



The City of Scottsdale, Arizona

A report to our citizens - Fiscal Year 2010/11



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Strategic Goals

- Preserve Meaningful Open Space
- Enhance Neighborhoods
- Seek Sustainability
- Support Economic Vitality
- Advance Transportation
- Value Scottsdale's Unique Lifestyle and Character

Note: The strategic goals are the same as the major divisions of the voter-approved 2001 General Plan and are the six guiding principles developed through CityShape 2020. They are not listed in priority order.

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 Lisa Borowsky, Suzanne Klapp, Linda Milhaven, Robert Littlefield, Ron McCullagh and Dennis Robbins. The City Council directly hires six officers to advise them on policy issues and run day-to-day operations. They are City Manager David E. Richert, City Attorney Bruce Washburn, City Auditor Sharron Walker, City Clerk Carolyn Jagger, City Treasurer David N. Smith and Presiding City Judge B. Monte Morgan.

In 2011, Scottsdale celebrated its 60th anniversary. Scottsdale has 217,385 residents, is the sixth largest city in Arizona and the 92nd largest city in the United States. The city encompasses approximately 184.5 square miles, which stretches 31 miles from north to south. There are 182,771 people who work in Scottsdale, including 6,650 at Scottsdale Healthcare, the city's largest employer. The city employed 2,227 full-time and 329 part-time workers as of June 30, 2011.

Selected Highlights

- 94 percent of citizen survey respondents rated overall quality of life as "excellent" or "good"
- Established Home Detention and Electronic Monitoring Program for non-violent DUI offenders
- Recorded a 2.8 percent decrease in impairment-related collisions
- Saved \$4.0 million of debt service by refunding \$32.0 million of Preserve revenue bonds
- Accomplished a 25 percent reduction in Workers' Compensation expenses
- Expanded McDowell Sonoran Preserve by 2,000+ acres with 50 percent funding from state grant program
- Ranked by the Trust for Public Land as one of the nation's leading cities for parks and preserve land
- Completed the Scottsdale Center for the Performing Arts renovation and the Soleri Bridge and Plaza
- Finished McCormick-Stillman Railroad Park Museum and Indian School Road improvements
- Completed Downtown water and sewer line improvements and CAP water treatment plant expansion



How are we doing? Measuring our productivity and performance.

Scottsdale Statistics Fiscal Year End	2010	2011	Trend
Acres of land acquired for the McDowell Sonoran Preserve	399	2,001	↑
Annual attendance at parks, community centers and libraries	8,634,522	8,855,120	↑
Charges resolved by the City Court	113,382	108,003	↓
New Code Enforcement cases	16,452	16,000	↓
Responses by the Fire Department to calls for emergency services	23,996	25,586	↑
Average Fire Department response time to emergency calls (in minutes)	4:28	4:22	↓
Drinking water supplied (million gallons per day)	68.4	67.9	↓
Homes serviced by residential refuse collection	79,006	79,342	↑
Total crimes per thousand (Scottsdale Uniform Crime Report, Part 1)	29.6	28.2	↓
Average Police Department response time to emergency calls (in minutes)	5:01	4:57	↓
Scottsdale Airport takeoffs & landings	156,896	136,089	↓
Total citywide transit ridership	3,103,185	2,539,744	↓

Citizen Survey Ratings*	2006	2010	Trend	Benchmark [†]
Scottsdale as a place to live	94%	96%	↑	Much above
Overall quality of life	90%	94%	↑	Much above
Overall appearance	87%	94%	↑	Much above
Services provided by the city	81%	88%	↑	Much above
Rating service by city employees	76%	83%	↑	Much above
Value of services for taxes paid	69%	74%	↑	Much above

Selected Service Ratings*	2006	2010	Trend	Benchmark [†]
Police	82%	90%	↑	Much above
Fire	96%	96%	↔	Above
Street Repair	60%	67%	↑	Much above
Garbage Collection	88%	92%	↑	Much above
Recycling	77%	87%	↑	Much above
City Parks	84%	93%	↑	Much above
Public Library	88%	93%	↑	Much above
Code Enforcement	59%	72%	↑	Much above
Drinking Water	42%	52%	↑	Much below
Storm Drainage	48%	70%	↑	Much above

*Percent "excellent" or "good" [†]Compared to a national database of community ratings

How do we compare with our neighbors?

Property tax rate per \$100 assessed value

PHOENIX	1.82
TEMPE	1.79
GLENDALE	1.60
PEORIA	1.44
CHANDLER	1.27
GILBERT	1.15
SCOTTSDALE	1.09
MESA	0.45

Local retail sales tax rate

GLENDALE	2.20
TEMPE	2.00
PHOENIX	2.00
PEORIA	1.80
MESA	1.75
SCOTTSDALE	1.65
GILBERT	1.50
CHANDLER	1.50

Residential utility bill

MESA	\$96.10
PHOENIX	\$92.82
GLENDALE	\$91.26
PEORIA	\$78.53
SCOTTSDALE	\$78.03
TEMPE	\$70.69
GILBERT	\$70.07
CHANDLER	\$65.21

As of July 1, 2011

As of July 1, 2011

Typical water, garbage and sewer charges as of Sept. 1, 2011



What are the expenses for running the City of Scottsdale and what revenues were available?

These charts provide a snapshot into how the city as a whole did financially over the past two years. For detailed analysis and explanation of these results, please review the Comprehensive Annual Financial Report available on the city's website. The city's financial statements are audited annually by an independent audit firm.

Revenues in millions (all funds, unaudited)

	2010	2011
Property Taxes	60.9	67.7
Intergovernmental Taxes	56.8	49.2
Business and Sales Taxes	147.3	154.5
Capital Grants & Contributions*	199.5	59.0
Other Revenues	42.1	48.3
Service Charges	194.5	190.5
TOTAL REVENUES	\$701.2	\$569.2

*Revenue decline attributed to decrease in non-cash infrastructure contributions toward capital assets.

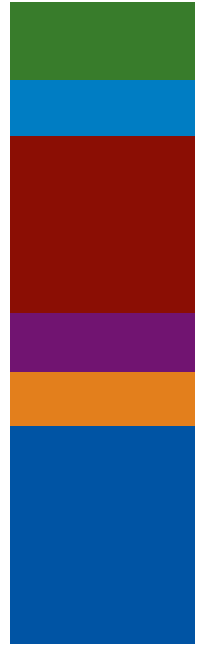
Expenses in millions (all funds, unaudited)

	2010	2011
Community Services	53.6	52.0
Public Safety	116.2	111.2
General Government	50.7	40.9
Community & Economic Development	138.3	137.9
Interest on Long-term Debt	39.4	40.4
Public Works & Water Resources	166.0	173.5
TOTAL EXPENSES	\$564.2	\$555.9

Net Assets (all funds)

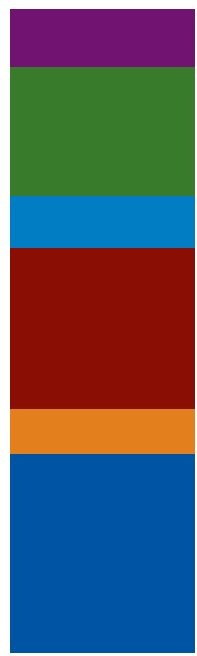
Beginning of year	\$4,059.4	\$4,196.4
End of year	\$4,196.4	\$4,209.7

Where does it come from? (fiscal year ending June 30, 2011)



- Property Taxes - \$67.7 million (12% of total)**
Taxes collected on residential and commercial properties.
- Intergovernmental Taxes - \$49.2 million (9%)**
The city receives a percentage of state revenues including income tax, sales tax and vehicle license tax based upon population.
- Business and Sales Taxes - \$154.5 million (27%)**
Local sales and use taxes collected on retail, restaurant, hotel, auto sales and construction.
- Capital Grants & Contributions - \$59.0 million (10%)**
Includes funding from local, state and federal governments for buildings, construction and equipment.
- Other Revenues - \$48.3 million (8%)**
Includes investment interest, operating grants and miscellaneous revenues, fines and fees.
- Service Charges - \$190.5 million (33%)**
Charges for city utility services including water, sewer and solid waste.
- TOTAL: \$569.2 million**

Where does it go? (fiscal year ending June 30, 2011)



- Community Services - \$52.0 million (9% of total)**
Parks, libraries, pools, recreation, and senior centers and programs.
- Public Safety - \$111.2 million (20%)**
Fire and police department operations and programs.
- General Government - \$40.8 million (7%)**
Administrative services including information technology, human resources, charter officers and mayor & city council.
- Community & Economic Dev. - \$137.9 million (25%)**
Includes airport, planning, neighborhoods, transportation, building safety and WestWorld.
- Interest on Long-term Debt - \$40.4 million (7%)**
- Public Works and Water Resources - \$173.5 million (31%)**
Includes solid waste, recycling, streets, streetlights, water and sewer services.
- TOTAL: \$555.9 million**

Challenges Moving Forward

In response to reduced revenues, the adopted budget for the fiscal year that began July 1, 2011 reduces overall staffing and expenses in the General Fund, the city's primary operating fund.

Authorized staffing levels are at the lowest point in seven years, down 353 positions (13 percent) from the year that ended June 30, 2009. Discretionary expenditure levels in the General Fund are down \$45 million (24 percent) from actual spending over the same time period.

The challenge is to continue to provide quality services with reduced resources and maintain the high community quality of life that has garnered accolades from citizens, and high ratings from media like CNN/Money and Bloomberg/BusinessWeek.

Your feedback is important to us. If you have comments, questions or suggestions about the information contained in this report, please contact:

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Snapshot images: Page 1: (masthead) Water Mark on Indian Bend Road, Gateway to the McDowell Sonoran Preserve, Soleri bridge & Plaza, Scottsdale Xeriscape Garden.

Pages 2-3: One with the Eagle at Scottsdale Airport, Passing the Legacy at the Scottsdale Waterfront SkySong, Appaloosa Library, lazy river at McDowell Mountain Aquatic Center.

Page 4: Love sculpture at the Civic Center Mall, Taleisin West, Rippling Waters Bridge at the crosscut canal.

What are our priorities for Fiscal Year 2011-2012?

Support Economic Vitality

- Retain and enhance tax revenue from north and south Scottsdale automotive retail trade areas
- Enhance tax base through creating new development and jobs on the McDowell and Bell road corridors
- Identify funding and business development options for the proposed Desert Discovery Center
- Develop strategies and funding options to attract more, larger events year-round at WestWorld

Preserve Meaningful Open Space

- Leverage matching funds to acquire about 4,400 acres for the Preserve from State Land Department
- Complete construction and open the Tom's Thumb Trailhead
- Complete site design and begin construction of the Brown's Ranch Trailhead

Enhance Neighborhoods

- Secure site for Desert Foothills Fire Station 13 to improve fire protection services
- Enhance fire protection efforts by working with residents, neighborhoods and community partners
- Improve survivability for cardiac emergencies by partnering with residents, responders and hospitals
- Continue efforts to reduce crimes, as well as improving City Court criminal and civil case processing

Value Scottsdale's Unique Lifestyle And Character

- Complete construction of the Scottsdale Road Streetscape between Roosevelt Street and Earll Drive
- Initiate construction of the Thomas Road Streetscape between Civic Center and the Indian Bend Wash
- Initiate design of roadway and flood control improvements on Pima Road between McDowell and Thomas roads

Seek Sustainability

- Reorganize and create greater efficiencies in city administration and public safety
- Continue water conservation efforts at public and park facilities by reducing overall consumption
- Continue to provide safe and reliable drinking water including compliance with new federal regulations

Advance Transportation

- Complete roadway, drainage and trail improvements on Pima Road from Thompson Peak Parkway to Pinnacle Peak Road
- Complete design and right-of-way acquisition for the Northsight Boulevard extension in the Airpark
- Complete Raintree Drive extension design concept report for the Airpark
- Begin construction of the federally-funded park-and-ride lot at Scottsdale and Thunderbird roads



This report provides a snapshot of information available in the FY 2010/11 Comprehensive Annual Financial Report and the FY 2011/12 Budget which are available at www.ScottsdaleAZ.gov/finance