Total Current Liabilities	<u>5,083,805</u>	<u>3,686,785</u>	<u>1,397,020</u>	
Long-Term Debt (Less Current Portion)				
Bonds Payable	16,180,000	16,180,000		
Contracts Payable	<u>2,318,524</u>	<u>1,967,949</u>	<u>350,575</u>	
	<u>18,498,524</u>	<u>18,147,949</u>	<u>350,575</u>	
Other Liabilities				
Customer Advances & Deposits	144,465	143,405		1,060
Unearned Grant Revenue (Payable from Restricted Notes Receivable)	<u>240,283</u>			<u>240,283</u>
	<u>384,748</u>	<u>143,405</u>		<u>241,343</u>
Fund Equity				
Contributed Capital	55,765,223	47,084,331	8,276,317	404,575
Retained Earnings (Accumulated Deficit)				
Reserved for				
Revenue Bond Retirement	1,531,489	1,531,489		
Water & Sewer System Replacement	980,548	980,548		
Unreserved	<u>23,482,750</u>	<u>24,646,653</u>	<u>(1,029,489)</u>	<u>(134,414)</u>
Total Retained Earnings (Accumulated Deficit)	<u>25,994,787</u>	<u>27,158,690</u>	<u>(1,029,489)</u>	<u>(134,414)</u>
Total Fund Equity	<u>81,760,010</u>	<u>74,243,021</u>	<u>7,246,828</u>	<u>270,161</u>
Total Liabilities & Fund Equity	<u>\$105,727,087</u>	<u>\$96,221,160</u>	<u>\$ 8,994,423</u>	<u>\$ 511,504</u>

CITY OF SCOTTSDALE

EXHIBIT H-2

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN RETAINED EARNINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	TOTAL ALL FUNDS	WATER AND SEWER UTILITY	AIRPORT	PUBLIC HOUSING
Operating Revenue				
Water Service Charges	\$ 6,086,078	\$ 6,086,078	\$	\$
Water Connection Fee	329,962	329,962		
Water Development Fees	1,487,112	1,487,112		
Sewer Service Fees	2,961,628	2,961,628		
Sewer Development Fees	2,030,298	2,030,298		
Tie Downs and Rentals	225,054		225,054	
Commissions on Sales	184,451		184,451	
Property Rentals	45,920			45,920
Other	112,642	112,142	500	
Total Operating Revenue	<u>13,463,145</u>	<u>13,007,220</u>	<u>410,005</u>	<u>45,920</u>
Operating Expenses				
Water Operations	1,855,839	1,855,839		
Sewer Operations	1,885,157	1,885,157		
Customer Collection	272,486	272,486		
Airport Operations	297,677		297,677	
Utilities	17,629			17,629
Maintenance	24,687			24,687
Depreciation and Amortization	2,146,109	1,965,385	168,030	12,694
Indirect Cost	898,502	829,933	62,111	6,458
Total Operating Expenses	<u>7,398,086</u>	<u>6,808,800</u>	<u>527,818</u>	<u>61,468</u>
Operating Income (Loss)	<u>6,065,059</u>	<u>6,198,420</u>	<u>(117,813)</u>	<u>(15,548)</u>
Non-Operating Revenue (Expenses)				
Interest Earnings	927,267	925,424	1,843	
Interest Expense	(839,861)	(744,377)	(95,484)	
Miscellaneous Expense	(98)	(98)		
Total Non-Operating Revenue (Expenses)	<u>87,308</u>	<u>180,949</u>	<u>(93,641)</u>	<u>-0-</u>
Net Income (Loss)	<u>6,152,367</u>	<u>6,379,369</u>	<u>(211,454)</u>	<u>(15,548)</u>
Retained Earnings July 1, 1983	19,489,853	20,426,754	(818,035)	(118,866)
Prior Period Adjustment	352,567	352,567		
Retained Earnings July 1, 1983 As Restated	<u>19,842,420</u>	<u>20,779,321</u>	<u>(818,035)</u>	<u>(118,866)</u>
Retained Earnings June 30, 1984	<u>\$25,994,787</u>	<u>\$27,158,690</u>	<u>\$(1,029,489)</u>	<u>\$ (134,414)</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT H-3

ENTERPRISE FUNDS

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	TOTAL ALL FUNDS	WATER AND SEWER UTILITY	AIRPORT	PUBLIC HOUSING
Sources of Funds				
From Operations				
Net Income (Loss)	\$ 6,152,367	\$ 6,379,369	\$ (211,454)	\$ (15,548)
Noncash Charge-Depreciation and Amortization	2,146,109	1,965,385	168,030	12,694
Total from Operations	<u>8,298,476</u>	<u>8,344,754</u>	<u>(43,424)</u>	<u>(2,854)</u>
Contributions				
Water/Sewer Assets from Subdividers	12,167,538	12,167,538		
From Government Units	434,850		434,850	
Increase In				
Current Liabilities	1,352,749	541,682	811,067	
Other Liabilities	20,610	20,610		
Long-Term Debt	6,861,962	6,861,962		
Decrease In				
Receivables	31,415			31,415
	<u>29,167,600</u>	<u>27,936,546</u>	<u>1,202,493</u>	<u>28,561</u>
Uses of Funds				
Contribution of Water/Sewer Assets from Subdividers	12,167,538	12,167,538		
Purchase of Other Property Equipment, and Construction In Progress	5,351,373	4,610,479	740,894	
Increase In Receivables	1,102,011	964,439	137,572	
Increase In Restricted Cash and Investments	1,254,601	1,254,601		
Decrease In				
Current Liabilities	30			30
Other Liabilities	31,462			31,462
Long-Term Debt	350,573		350,573	
	<u>20,257,588</u>	<u>18,997,057</u>	<u>1,229,039</u>	<u>31,492</u>
Increase (Decrease) in Cash and Short-Term Investments				
	8,910,012	8,939,489	(26,546)	(2,931)
Cash and Short-Term Investments				
Fund Balances July 1, 1983	5,847,093	5,807,398	26,546	13,149
Fund Balances June 30, 1984	<u>\$14,757,105</u>	<u>\$14,746,887</u>	<u>\$ -0-</u>	<u>\$ 10,218</u>

See Notes to Financial Statements.



INTERNAL SERVICE FUNDS

Internal service funds are established to finance and account for services and/or commodities furnished by a designated program to other programs within the City.

Motor Pool Fund

The Motor Pool Fund is responsible for the maintenance and operations of various automobiles and other equipment of the City. Revenue to this fund is derived from charges to user programs.

Self Insurance Fund

The Self Insurance Fund is responsible for the administration of the protected self insurance program initiated by the City July 1, 1978. Revenue to this fund is derived from charges to user programs. This fund provides coverage for unemployment, workmen's compensation, property, and liability claims.

CITY OF SCOTTSDALE
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1984

EXHIBIT I-1

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>MOTOR POOL</u>	<u>SELF INSURANCE</u>
Current Assets			
Cash and Short-Term Investments	\$ 2,287,025	\$ 622,807	\$ 1,664,218
Accrued Interest Receivable	80,421		80,421
Accounts Receivable	6,002	6,002	
Total Current Assets	<u>2,373,448</u>	<u>628,809</u>	<u>1,744,639</u>
Property, Plant, and Equipment			
Land	67,904	67,904	
Buildings and Improvements	436,374	436,374	
Motor Vehicles	4,907,914	4,907,914	
Machinery and Equipment	974,820	974,199	621
Furniture, Fixtures, and Office Equipment	21,955	16,819	5,136
Construction in Progress	856,644	856,644	
	<u>7,265,611</u>	<u>7,259,854</u>	<u>5,757</u>
Accumulated Depreciation	<u>(4,259,966)</u>	<u>(4,258,933)</u>	<u>(1,033)</u>
	<u>3,005,645</u>	<u>3,000,921</u>	<u>4,724</u>
Total Assets	<u>\$ 5,379,093</u>	<u>\$ 3,629,730</u>	<u>\$ 1,749,363</u>
 <u>LIABILITIES AND FUND EQUITY</u>			
Current Liabilities			
Claims Payable	\$ 469,840	\$ 56,338	\$ 413,503
Accrued Payroll	95,583	92,840	2,743
	<u>565,423</u>	<u>149,178</u>	<u>416,246</u>
Fund Equity			
Contributed Capital	3,461,164	2,716,829	744,335
Retained Earnings-Unreserved	1,352,506	763,723	588,782
Total Fund Equity	<u>4,813,670</u>	<u>3,480,552</u>	<u>1,333,117</u>
Total Liabilities and Fund Equity	<u>\$ 5,379,093</u>	<u>\$ 3,629,730</u>	<u>\$ 1,749,363</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT I-2

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN RETAINED EARNINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	TOTAL ALL FUNDS	MOTOR POOL	SELF INSURANCE
Operating Revenue			
Billings To User Programs	\$ 4,121,604	\$ 3,823,435	\$ 298,169
Other	217,474	67,570	149,904
Total Operating Revenue	4,339,078	3,891,005	448,073
Operating Expenses			
Salaries and Wages	1,002,397	1,002,397	
Materials Purchased	815,617	815,617	
Gas, Oil, and Lubricants	526,526	526,526	
Depreciation	780,219	779,186	1,033
Other Shop Expenses	115,420	115,420	
General and Administrative	162,450	14,711	147,739
Outside Services	201,436	201,436	
Repairs of Equipment	14,644	14,644	
Insurance Premiums	113,562		113,562
Claims Paid	513,511		513,511
Total Operating Expenses	4,245,782	3,469,937	775,845
Net Gain/(Loss) From Operations	93,296	421,068	(327,772)
Retained Earnings July 1, 1983	1,259,210	342,655	916,555
Retained Earnings June 30, 1984	<u>\$ 1,352,506</u>	<u>\$ 763,723</u>	<u>\$ 588,783</u>

See Notes to Financial Statements.

CITY OF SCOTTSDALE

EXHIBIT I-3

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 1984

	TOTAL ALL FUNDS	MOTOR POOL	SELF INSURANCE
Sources of Funds			
From Operations			
Net Gain (Loss)	\$ 93,296	\$ 421,068	\$ (327,772)
Noncash Charge - Depreciation	<u>780,219</u>	<u>779,186</u>	<u>1,033</u>
Total from Operations	873,515	1,200,254	(326,739)
Increase in Current Liabilities	221,953	14,064	207,889
Decrease in Buildings and Equipment	<u>2,455</u>	<u>2,455</u>	<u> </u>
	<u>1,097,923</u>	<u>1,216,773</u>	<u>(118,850)</u>
Uses of Funds			
Increase in Property, Plant, and Equipment	1,045,519	1,040,383	5,136
Increase in Accounts Receivable	<u>85,318</u>	<u>4,897</u>	<u>80,421</u>
	1,130,837	1,045,280	85,557
Increase (Decrease) in Cash and Short-Term Investments	(32,914)	171,493	(204,407)
Cash and Short-Term Investments July 1, 1983	<u>2,319,939</u>	<u>451,314</u>	<u>1,868,625</u>
June 30, 1984	<u>\$ 2,287,025</u>	<u>\$ 622,807</u>	<u>\$ 1,664,218</u>

See Notes to Financial Statements.

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is established for controlling the City's sizeable investment in fixed assets which are tangible assets of significant value having a utility which extends beyond a year. This control also allows establishing custodial responsibility for the assets. No depreciation is provided on such assets.

The investments in fixed assets of proprietary fund types are accounted for in their respective funds.

CITY OF SCOTTSDALE

EXHIBIT J-1

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE

JUNE 30, 1984

Property and Equipment

Land	\$ 12,123,392
Buildings and Improvements	32,884,628
Streets and Storm Drains	286,711,661
Machinery and Equipment	7,049,705
Construction in Progress	<u>6,877,216</u>
Total General Fixed Assets	<u>\$345,646,602</u>

Investment in General Fixed Assets From

General Fund	\$ 34,114,982
Special Revenue Funds	18,754,539
Capital Projects Funds	30,809,951
Contributions	254,002,946
Improvement Districts	<u>7,964,184</u>
Total Investment in General Fixed Assets	<u>\$345,646,602</u>

CITY OF SCOTTSDALE
 SCHEDULE OF GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 YEAR ENDED JUNE 30, 1984

	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS AND IMPROVEMENTS</u>	<u>STREETS AND STORM DRAINS</u>	<u>MACHINERY AND EQUIPMENT</u>
General Government	\$ 9,337,191	\$ 1,200,209	\$ 7,733,444	\$	\$ 403,538
Police	2,361,631	40,855	1,418,462	48,038	854,276
Management Services	736,319		285,368		450,951
Field Operations	294,111,061	6,000,535	2,446,370	285,392,212	271,944
Community Services	19,070,585	2,366,482	15,720,973	30,675	952,455
Community Development	9,310,774	2,515,311	5,098,028	1,240,736	456,699
Non Departmental	<u>3,841,825</u>		<u>181,983</u>		<u>3,659,842</u>
 Total General Fixed Assets Allocated to Functions	 \$338,769,386	 <u>\$ 12,123,392</u>	 <u>\$ 32,884,628</u>	 <u>\$286,711,661</u>	 <u>\$ 7,049,705</u>
Construction in Progress	<u>6,877,216</u>				
 Total General Fixed Assets	 <u>\$345,646,602</u>				

CITY OF SCOTTSDALE
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 YEAR ENDED JUNE 30, 1984

	<u>07/01/83</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>06/30/84</u>
General Government	\$ 9,182,045	\$ 157,702	\$ 801	\$ 9,337,191
Police	2,087,458	283,883	7,474	2,361,631
Management Services	669,360	70,087	5,045	736,319
Field Operations	271,658,197	22,453,236		294,111,061
Community Services	18,989,660	81,362	5,002	19,070,585
Community Development	7,002,796	2,311,137	1,617	9,310,774
Non Departmental	572,455	3,271,448	1,501	3,841,825
Construction in Process	<u>2,290,253</u>	<u>8,808,070</u>	<u>4,221,107</u>	<u>6,877,216</u>
	<u>\$312,452,224</u>	<u>\$ 37,436,925</u>	<u>\$ 4,242,547</u>	<u>\$345,646,602</u>

**STATISTICAL
SECTION**

TABLE 1

CITY OF SCOTTSDALE
 GENERAL, GOVERNMENTAL EXPENDITURES BY FUNCTION
 GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUNDS
 LAST TEN FISCAL YEARS

FISCAL YEAR	TOTAL	GENERAL GOVERNMENT	PUBLIC SAFETY	MANAGEMENT SERVICES	FIELD OPERATIONS	COMMUNITY SERVICES	COMMUNITY DEVELOPMENT	MUNICIPAL UTILITIES	NON-DEPARTMENTAL	DEBT SERVICES	CAPITAL IMPROVEMENTS
*1984	\$50,714,853	\$ 1,927,456	\$ 7,433,027	\$ 1,792,739	\$ 9,035,611	\$ 7,198,146	\$ 5,678,868	\$	\$ 5,833,286	\$ 2,428,846	\$ 9,386,874
*1983	44,551,039	3,681,626	9,847,607	2,488,759	8,329,776	6,469,869	5,402,471			1,625,465	6,705,466
*1982	39,846,106	3,300,839	8,721,281	2,520,130	7,658,942	6,451,148	4,571,909	378,320		1,591,632	4,651,905
*1981	36,502,778	2,508,933	7,731,176	2,556,277	7,091,973	5,813,913	4,151,823	226,151		1,532,127	4,890,405
*1980	32,161,034	1,956,224	6,685,001	2,516,505	5,680,964	5,377,929	4,504,456	407,185		1,526,660	3,506,110
1979	30,210,507	1,304,630	6,161,448	2,260,310	5,660,651	6,765,247	3,929,206	285,847		2,131,927	1,711,241
1978	21,685,841	1,568,749	4,703,394	1,816,144	4,578,124	3,598,038	1,633,725	38,852		2,170,692	1,578,123
Reorganization March, 1977											
1977	18,415,674	3,648,165	4,521,225		5,185,420	2,957,806				2,103,058	
1976	15,929,841	3,186,451	4,028,832		4,331,800	2,745,985				1,636,773	
1975	15,043,465	2,655,502	3,468,442		5,076,154	2,091,699				1,751,668	

*Data Reported Without Encumbrances; Prior Years' Data Reported With Encumbrances.

TABLE II

CITY OF SCOTTSDALE
GENERAL GOVERNMENTAL REVENUE BY SOURCE
GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUNDS
LAST TEN FISCAL YEARS

FISCAL YEAR	TOTAL	TAXES	LICENSES AND PERMITS	INTER-GOVERNMENT REVENUE	CHARGES FOR SERVICES	FORFEITS	USES OF MONEY AND PROPERTY	MISCELLANEOUS
1984	\$51,576,944	\$23,760,587	\$ 3,662,366	\$16,644,270	\$ 3,808,539	\$ 1,009,111	\$ 1,377,798	\$ 1,314,273
1983	42,899,061	18,845,162	2,181,695	15,419,637	3,430,126	722,696	1,381,218	918,527
1982	37,454,895	17,266,878	1,404,914	13,070,978	2,928,160	459,034	1,628,091	696,840
1981	35,614,819	15,655,414	1,408,602	11,101,021	2,676,846	578,808	1,440,043	2,754,085
1980	32,970,292	14,697,250	1,301,665	11,364,598	2,153,174	564,704	1,374,275	1,514,626
1979	31,720,927	13,760,978	1,747,776	12,121,733	1,799,987	528,652	1,132,908	628,893
1978	23,769,172	11,623,061	1,318,170	7,179,902	1,812,947	485,337	731,343	618,412
1977	19,292,257	9,463,545	665,819	6,415,559	1,523,559	338,246	427,322	458,207
1976	16,995,456	8,158,411	449,435	6,122,988	1,464,550	277,274	350,680	172,118
1975	14,546,168	6,826,005	421,468	5,545,735	768,616	236,954	382,875	364,515

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TABLE III

TAX REVENUE BY SOURCE
GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUNDS
LAST TEN FISCAL YEARS

FISCAL YEAR	TOTAL TAXES	PRIVILEGE TAXES	GENERAL PROPERTY TAX	FRANCHISE	IN-LIEU PROPERTY
1984	\$23,760,587	\$17,460,418	\$ 4,980,289	\$ 1,267,485	\$ 52,395
1983	18,845,162	14,399,311	3,371,348	1,022,688	51,915
1982	17,266,878	12,910,294	3,494,953	805,769	55,862
1981	15,655,414	11,636,852	3,148,907	807,330	62,325
1980	14,697,250	11,209,020	2,949,749	489,739	48,742
1979	13,760,978	10,133,373	3,171,299	399,006	57,300
1978	11,623,061	7,832,052	3,412,532	320,135	58,342
1977	9,463,545	6,242,303	2,905,835	255,922	59,485
1976	8,158,411	5,281,979	2,637,808	209,576	29,048
1975	6,826,005	4,755,934	1,859,700	165,387	44,984

TABLE IV

CITY OF SCOTTSDALE
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>% OF LEVY COLLECTIONS</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>FUTURE YEAR TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>TOTAL COLLECTIONS % OF CURRENT LEVY</u>	<u>OUTSTANDING DELINQUENT TAXES</u>	<u>OUTSTANDING DELINQUENT AS % OF CURRENT LEVY</u>
1984	\$ 5,008,462	\$ 4,674,445	93.33	\$ 187,583	\$ 28,399	\$ 4,890,427	97.64	\$ 227,075	4.49
1983	3,448,356	3,264,176	94.65	44,053	118,261	3,426,490	99.37	198,681	5.76
1982	3,306,068	3,381,094	102.27	113,858	89,076	3,584,028	108.41	96,093	2.91
1981	3,164,000	3,032,354	95.84	65,853	50,700	3,148,907	99.52	128,391	4.06
1980	2,941,981	2,843,369	96.65	61,451	44,929	2,949,749	100.26	79,553	2.70
1979	3,118,364	3,081,311	98.81	75,095	14,893	3,171,299	101.70	66,929	2.15
1978	3,395,254	3,323,293	97.88	66,122	23,117	3,412,532	100.51	10,952	.32
1977	2,812,007	2,781,386	98.91	104,974	19,475	2,905,835	103.34	77,287	2.75
1976	2,662,620	2,481,183	93.19	67,089	89,536	2,637,808	99.07	96,286	3.62
1975	2,014,517	1,803,406	89.52	27,997	28,297	1,859,700	92.31	122,612	6.09

CITY OF SCOTTSDALE
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

COMPARATIVE ASSESSED VALUATION CLASSIFICATION

	REAL ESTATE	IMPROVEMENTS	SECURED PERSONAL	UNSECURED PERSONAL	UTILITIES RAILS, WIRES	GROSS VALUATION	EXEMPTIONS	NET TAXABLE VALUATION	ESTIMATED ACTUAL VALUATION (\$000)
1983-84 P	\$ NOTE	\$415,957,110	\$ 7,117,670	\$ 44,027,420	\$ 31,163,760	\$498,265,960	\$ 432,103	\$497,833,857	\$ 3,450,866
S	207,127,235	328,758,240	7,117,670	44,179,445	31,163,760	618,346,350	359,684	617,986,666	4,252,661
1982-83 P	NOTE	337,368,075	873,145	23,763,595	34,378,830	396,383,645	489,152	395,894,493	3,250,168
S	118,468,430	294,573,905	873,145	23,971,545	34,378,830	472,265,855	424,824	471,841,031	2,781,027
1981-82 P	NOTE	293,254,155	4,816,520	22,475,660	29,581,930	350,128,265	388,617	349,739,648	2,431,972
S	78,168,180	299,115,465	4,816,520	22,481,685	29,581,930	434,163,780	222,812	433,940,968	3,129,428
1980-81 P	56,061,565	195,178,565	4,387,300	16,910,048	26,185,865	298,723,343	381,890	298,341,453	2,060,862
S	62,607,985	204,893,090	4,387,300	16,910,048	26,185,865	314,984,288	381,209	314,603,079	2,164,592
1979-80	64,707,360	214,606,835	4,905,525	18,168,440	26,686,105	329,074,265	524,208	328,550,057	1,736,654
1978-79	58,113,425	178,910,680	2,991,890	14,343,335	23,759,140	278,118,470	556,772	277,561,698	1,447,302
1977-78	53,849,005	154,935,375	2,368,435	12,172,310	21,493,915	244,819,040	556,121	244,262,919	1,251,931
1976-77	48,704,580	144,585,650	2,088,180	10,476,390	19,670,520	225,525,320	564,759	224,960,561	1,147,690
1975-76	46,731,400	135,227,745	2,362,150	9,944,190	19,309,805	213,575,290	565,660	213,009,630	1,083,709
1974-75	42,009,905	124,498,760	1,610,135	9,499,810	18,519,655	196,138,265	554,060	195,584,205	992,701

NOTE: Real Estate and Improvements Combined In Primary Valuation.

ASSESSED VALUATION HISTORIES

	YEAR	CITY OF SCOTTSDALE	MARICOPA COUNTY	STATE OF ARIZONA
1983-84 P		\$ 497,833,857	\$ 6,372,193,869	\$11,135,717,824
S		617,986,666	7,477,212,494	12,864,444,352
1982-83 P		395,894,493	5,257,521,736	9,943,400,152
S		471,841,031	6,034,315,165	11,199,119,863
1981-82 P		349,739,648	4,537,736,695	8,884,731,595
S		433,940,968	5,999,244,436	9,953,647,817
1980-81 P		298,341,453	3,822,449,353	8,872,496,646
S		314,603,079	3,994,223,482	9,940,994,609
1979-80		328,550,057	4,089,042,274	8,192,513,552
1978-79		277,561,698	3,488,588,940	7,226,035,626
1977-78		244,262,919	3,058,514,752	6,655,381,547
1976-77		224,960,561	2,844,314,021	6,200,230,075
1975-76		213,009,630	2,678,051,825	5,826,289,483
1974-75		195,584,205	2,427,495,810	5,128,946,903

NOTE: Property tax reform legislation approved by the voters on June 3, 1980, created PRIMARY (P) SECONDARY (S) valuation bases. Taxes levied on PRIMARY valuations are for maintenance and operation of counties, cities, school districts, community college districts, and the state. Taxes levied on SECONDARY valuations are for debt retirement, voter-approved budget overrides, and maintenance and operation of special-service districts.

TABLE VI

CITY OF SCOTTSDALE
PROPERTY TAX RATES AND TAX LEVIES - ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

TAX RATES		SCHOOL DISTRICTS						CENTRAL ARIZONA PROJECT	TOTAL
FISCAL YEAR		CITY OF SCOTTSDALE	SCOTTSDALE UNIFIED	COMMUNITY COLLEGE	MARICOPA COUNTY	STATE OF ARIZONA	FLOOD DISTRICT		
1984-85	Primary	\$.48	\$4.30	\$.75	\$1.50	\$.40	\$	\$	\$ 7.43
	Secondary	.42			.16		.50	.07	1.15
	Total	\$.90	\$4.30	\$.75	\$1.66	\$.40	\$.50	\$.07	\$ 8.58
1983-84	Primary	\$.51	\$4.34	\$.77	\$1.53	\$.75	\$	\$	\$ 7.90
	Secondary	.40	.13		.24		.48	.05	1.30
	Total	\$.91	\$4.47	\$.77	\$1.77	\$.75	\$.48	\$.05	\$ 9.20
1982-83	Primary	\$.55	\$3.98	\$.80	\$1.57	\$.75	\$	\$	\$ 7.65
	Secondary	.26	.21		.16		.50	.03	1.16
	Total	\$.81	\$4.19	\$.80	\$1.73	\$.75	\$.50	\$.03	\$ 8.81
1981-82	Primary	\$.59	\$4.11	\$.78	\$1.60	\$.95	\$	\$	\$ 8.03
	Secondary	.30	.29	.03	.18		.34	.03	1.17
	Total	\$.89	\$4.40	\$.81	\$1.78	\$.95	\$.34	\$.03	\$ 9.20
1980-81	Primary	\$.63	\$3.92	\$.88	\$1.76	\$1.25	\$	\$	\$ 8.44
	Secondary	.41	.33	.04	.22		.43	.04	1.47
	Total	\$1.04	\$4.25	\$.92	\$1.98	\$1.25	\$.43	\$.04	\$ 9.91
1979-80		1.03	5.64	.94	2.30	.48	.20	.03	10.62
1978-79		1.18	5.41	.84	2.30	1.10	.20	.03	11.06
1977-78		1.39	5.35	.76	2.67	1.60	.20	.03	12.00
1976-77		1.25	5.62	.71	2.70	1.60	.20	.03	12.11
1975-76		1.25	5.00	.59	2.77	1.60	.20	.03	11.44
TAX LEVIES									
1984-85	Primary	\$ 2,719,021	\$ 32,632,320	\$ 52,825,981	\$105,958,455	\$ 28,197,257	\$	\$	\$222,333,034
	Secondary	2,762,021			11,919,468		29,484,792	5,544,888	49,711,169
	Total	\$ 5,481,042	\$ 32,632,320	\$ 52,825,981	\$117,877,923	\$ 28,197,257	\$ 29,484,792	\$ 5,544,888	\$272,044,203
1983-84	Primary	\$ 2,558,626	\$ 29,535,753	\$ 49,021,392	\$ 97,060,969	\$ 47,791,454	\$	\$	\$225,968,194
	Secondary	2,449,836	1,044,991		17,945,309		25,750,000	3,738,606	50,928,742
	Total	\$ 5,008,462	\$ 30,580,744	\$ 49,021,392	\$115,006,278	\$ 47,791,454	\$25,750,000	\$ 3,738,606	\$276,896,936
1982-83	Primary	\$ 2,188,451	\$ 22,663,965	\$ 42,157,932	\$ 82,722,892	\$ 39,432,461	\$	\$	\$189,165,701
	Secondary	1,299,905	1,441,572		9,655,311		22,348,935	1,810,371	36,516,094
	Total	\$ 3,448,356	\$ 24,105,537	\$ 42,157,932	\$ 92,378,203	\$ 39,432,461	\$ 22,348,935	\$ 1,810,371	\$225,681,795
1981-82	Primary	\$ 2,035,753	\$ 20,619,199	\$ 35,382,235	\$ 72,719,050	\$ 43,109,179	\$	\$	\$173,865,416
	Secondary	1,270,315	1,806,942	1,502,500	9,605,781		13,500,000	1,599,438	29,284,976
	Total	\$ 3,306,068	\$ 22,426,141	\$ 36,884,735	\$ 82,324,831	\$ 43,109,179	\$ 13,500,000	\$ 1,599,438	\$203,150,392
1980-81	Primary	\$ 1,882,000	\$ 17,123,070	\$ 33,805,756	\$ 67,153,941	\$ 47,780,616	\$	\$	\$167,745,383
	Secondary	1,282,000	1,511,100	1,560,000	8,493,229		12,292,400	1,636,096	26,774,825
	Total	\$ 3,164,000	\$ 18,634,170	\$ 35,365,756	\$ 75,647,170	\$ 47,780,616	\$ 12,292,400	\$ 1,636,096	\$194,520,208
1979-80		2,941,981	24,808,895	33,407,254	81,741,154	17,059,023	5,342,316	1,066,189	166,366,812
1978-79		3,118,364	22,305,645	27,903,341	76,402,005	75,760,851	5,026,367	996,548	211,513,121
1977-78		3,395,254	20,777,865	23,244,733	81,662,344	106,486,104	4,674,825	917,554	241,158,679
1976-77		2,812,007	19,822,661	20,194,630	76,796,479	99,203,681	4,394,979	853,294	224,077,731
1975-76		2,662,620	16,722,860	15,800,506	74,182,036	93,175,007	4,153,705	803,416	207,500,150

For Scottsdale residents residing within the Phoenix Union High School District and the Balsz Elementary District, the 1984-85 tax rate total is \$9.70. For those residing within the Paradise Valley Unified School District, the 1984-85 tax rate total is \$11.01.

Beginning with fiscal year 1980-81, all governmental units are required to enact a primary levy for operating expenses and a secondary levy for debt service requirements.

TABLE VII

CITY OF SCOTTSDALE
PRINCIPAL TAXPAYERS
JUNE 30, 1984

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>ASSESSED VALUATION</u>	<u>PERCENT OF TOTAL ASSESSED VALUATION</u>
Mountain States Telephone	Telephone Utility	\$17,655,987	3.74
Arizona Public Service Company	Electric and Gas Utility	12,763,935	2.71
Motorola, Inc.	Electronics Manufacturing	6,781,212	1.44
The Inn at McCormick Ranch	Resort Hotel	5,104,802	1.08
Sentry Insurance	Insurance Headquarters	4,476,139	.95
Fashion Square Shopping Center	Retail Mall	4,207,637	.89
Camelview Plaza Shopping Center	Retail Mall	4,008,400	.84
Los Arcos Shopping Mall	Retail Mall	3,746,124	.79
Scottsdale Conference Center	Convention Center	2,873,627	.61
Armour & Co.	Product Research	<u>1,795,535</u>	<u>.38</u>
		<u>\$63,413,398</u>	<u>13.43</u>

TABLE VIII

CITY OF SCOTTSDALE
SPECIAL ASSESSMENT COLLECTIONS
LAST TEN FISCAL YEARS

FISCAL YEAR	CURRENT ASSESSMENTS DUE	CURRENT ASSESSMENTS COLLECTED	RATIO OF COLLECTIONS TO AMOUNT DUE	TOTAL OUTSTANDING* CURRENT AND DELINQUENT ASSESSMENTS
1983-84	\$ 307,290	\$ 302,047	98.3%	\$ 5,243
1982-83	530,838	522,765	98.5	8,073
1981-82	738,597	731,731	99.0	6,866
1980-81	857,444	837,888	97.7	19,556
1979-80	967,385	954,370	98.7	13,015
1978-79	1,123,385	1,119,671	99.7	3,714
1977-78	838,132	834,603	99.6	3,529
1976-77	930,939	926,059	99.5	4,880
1975-76	1,064,181	N/A	N/A	N/A
1974-75	1,017,921	N/A	N/A	N/A

*Under Arizona law, public auctions are held in January of each year at which disposition of then-delinquent assessments is made. By bid, special lien rights to properties against which due but unpaid assessments exist are offered in return for payment of all outstanding amounts plus penalties. In the event there are no interested bidders, the delinquency must be satisfied from budgetary funds of the sponsoring governmental unit. Thus, in January of each year, all outstanding delinquent assessments are collected. The amounts shown in this column, if any, represent unpaid balances of the June 1 semi-annual interest installment only.

CITY OF SCOTTSDALE
 RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE
 AND NET BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>POPULATION*</u>	<u>ASSESSED VALUE</u>	<u>GROSS BONDED DEBT</u>	<u>LESS DEBT SERVICE FUNDS</u>	<u>NET BONDED DEBT</u>	<u>RATIO OF NET BONDED DEBT TO ASSESSED VALUE</u>	<u>NET BONDED DEBT PER CAPITAL</u>
1983-84	109,000	\$617,986,666	\$ 31,000,000	\$ 6,492,884	\$ 24,507,116	4.0%	\$224.85
1982-83	96,200	471,841,031	11,365,000	6,047,735	5,317,265	1.1	55.27
1981-82	95,600	433,940,968	11,725,000	5,322,701	6,402,299	1.5	66.97
1980-81	90,400	314,603,079	12,080,000	4,666,093	7,413,907	2.4	82.01
1979-80	87,900	328,550,057	12,430,000	4,065,852	8,364,148	2.5	95.16
1978-79	87,400	277,561,698	12,750,000	3,502,116	9,247,884	3.3	105.81
1977-78	81,100	244,262,919	13,065,000	2,929,844	10,135,156	4.2	124.97
1976-77	78,300	224,960,561	12,510,000	2,468,356	10,041,644	4.5	128.25
1975-76	77,500	213,009,630	23,750,000	1,762,947	10,987,053	5.2	141.77
1974-75	77,400	195,584,205	7,494,000	1,058,108	6,435,892	3.3	83.15

*Source: City Planning Staff

TABLE X

CITY OF SCOTTSDALE
COMPUTATION OF LEGAL DEBT MARGINS
JUNE 30, 1984

Assessed Value		\$617,986,666
Debt Limit 6% of Assessed Value		37,079,200
Amount of Debt Applicable to Debt Limit		
Total Bonded Debt	\$ 65,650,000	
Other Debt		
Water Purchase Debt	2,255,986	
CAP Land Purchase Debt	811,971	
Airport Land Purchase Debt	701,148	
Telephone System Debt	614,841	
Computer Purchase Debt	2,196,668	
	<u>6,580,614</u>	
		<u>72,230,614</u>
Less:		
Cash in Debt Service Funds	100,000	
Revenue Bonds	34,650,000	
Water Purchase Debt	2,255,986	
CAP Land Purchase Debt	811,971	
Airport Land Purchase Debt	701,148	
Telephone System Debt	614,841	
Computer System Debt	2,196,668	
20% General Obligation Bonds	14,200,000	
Total Debt Applicable to Debt Limit	<u>55,530,614</u>	
Legal Debt Margin		<u>16,700,000</u> <u>\$ 20,379,200</u>
Debt Limit 20% of Assessed Value		\$123,597,333
Amount of Debt Applicable to Debt Limit		
Total Bonded Debt	\$ 65,650,000	
Other Debt		
Water Purchase Debt	2,255,986	
CAP Land Purchase Debt	811,971	
Airport Land Purchase Debt	701,148	
Telephone System Debt	614,841	
Computer Purchase Debt	2,196,668	
	<u>6,580,614</u>	
		<u>72,230,614</u>
Less:		
Cash in Debt Service Funds	6,746,862	
Revenue Bonds	34,650,000	
Water Purchase Debt	2,255,986	
CAP Land Purchase Debt	811,971	
Airport Land Purchase Debt	701,148	
Telephone System Debt	614,841	
System Debt	2,196,668	
6% General Obligation Bonds	16,800,000	
Total Debt Applicable to Debt Limit	<u>64,777,476</u>	
Legal Debt Margin		<u>7,453,138</u> <u>\$116,144,195</u>

TABLE XI

CITY OF SCOTTSDALE
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
 FOR GENERAL OBLIGATION BONDED DEBT TOTAL GENERAL GOVERNMENTAL EXPENDITURES
 LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>DEBT SERVICE</u>	<u>TOTAL EXPENDITURES</u>	<u>RATIO OF DEBT SERVICE TO TOTAL EXPENDITURES</u>
*1984	\$ 670,000	\$1,837,051	\$2,507,051	\$51,304,031	4.89%
*1983	660,000	589,860	1,249,860	44,551,039	2.81
*1982	655,000	605,285	1,260,285	39,846,106	3.16
*1981	650,000	630,260	1,280,260	36,502,778	3.51
*1980	645,000	647,160	1,292,160	32,161,034	4.02
1979	680,000	666,805	1,346,805	30,210,507	4.46
1978	750,000	626,410	1,376,410	21,685,841	6.35
1977	815,000	652,810	1,467,810	18,415,674	7.97
1976	890,000	387,549	1,277,549	15,929,841	8.02
1975	744,000	367,178	1,111,178	15,043,465	7.39

*Data reported without encumbrances; prior years data reported with encumbrances.

TABLE XII

CITY OF SCOTTSDALE
WATER AND SEWER UTILITY REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>GROSS REVENUE</u>	<u>OPERATING & MAINTENANCE EXPENSES</u>	<u>NET REVENUE AVAILABLE FOR DEBT SERVICES</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>COVERAGE</u>	<u>REQUIRED COVERAGE</u>
1984	\$13,932,644	\$ 5,978,867(1)	\$ 7,953,777	\$ 1,200,000	\$ 771,131	\$ 1,971,131	4.04	1.20
1983	9,907,951	5,104,171(1)	4,803,780	685,000	490,573	1,175,573	4.09	1.20
1982	8,466,963	4,205,257	4,261,706	600,000	522,323	1,122,323	3.80	1.20
1981	7,244,494	2,433,428	4,811,066	535,000	549,748	1,084,748	4.44	1.20
1980	6,231,513	1,902,516	4,328,997	500,000	481,434	981,434	4.41	1.20
1979	6,899,446	1,880,591	5,018,855	425,000	499,008	924,008	5.43	1.20
1978	5,076,901	1,187,611	3,889,290	345,000	516,483	861,483	4.51	1.20
1977	3,242,466	939,703	2,302,763	320,000	401,178	721,178	3.19	1.20
1976	2,798,475	753,920	2,044,555	260,000	349,345	609,345	3.36	1.20
1975	2,520,369	676,231	1,844,138	235,000	334,136	569,136	3.24	1.20

(1)Excludes internal allocation for indirect costs.

The 1964 and 1966 Sewer Revenue Bonds and the 1971 Water Revenue Bonds were refunded in 1973 by a \$3,910,000 Refunding Issue. Principal and interest on the 1973 refunding bonds is payable from the now combined operation of the City of Scottsdale Water and Sewer Utility System after providing sufficient funds for the current expenses of the system.

TABLE XIII

CITY OF SCOTTSDALE
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	POPULATION (1)	PER CAPITA INCOME (2)	MEDIAN AGE (2)	EDUC. LEVEL IN YEARS OF SCHOOLING (2)	SCHOOL ENROLLMENT (3)	UNEMPLOYMENT RATE (4)
1984	109,000	10,900	38.5	12.0	19,032	2.9
1983	96,200	12,200	39.4	13.0	19,803	5.9
1982	95,600	10,013	39.2	13.3	20,855	6.3
1981	90,400	11,116	34.6	14.7	22,060	3.9
1980	87,900	8,968	34.3	14.4	23,309	4.4
1979	87,400	8,397	33.3	14.5	24,440	3.4
1978	81,100	7,826	32.4	14.6	25,478	4.2
1977	78,300	6,786	31.4	14.1	26,264	5.8
1976	77,500	6,280	30.4	14.8	26,837	7.8
1975	77,400	6,250	29.4	14.8	27,653	10.5

Sources:

- (1) City Planning Staff
- (2) Inside Phoenix (Republic and Gazette)
- (3) Scottsdale School District
- (4) Arizona Department of Economic Security

TABLE XIV

CITY OF SCOTTSDALE
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS
LAST TEN FISCAL YEARS

FISCAL YEAR	COMMERCIAL CONSTRUCTION (1)		RESIDENTIAL CONSTRUCTION (1)		BANK DEPOSITS MARICOPA COUNTY (\$000) (2)	PROPERTY VALUE (3) (4)		
	NUMBER OF PERMITS	VALUE	NUMBER DWELLING UNITS	VALUE		COMMERCIAL	RESIDENTIAL	NONTAXABLE
1984	2,529	\$124,939,954	5,212	\$294,370,574	\$10,286,853	\$807,948,192	\$2,928,973,383	\$179,518,060
1983	1,949	67,585,662	2,404	137,180,307	8,603,186	810,425,162	2,439,742,604	194,655,713
1982	2,278	62,902,183	1,103	63,345,423	7,888,962	702,699,595	2,429,906,884	107,081,672
1981	2,723	52,387,384	1,906	96,450,635	7,415,347	569,123,360	1,595,467,446	101,065,967
1980	3,827	47,930,450	1,433	58,675,933	6,705,628	482,728,948	1,253,925,269	154,602,436
1979	3,933	47,245,774	4,543	130,673,316	5,736,650	420,469,277	1,026,832,307	137,822,740
1978	2,693	31,196,225	3,523	113,863,766	4,820,917	443,481,361	808,449,825	107,680,243
1977	2,163	19,096,608	1,681	34,897,790	4,180,598			
1976	1,802	23,871,250	401	12,006,224	3,956,984			
1975	1,652	41,908,840	518	9,943,042	3,591,891			

Note (1) Source - City Building Inspection program

Note (2) Source - Arizona Statistical Review

Note (3) Source - Abstract published by the Arizona State Department of Revenue. Data not available prior to 1978.

Note (4) Source - Estimated actual value Secondary Assessed Valuation

TABLE XVa

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
GENERAL OBLIGATION BONDS AND EXCISE DEBT
AS OF JUNE 30, 1984

FISCAL YEAR	GENERAL PURPOSE 6% LIMITATION			UTILITY PURPOSE 20% LIMITATION			TOTAL GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS			EXCISE TAX DEBT SERVICE			TOTAL ALL DEBT SERVICE REQUIREMENTS			
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	SINKING FUND (1)	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
1984-85	\$ 105,000	\$ 1,189,145	\$ 1,294,145	\$ 50,000	\$ 520,000	\$ 893,530	\$ 1,463,530	\$ 675,000	\$ 2,082,675	\$ 2,757,675	\$ 340,000	\$ 339,170	\$ 679,170	\$ 1,015,000	\$ 2,421,845	\$ 3,436,845
1985-86	1,600,000	1,184,660	2,784,660	560,000	500,000	876,205	1,936,205	2,660,000	2,060,865	4,720,865	355,000	321,490	676,490	3,015,000	2,382,355	5,397,355
1986-87	1,605,000	1,054,300	2,659,300	560,000	500,000	733,170	1,793,170	2,665,000	1,787,470	4,452,470	375,000	303,050	678,050	3,040,000	2,090,500	5,130,500
1987-88	1,615,000	928,675	2,543,675	560,000	500,000	630,690	1,690,690	2,675,000	1,559,365	4,234,365	395,000	283,530	678,530	3,070,000	1,842,895	4,912,895
1988-89	1,620,000	827,160	2,447,160	560,000	500,000	536,230	1,596,230	2,580,000	1,363,390	4,043,390	415,000	262,990	677,990	3,095,000	1,626,380	3,721,380
1989-90	1,630,000	721,140	2,351,140	560,000	500,000	440,090	1,500,090	2,690,000	1,161,230	3,851,230	440,000	241,410	681,410	3,130,000	1,402,640	3,532,640
1990-91	1,640,000	610,895	2,250,895	560,000	500,000	400,330	1,460,330	2,700,000	1,011,225	3,711,225	465,000	218,530	683,530	3,165,000	1,229,755	4,394,755
1991-92	1,640,000	495,775	2,135,775	560,000	500,000	359,450	1,419,450	2,700,000	855,225	3,555,225	490,000	193,420	683,420	3,190,000	1,048,645	4,238,645
1992-93	1,640,000	378,275	2,018,275	560,000	180,000	317,450	1,057,450	2,380,000	695,725	3,075,725	515,000	166,960	681,960	2,895,000	862,685	2,757,685
1993-94	1,655,000	257,275	1,922,275	560,000		86,800	646,800	2,225,000	344,075	2,569,075	540,000	139,150	679,150	2,765,000	483,225	3,248,225
1994-95	1,690,000	135,100	1,825,100	560,000		43,400	603,400	2,250,000	178,500	2,428,500	570,000	109,450	679,450	2,820,000	287,950	3,107,950
1995-96	250,000	11,750	261,750					250,000	11,750	261,750	1,420,000	78,100	1,498,100	1,670,000	89,850	1,759,850
1996-97																
1998-2033																
TOTALS	<u>\$16,700,000</u>	<u>\$ 7,794,150</u>	<u>\$24,494,150</u>	<u>\$ 5,650,000</u>	<u>\$ 4,200,000</u>	<u>\$ 5,317,345</u>	<u>\$15,167,345</u>	<u>\$26,550,000</u>	<u>\$13,111,495</u>	<u>\$39,661,495</u>	<u>\$ 6,320,000</u>	<u>\$ 2,657,230</u>	<u>\$ 8,977,230</u>	<u>\$32,870,000</u>	<u>\$15,768,725</u>	<u>\$48,638,725</u>

(1) A sinking fund has been provided to retire all issues which will mature July 1, 1995.

TABLE XVb

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
SPECIAL ASSESSMENT BONDS
JUNE 30, 1984

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1985	\$ 424,212	\$ 1,112,613	\$ 1,536,825
1986	1,048,000	812,493	1,860,493
1987	1,178,000	721,847	1,899,847
1988	1,177,000	650,054	1,827,054
1989	1,060,000	527,751	1,587,751
1990	992,000	438,239	1,430,239
1991	934,000	353,061	1,287,061
1992	932,000	269,980	1,201,980
1993	869,000	189,883	1,058,883
1994	862,000	112,989	974,989
1995	842,000	37,351	879,351
	<u>\$10,318,212</u>	<u>\$ 5,226,261</u>	<u>\$15,544,473</u>

DEBT SERVICE REQUIREMENTS TO MATURITY
HIGHWAY USER REVENUE BONDS

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1985	\$ 225,000	\$ 990,600	\$ 1,215,600
1986	250,000	967,537	1,217,537
1987	275,000	941,913	1,216,913
1988	300,000	913,725	1,213,725
1989	325,000	882,975	1,207,975
1990	375,000	849,662	1,224,662
1991	400,000	811,225	1,211,225
1992	425,000	775,625	1,200,625
1993	475,000	740,563	1,215,563
1994	525,000	701,375	1,226,375
1995	575,000	658,062	1,233,062
1996	625,000	609,188	1,234,188
1997	675,000	554,500	1,229,500
1998	725,000	493,750	1,218,750
1999	800,000	428,500	1,228,500
2000	875,000	356,500	1,231,500
2001	950,000	277,750	1,227,750
2002	1,050,000	192,250	1,242,250
2003	1,150,000	97,750	1,247,750
	<u>\$11,000,000</u>	<u>\$12,243,450</u>	<u>\$23,243,450</u>

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
REVENUE BONDS AND LONG-TERM CONTRACTS
ENTERPRISE FUNDS
JUNE 30, 1984

FISCAL YEAR	WATER AND SEWER UTILITY REVENUE BONDS		
	PRINCIPAL	INTEREST	TOTAL
1985	\$ 1,270,000	\$ 1,151,571	\$ 2,421,571
1986	950,000	1,084,061	2,034,061
1987	690,000	1,033,111	1,723,111
1988	725,000	999,798	1,724,798
1989	765,000	964,798	1,729,798
1990	800,000	927,073	1,727,073
1991	810,000	887,623	1,697,623
1992	875,000	847,123	1,722,123
1993	925,000	800,623	1,725,623
1994	1,010,000	719,998	1,729,998
1995	1,085,000	630,688	1,715,688
1996	1,175,000	549,062	1,724,062
1997	1,275,000	446,250	1,721,250
1998	1,400,000	332,775	1,732,775
1999	1,525,000	206,775	1,731,775
2000	850,000	68,000	918,000
	<u>\$16,130,000</u>	<u>\$11,649,329</u>	<u>\$27,779,329</u>

FISCAL YEAR	AIRPORT LONG-TERM CONTRACTS		
	PRINCIPAL	INTEREST	TOTAL
1985	\$ 350,573	\$ 73,620	\$ 424,193
1986	350,575	31,551	382,126
	<u>\$ 701,148</u>	<u>\$ 105,171</u>	<u>\$ 806,319</u>

TABLE XVc

WATER AND SEWER UTILITY LONG TERM CONTRACTS			WATER AND SEWER UTILITY TOTAL REQUIREMENTS		
PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
85 \$ 1,100,008 ^{6,029}	\$ 330,343	\$ 1,430,351	\$ 2,370,008	\$ 1,481,914	\$ 3,851,922
86 653,888 ^{6,821}	197,330	851,218	1,603,888	1,281,391	2,885,279
87 522,639 ^{7,639}	126,787	649,426	1,212,639	1,159,898	2,372,537
8,555	94,971	103,526	733,555	1,094,769	1,828,324
9,582	93,944	103,526	774,582	1,058,742	1,833,324
10,732	92,794	103,526	810,732	1,019,867	1,830,599
12,020	91,506	103,526	822,020	979,129	1,801,149
750,533	90,063	840,596	1,625,533	937,186	2,562,719
			925,000	800,623	1,725,623
			1,010,000	719,998	1,729,998
			1,085,000	630,688	1,715,688
			1,175,000	549,062	1,724,062
			1,275,000	446,250	1,721,250
			1,400,000	332,775	1,732,775
			1,525,000	206,775	1,731,775
			850,000	68,000	918,000
<u>\$ 3,067,957</u>	<u>\$ 1,117,738</u>	<u>\$ 4,185,695</u>	<u>\$19,197,957</u>	<u>\$12,767,067</u>	<u>\$31,965,024</u>

CITY OF SCOTTSDALE
MISCELLANEOUS STATISTICAL DATA
JUNE 30, 1984

TABLE XVI

Date of Incorporation	- June 25, 1951	
Date Charter Adopted	- November 16, 1961	
Form of Government	- Council/Manager	
Population		<u>Area - Square Miles</u>
1951 Census	- 2,032	1951 - .62
1960 Census	- 10,026	1961 - 4.90
1965 Special Census	- 54,504	1970 - 62.20
1970 Census	- 67,823	1971 - 73.60
1975 Special Census	- 78,065	1975 - 85.80
1980 Census	- 88,364	1979 - 88.60
1984 Est. 06/30/84	- 109,000	1982 - 116.00
		1984 - 147.00
Miles of Streets and Alleys		
Streets		523.05
Alleys		152.54
Miles of Sewers		
Storm		16.34
Sanitary		461.37
Fire Protection		
Number of Stations		5
The City of Scottsdale has no fire employees but contracts with Metropolitan Fire Department Inc. to provide fire service to all residents.		
Police Protection		
Number of Employees		192
Number of Traffic Citations (excluding parking)		27,693
Number of Vehicles		92
The City jail is a holding facility. All long-term prisoners are incarcerated in the County jail.		
Recreation		
Parks - Number of Acres		1,917
Number of Swimming Pools		3
Number of Other Recreation Facilities		35
These include schools and school playgrounds in cooperation with Scottsdale School District.		
Water Enterprise		
Number of Users (No. Units)		26,598
Annual Consumption (Gallons)		6,421,811,370
Plant Capacity (Gallons Per Day)		27,000,000
Miles of Distribution Lines		420.3
Number of Street Lights		5,082
Employees as of June 30, 1984		
Full Time		809
Part Time		244
Grant Funded		8
Total		1,061
Elections		
Number of Registered Voters as of last regular Election, February, 1984		48,766
Number/% Voting in Last Municipal Election		11,951/24.5%
Population		
Median Age of Residents		38.5
Median Household Income		27,000
Median Home Value - Single Family		85,000

TABLE XVII

CITY OF SCOTTSDALE
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1984

<u>CARRIER</u>	<u>POLICY DESCRIPTION</u>	<u>AMOUNT OF COVERAGE</u>
Home Insurance 07/01/84 to 06/30/85	Property Insurance - All Risk Repair or Replace \$5,000 Deductible	\$45,702,263 \$100,000-Stop Loss
Planet & Insurance Co. 07/01/84 to 06/30/85	Excess Liability Coverage \$100,000 Retention	\$24,900,000
Granite State Insurance 07/01/84 to 06/30/85	Excess Liability Coverage Second Excess Layer	\$25,000,000
Associated Aviation Underwriters 07/01/84 to 06/30/85	Airport and Hangarkeepers Coverage \$5,000 Deductible	\$50,000,000
Home Insurance 07/01/84 to 06/30/85	Excess Workers Compensation Coverage \$150,000 Retention	Unlimited
Aetna 07/01/84 to 06/30/85	Workers Compensation Guaranty Bond (Value of Bond \$100,000)	

TABLE XVIIa

CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1984

REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/84)</u>
Parks				
<u>Aqua Linda Park Bldg.</u> 8732 East McDonald	Conc./Block	04/75	1,300	\$ 82,000
<u>Chaparral Park</u> 5401 North Hayden Road	Conc./Block	10/74	4,650	250,000
Recreation Center	Conc./Block	10/81	2,000	150,000
<u>Chesnut Park</u> 4565 North Granite Reef	Adobe	08/65	950	50,000
Senior Citizen Center	Conc./Block	07/69	693	16,800
Ramadas				
<u>Eldorado Park</u>				
Recreation Center	Conc./Block	10/68	10,000	580,000
2311 North Miller Rd.				
Pool/Bath House	Conc./Block	06/68	3,515	176,000
2301 North Miller Rd.				
Restrooms	Conc./Block	07/70	350	16,000
2301 North Miller Rd.				
South Control Bldg.	Conc./Block	07/70	1,944	115,000
1909 North Miller Rd.				
Concession Stand	Conc./Block	1970	210	5,000
2301 North Miller Rd.				
<u>Paiute Park</u>				
6535 East Osborn				
Control Building	Conc./Block	07/82	1,500	120,000
Maintenance Compound	Conc./Block	--	720	30,000
<u>Pima Park</u>				
8600 East Thomas Road	Conc./Block	--	500	43,000
<u>Baseball Stadium</u>				
7408 East Osborn	Wood Frame	--	12,000	400,000
<u>Vista Del Camino</u>				
7700 East Roosevelt	Conc./Block	08/73	8,753	748,000
<u>Horseman's Park</u>				
16600 North Pima Road				
Control/Restrooms	Conc./Block	05/83	1,260	82,000
Park Residence	Block/Frame	06/84	2,800	168,000

TABLE XVIIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
June 30, 1984REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/84)</u>
Parks (Continued)				
<u>McCormick Park</u>				
<u>7303 East Indian Bend</u>				
Bldg./N. Branch Library	Adobe	12/67	3,108	\$ 180,000
Storage Building	Adobe	12/67	616	25,000
Railroad Train Shed	Steel	12/71	6,400	250,000
Train Depot	Wood Frame	04/75	504	25,000
Peoria Building	Wood Frame	04/75	1,008	45,000
Machine Shop Museum	Wood Frame	1974	180	5,800
North Star-Train Car	Steel	--	750	204,000
<u>Indian School Park</u>				
<u>4289 North Hayden Road</u>				
Sports Control Bldg.	Conc./Block	02/80	2,265	164,500
Visitor Center	Conc./Block	02/80	3,918	290,000
Shower and Lockers	Conc./Block	02/80	3,600	300,000
TOTAL PARKS				<u>\$ 4,521,100</u>
Neighborhood Development				
<u>Apartments</u>				
<u>1200 North 77th St. "A"</u>	Conc./Block	10/75	6,150	300,000
<u>1200 North 77th St. "B"</u>	Conc./Block	10/75	3,600	175,000
"A"-8 Units, "B"-3 Units				
TOTAL NEIGHBORHOOD DEVELOPMENT				<u>\$ 475,000</u>
Maintenance Complex				
<u>Street Maintenance</u>	Conc./Block	08/71	8,479	\$ 462,500
<u>Storage Building</u>	Metal	07/66	600	10,000
<u>1327 East McKellips</u>				
<u>Sanitation Center</u>	Conc./Block	07/66	3,640	230,000
<u>1325 East McKellips</u>				
<u>Fleet Maintenance</u>	Conc./Block	11/64	20,646	700,000
<u>1323 East McKellips</u>				
<u>P/M Building</u>	Conc./Block	02/69	1,600	63,000
<u>1323 East McKellips</u>				
<u>Auto Parts Building</u>	Sheet Metal	11/74	1,600	37,000
<u>1323 East McKellips</u>				

TABLE XVIIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
June 30, 1984REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/84)</u>
Maintenance Complex (Continued)				
<u>Facilities Maintenance Shop</u> 1601 East McKellips	Sheet Metal	11/74	1,600	\$ 37,000
<u>Facilities Maintenance Building</u> 1601 East McKellips	Conc./Block	02/75	5,400	300,000
<u>Mower Shop</u> 1323 East McKellips	Conc./Block	09/67	780	32,200
<u>Municipal Utilities</u> 1501 North Miller	Conc./Block	06/79	4,760	<u>389,000</u>
TOTAL MAINTENANCE COMPLEX				<u>\$ 2,260,700</u>
Airport				
<u>Terminal</u> 7600 East Butherus Dr.	Conc./Block	01/68	6,600	\$ 550,000
<u>Service Hangar</u> 7600 East Butherus Dr.	Conc./Block	01/68	15,714	785,000
<u>"T" Hangars</u> 7600 East Butherus Dr.	Conc./Block	11/71	14,400	437,000
<u>F. A. A. Building</u> 7600 East Butherus Dr.	Conc./Block	07/72	5,930	539,000
<u>Maintenance Shop</u> 7600 East Butherus Dr.	Conc./Block	06/82	1,400	<u>57,000</u>
TOTAL AIRPORT				<u>\$ 2,368,000</u>
Civic Center Complex				
<u>City Hall</u> 3939 Civic Center Plaza	Conc./Block	10/68	36,000	\$ 2,888,340
<u>Library</u> 3839 Civic Center Plaza	Conc./Block	10/68	39,000	3,122,940
<u>Public Service</u> 3739 Civic Center Plaza	Conc./Block	04/71	23,260	2,142,000

TABLE XVIIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
June 30, 1984REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/84)</u>
Civic Center Complex (Continued)				
Civic Center Pool 3639 Civic Center Plaza	Conc./Block	06/66	1,200	\$ 54,750
Mall Parking Facility 7335 Civic Center Mall (446 Spaces)	Conc./Block	12/74	140,000	2,520,000
Civic Center Storage Building 3639 Civic Center Plaza	Conc./Block	1975	320	10,925
Court Building 3629 Civic Center Plaza	Conc./Block	09/75	7,500	600,000
Center For The Arts 7384 East Second Street	Conc./Block	09/75	88,000	8,888,522
Senior Center I	Conc./Block	09/76	5,200	400,000
Senior Center II	Conc./Block	11/77	5,145	420,000
Senior Center III 7375 East Second Street	Conc./Block	02/79	3,712	<u>250,000</u>
TOTAL CIVIC CENTER COMPLEX				<u>\$21,297,477</u>
Fire Department				
Fire Station #10 2857 North Miller Road	Conc./Block	08/68	8,424	\$ 600,000
Fire Station #11 7339 East McDonald	Conc./Block	12/71	4,023	300,000
Fire Station #12 13665 N. Scottsdale Rd.	Conc./Block	12/71	2,120	<u>150,000</u>
TOTAL FIRE DEPARTMENT				<u>\$ 1,050,000</u>
Miscellaneous				
Warehouse 7501 East Second Street	Conc./Block	1972	17,200	\$ 677,000
Police Annex 3720 North 75th Street	Block	1980	2,752	<u>159,000</u>
TOTAL MISCELLANEOUS				<u>\$ 836,000</u>
TOTAL REAL PROPERTY				<u><u>\$32,808,277</u></u>

TABLE XVIII

CITY OF SCOTTSDALE
SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS
FOR FISCAL YEAR ENDED JUNE 30, 1984

<u>OFFICIAL TITLE</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>BOND</u>
Mayor	\$	\$21,600	\$ 10,000
Councilmen (6)	7,200	10,800	10,000
City Manager/City Clerk		79,629	1,000,000
City Attorney		65,000	1,000,000
City Treasurer	44,000	66,000	1,000,000
City Judge		52,323	1,000,000

PUBLIC EMPLOYEES HONESTY AND FAITHFUL PERFORMANCE BOND

All City Employees

\$1,000,000
per employee