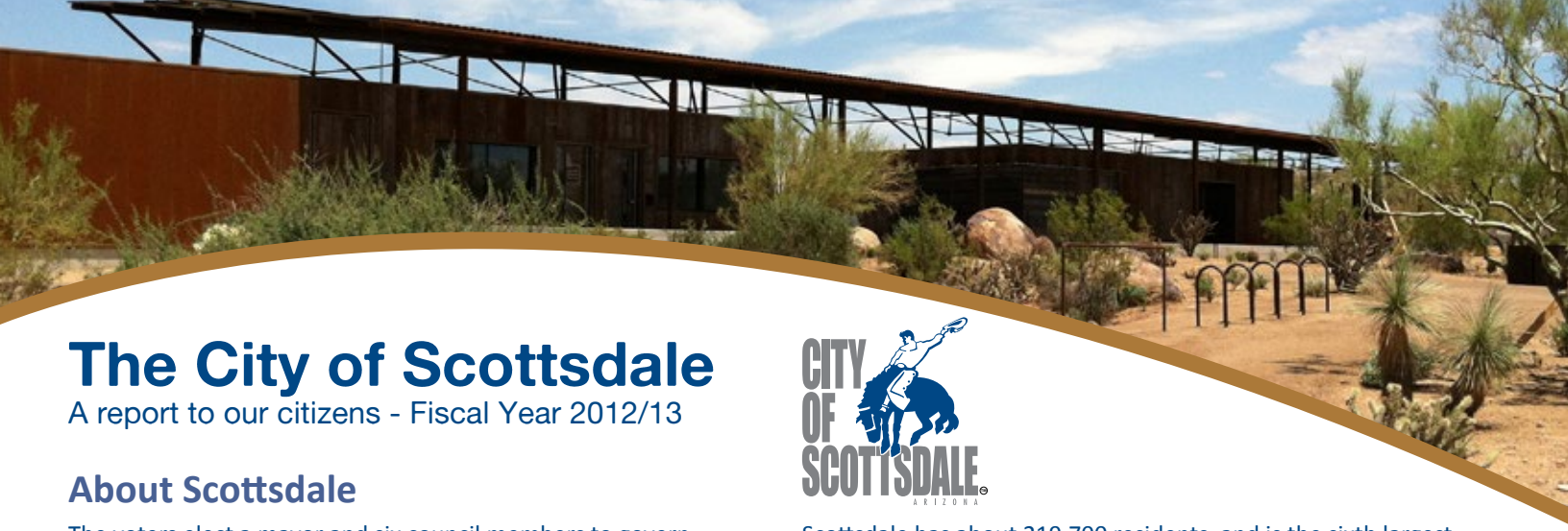


The City of Scottsdale

A report to our citizens - Fiscal Year 2012/13

About Scottsdale

The voters elect a mayor and six council members to govern Scottsdale. The Mayor is W.J. "Jim" Lane and City Council members are Suzanne Klapp, Virginia Korte, Robert Littlefield, Linda Milhaven, Guy Phillips and Dennis Robbins. The City Council appoints six officers to advise them on policy issues and run day-to-day operations. They are City Manager Fritz Behring, City Attorney Bruce Washburn, City Auditor Sharron Walker, City Clerk Carolyn Jagger, Presiding City Judge Joseph Olcavage, and City Treasurer Jeffery M. Nichols.

Scottsdale has about 219,700 residents, and is the sixth largest city in Arizona. The city covers 184.5 square miles; 31 miles from north to south. The largest employer is Scottsdale Healthcare and other large employers include Mayo Clinic, General Dynamics, the Scottsdale Unified School District and the City of Scottsdale. The city employed 2,149 full-time and 316 part-time workers as of June 30, 2013. There were 23 fewer full-time, but 24 more part-time workers on payroll than the prior year.

What was accomplished?

Value Scottsdale's Unique Lifestyle and Character

- Approved operating agreement and funding for Scottsdale Museum of the West construction
- Hosted major golf tournaments, collector car auctions, major horse shows and Parada del Sol

Support Economic Vitality

- Attracted and retained significant auto dealerships and assisted in development of their sites
- Created www.ChooseScottsdale.com website for businesses interested in relocating

Enhance Neighborhoods

- Remodeled the Mustang Library children's area
- Acquired 27 heart rate monitors to transmit data to ER doctors to improve heart attack outcomes

Preserve Meaningful Open Space

- Acquired 6,400 acres of land from the State Land Department with help from State Parks grants
- Opened Tom's Thumb Trailhead, constructed Brown's Ranch Trailhead (pictured above) and opened 55 miles of trails

Seek Sustainability

- Expanded alternate fuel fleet by adding four cargo vans and six garbage trucks
- Expanded facility that treats groundwater and reclaimed water for golf course irrigation

Advance Transportation

- Opened North Scottsdale Park & Ride located at Scottsdale and Thunderbird
- Replaced 64 miles of pavement, repaired 35,330 feet of sidewalk & replaced 4,700 worn street signs

Scottsdale Snapshot



4 POLICE STATIONS **351** POLICE VEHICLES

15 FIRE STATIONS

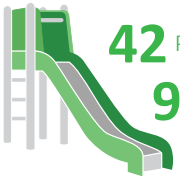
10,779 FIRE HYDRANTS





2,963 LANE MILES OF ROADS

303 TRAFFIC SIGNALS



42 PARKS

975 ACRES



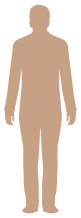
27,800 PRESERVE ACRES

120 MILES OF TRAILS

Note: These are selected accomplishments grouped by strategic goal. The strategic goals are the major divisions of the voter-approved 2001 General Plan.

How do we compare with our neighbors?

Scottsdale is part of the Phoenix metropolitan area, and taxes and rates vary across the eight largest cities. Scottsdale's taxes and rates are lower than all but two or three of the largest cities.



Population
Source: Arizona Office of Employment and Population Statistics

Phoenix	Mesa	Chandler	Glendale	Scottsdale	Gilbert	Tempe	Peoria
1,464,727	444,856	241,214	229,008	219,713	219,666	164,659	157,653

Estimated City Property Tax on a $250,000 House
Source: City budget offices. Based on July 1, 2013 rates

Tempe	Glendale	Phoenix	Peoria	Scottsdale	Chandler	Gilbert	Mesa
$622	$573	$455	$360	$323	$318	$288	$216

Estimated City Sales Tax on a $25,000 Car
Source: City budget offices. Based on July 1, 2013 rates

Glendale	Phoenix	Tempe	Peoria	Mesa	Scottsdale	Chandler	Gilbert
$550	$500	$500	$450	$438	$413	$375	$375

Monthly Residential Utility Bill
Source: City of Tempe. Typical water, garbage and sewer charges as of January 2013

Glendale	Phoenix	Tempe	Peoria	Mesa	Scottsdale	Chandler	Gilbert
$92	$83	$80	$73	$72	$70	$64	$61

How are we doing?

This is a snapshot of a few indicators tracked over time. More performance measures are in the budget book.

Scottsdale Statistics Fiscal Year Ending June 30	2008	2013	vs. 2012
Acres of land acquired for the McDowell Sonoran Preserve	648	6,400	45%
Annual attendance at parks, community centers and libraries (in millions)	7.9	8.2	-3%
Total number of filed charges heard and resolved by the City Court	219,980	90,016	-10%
Responses by the Fire Department to calls for emergency services	22,936	27,075	3%
Average Fire Dept. travel time to calls for emergency services (in minutes)	4:21	4:26	3%
Total crimes per thousand (Scottsdale Uniform Crime Report, Part 1) *	35.6	29.1	-11%
Average Police Department response time to emergency calls (in minutes)	5:07	4:54	-5%
Drinking Water Supplied (million gallons per day)	73.7	67.6	-2%
Homes serviced by residential refuse collections	78,024	80,013	0%
New jobs created in targeted industries	1,374	1,593	9%
Average hotel occupancy rate	65%	63%	2%
Total citywide transit ridership (in millions)	2.6	2.6	4%
Scottsdale Airport takeoffs & landings	201,958	146,432	0%
Maintained landscaped medians and rights of way (in millions of square feet)	16.9	22.7	-3%
Maintained city facilities (in millions of square feet)	2.8	3.2	4%

*For the preceding calendar year.

Additional statistics are available in the division section of the operating budget and in the Comprehensive Annual Financial Report

What does it cost to run the city and how are those costs paid for?

Scottsdale is required by law to adopt a budget each year, and cannot spend more than that total amount. This includes all city funds.

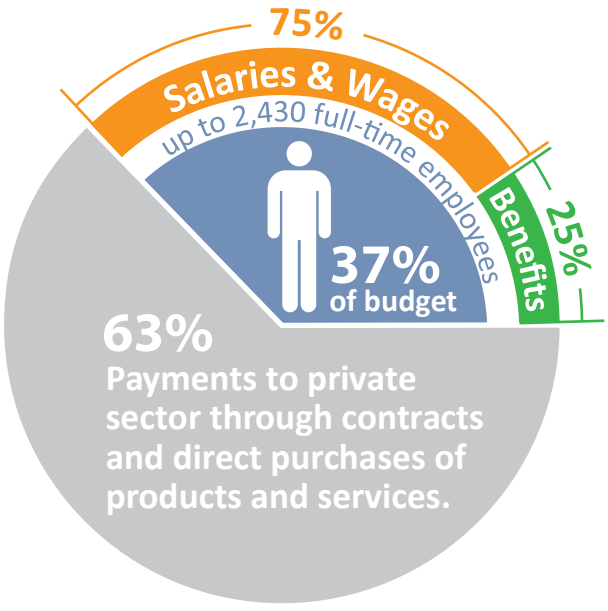
What financial resources are available for the City of Scottsdale? (in millions of dollars)

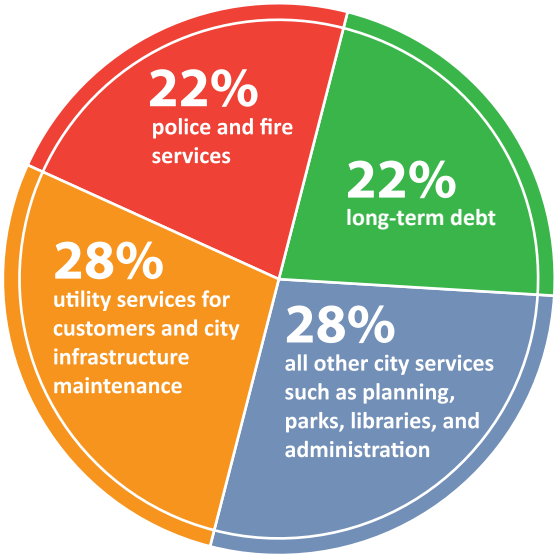
2013 actual	2014 budget	
$62.2	$62.4	**5%** **Property taxes** are collected to support city services, and also to pay for debt service on property, buildings and infrastructure.
$206.8	$133.0	**10%** **Other financing sources** include funds carried over from prior years for capital and utilities designated purposes.
$321.8	$359.3	**26%** The **fund balance** consists of the accumulated surpluses from prior years held in contingency and reserve.
$782.2	$801.1	**59%** The city receives revenue from **local sales and business taxes** (25% of total), and **service charges** from customers (30% of total).
$1,372.9	**$1,355.8**	**Total financial resources available**

What are the expenses for running the City of Scottsdale? (in millions of dollars)

2013 actual	2014 budget	
$193.1	$164.5	**14%** The city also sets aside about 14% of the total budget for **contingency and reserves**. This is the city's savings account.
$586.9	$517.4	**43%** The **capital budget** is used to acquire or construct major facilities including buildings, roads and water infrastructure.
$504.8	$510.9	**43%** The **operating budget** is used to pay for city services and to pay employees that provide those services. For key breakouts see charts below.
$1,284.7	**$1,192.9**	**Maximum expenditure limit**

Two looks at the total operating budget





Note, these numbers are as adopted by the City Council in June 2013. The city's financial statements are audited annually by an independent auditor. The most recent audit for 2013 received a clean opinion. Complete financial information can be found at www.ScottsdaleAZ.gov/finance.



Photo by: C. E. B. Imagery

Challenges Moving Forward

The next fiscal year anticipates a moderate increase in revenues with continued focus on efficient spending to maintain services to the community.

The key issues are as follows:

- Watching city spending carefully
- Reinvesting in the workforce
- Catching up on deferred maintenance by using prior year savings
- Continuing the multi-year effort to reduce charges to the enterprise funds

Because of sound financial practices and a robust local economy, the three major bond-rating agencies continue to rate Scottsdale's general obligation bonds in the highest category – Scottsdale is one of a handful of cities in the nation to earn this distinction.

The mayor and city council have also identified a number of priorities to focus on over the next year. These relate to revitalizing the McDowell Road corridor, ensuring financial sustainability, improving support of tourism events, developing economic development and transportation strategies, and building a high performance organization. Action plans are being developed for each priority.

Please contact us if you have comments or suggestions on how we can improve this report. In addition, please let us know if you like this report, or if you would like to see other information included next year.

Please contact the City Manager's Office to provide your comments.

Scottsdale's City Manager's Office
3939 N. Drinkwater Blvd.
Scottsdale, AZ 85251
480-312-2800
feedback@ScottsdaleAZ.gov

11/2013

What are our priorities for Fiscal Year 2013/14?

Each year, a list of key objectives to advance each strategic goal are developed by staff.

- Acquire 2,400 acres of mountainous State Trust land in the southern area of the Preserve
- Complete first phase of two trailheads north of Dynamite: Granite Mountain and Fraesfield
- Field locate and complete first phase of construction of the northern Preserve trails

- Attract new development and jobs to Scottsdale, including Downtown, Bell and McDowell areas
- Improve ChooseScottsdale.com online and marketing efforts promoting Scottsdale
- Coordinate activities of new five-year Tourism Development and Marketing Strategic Plan

- Update five-year human services plan to address identified community needs
- Finish renovation of community center at Chaparral Park that serves persons with disabilities
- Utilize fifth courtroom with pro tem judges to decrease driving under the influence (DUI) case backlog

- Expand access to transit by opening Thunderbird Park & Ride, Mustang and SkySong transit centers
- Improve traffic flow through Airpark area by completing Northsight Roadway extension
- Complete Scottsdale Road improvements between Thompson Peak and Pinnacle Peak roads

- Increase investment in assets, infrastructure, and employees through balanced, sustainable budgets
- Reduce deferred maintenance backlog by providing timely maintenance and repair to city facilities
- Stabilize fuel costs, emissions and dependence on foreign oil by increasing alternative-fuel fleet
- Negotiate long-term landfill contract to ensure sustainable disposal location for refuse

- Provide significant opportunities for widespread citizen involvement in General Plan update process
- Enhance roadside appearance and bicycle accessibility through Thomas Road streetscape and bike lanes
- Open Tony Nelssen Equestrian Center expansion by hosting new events and expanding existing shows
- Continue efforts to develop new attractions such as Desert Discovery Center and Museum of the West

CITY OF SCOTTSDALE ARIZONA

This report provides a snapshot of information available in the budget and comprehensive annual financial report documents which are available at:

www.ScottsdaleAZ.gov/finance

Citizen-Centric Reporting AGA