



Photo by Bill Timmerman

The City of Scottsdale

A report to our citizens - Fiscal Year 2013/2014



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 met 31 evenings during the year and decided on 576 items.

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.

The city employed 2,147 full-time and 299 part-time workers at the end of the year. There were two fewer full-time and 17 fewer part-time workers than the prior year. More than 4,000 residents volunteered 200,000 hours with the city. About 150 residents volunteer on the city's boards, commissions and task forces.

For more information about demographics, leadership, or a community profile, visit www.ScottsdaleAZ.gov/about.

What we accomplished: Highlights in Priority Areas



Value Scottsdale's Unique Lifestyle and Character

- Completed multi-use Arizona Canal Path from 64th Street to Goldwater Boulevard
- Bil Keane's 'The Family Circus' cartoon commemorated in bronze statue at McCormick - Stillman Railroad Park



Support Economic Vitality

- The 275,000 square foot Tony Nelssen Equestrian Center expansion opened at WestWorld in January
- Negotiated operating agreement and identified funding to build Scottsdale's Museum of the West



Enhance Neighborhoods

- Used federal grants to upgrade 266 street lights to LED energy efficient lighting in four neighborhoods
- Rehabilitated eight-unit housing complex on Belleview Street in partnership with Habitat for Humanity



Preserve Meaningful Open Space

- Added 2,365 acres to the McDowell Sonoran Preserve assisted by state grants
- Opened Brown's Ranch trailhead (pictured above) and the first phases of Granite Mountain and Fraesfield trailheads



Seek Sustainability

- All three major credit rating agencies affirmed the city's "AAA" bond rating – the highest possible rating
- Refinanced \$106 million of city bonds, saving \$7.5 million of debt service over the life of the bonds



Advance Transportation

- Completed Northsight extension, Hayden roundabout and the Rawhide Wash bridge on Scottsdale Road
- Added fuel-efficient trolleys to the neighborhood and downtown routes

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

How Our Residents Rate Scottsdale

Percent "excellent" or "good"

Quality of life



As a place to live



Appearance



City services



City employees



Value of services for taxes paid



Complete survey results online at www.ScottsdaleAZ.gov/CitizenSurvey

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 rates are lower than all but two or three of the largest cities.

Estimated City Property Tax on a \$250,000 House
Source: City budget offices. Based on adopted FY 2014/15 rates.



Estimated City Sales Tax on a \$25,000 Car
Source: Arizona Department of Revenue As of Aug. 1, 2014



Monthly Residential Utility Bill
Source: City of Tempe. Typical water, garbage and sewer charges as of July 2014



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

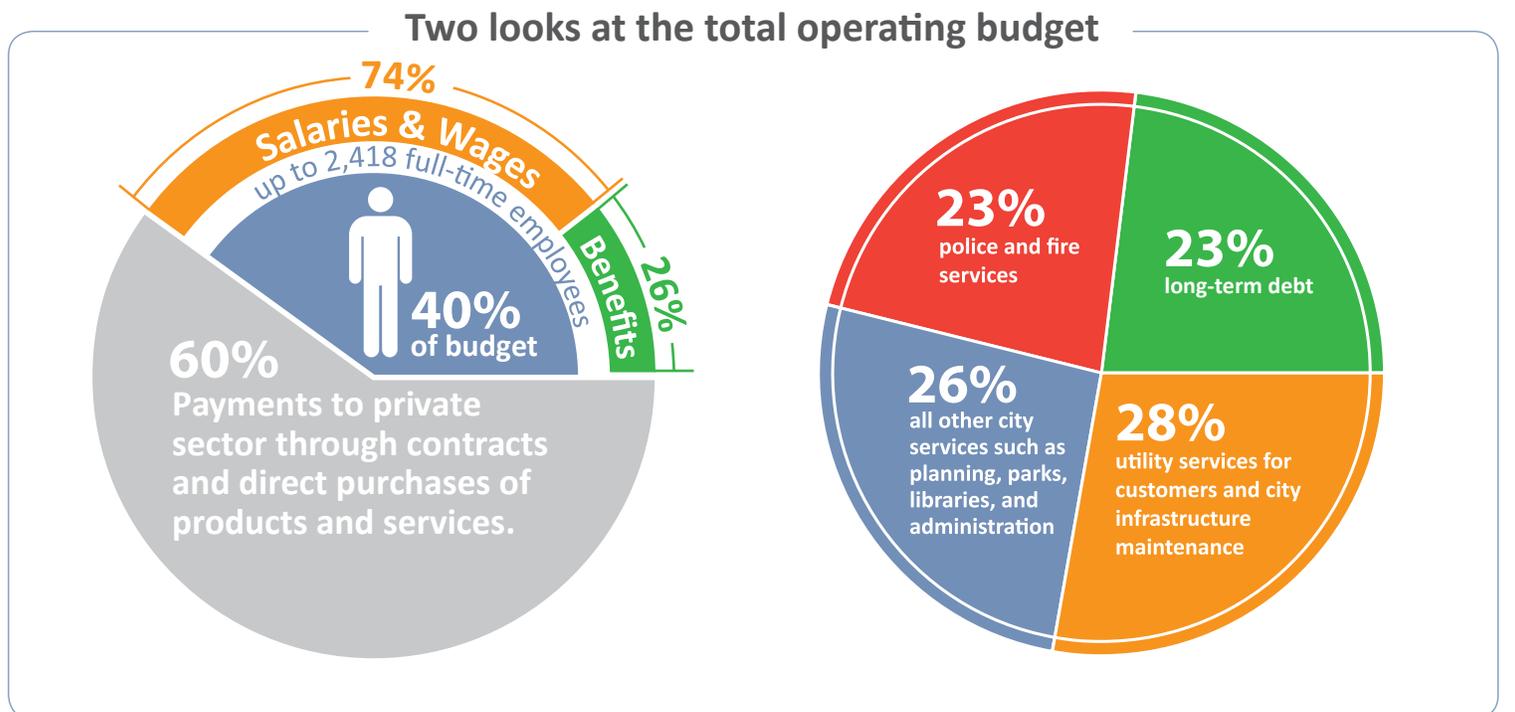
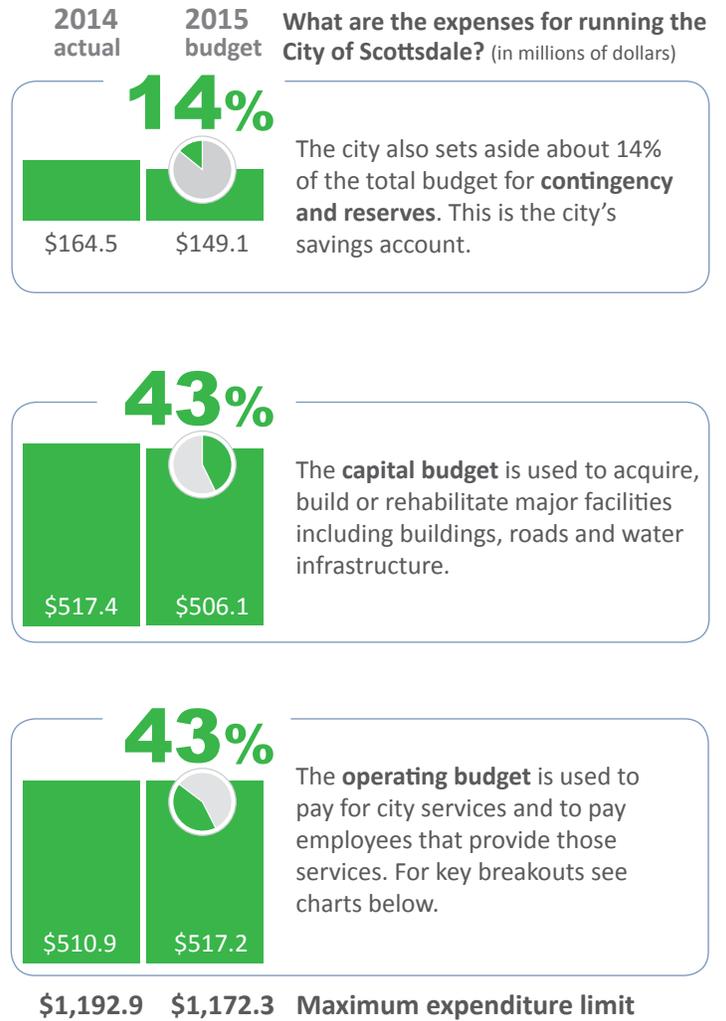
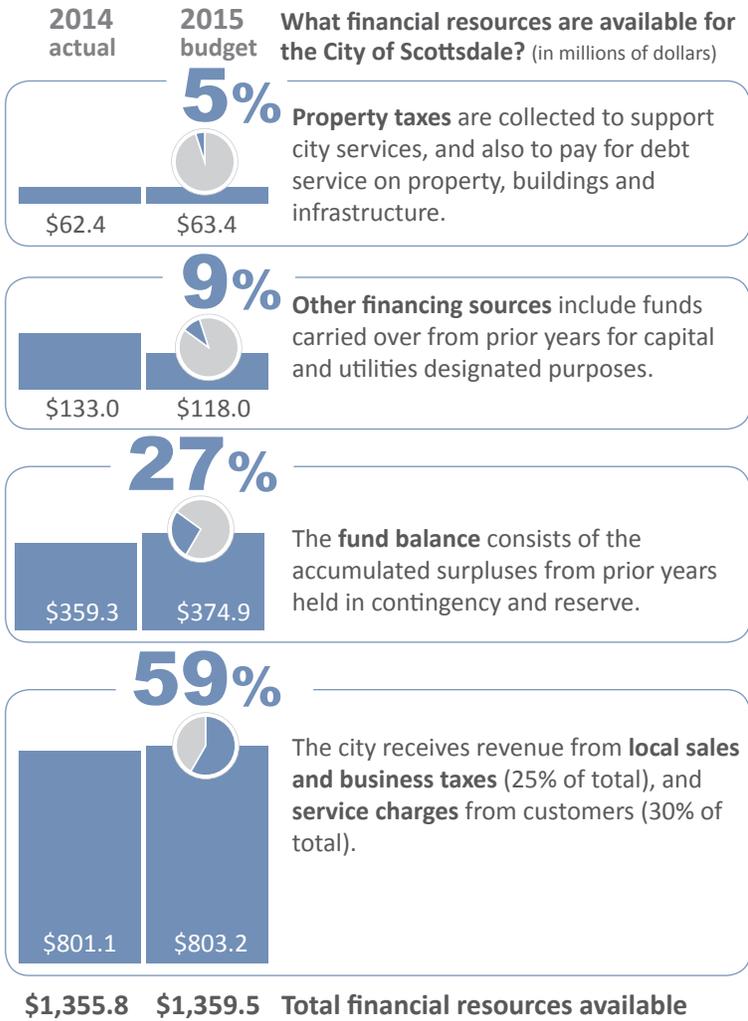
	2009	5-Year Trend	2014
 Acres of land acquired for the McDowell Sonoran Preserve	25		2,365
 Annual attendance at parks, community centers and libraries (in millions)	8.7		7.8
 Total number of filed charges heard and resolved by the City Court	137,887		83,441
 Responses by the Fire Department to calls for emergency services	23,953		28,544
 Average Fire Dept. travel time to calls for emergency services (in minutes)	4:23		4:27
 Total crimes per thousand (Scottsdale Uniform Crime Report, Part 1) *	34.3		27.8
Average Police Department response time to emergency calls (in minutes)	5:07		5:04
Drinking water supplied (million gallons per day)	69.4		70.2
Homes serviced by residential trash and recycling collections	78,607		80,354
New jobs created in targeted industries	394		1,069
Average hotel occupancy rate	59%		66%
Total citywide transit ridership (in millions)	3.5		2.6
Scottsdale Airport takeoffs & landings	169,972		142,248
Maintained landscaped medians and rights of way (in millions of square feet)	17.0		22.5
Maintained city facilities (in millions of square feet)	2.3		3.3

*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 for the fiscal year ending June 30.



Note, these numbers are as adopted by the City Council in June 2014. 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.

Challenges Moving Forward

The fiscal year 2014/15 budget is balanced and it includes the priorities and policy direction given by the city council. When developing the budget, we focused on spending money smarter, making city government leaner and more efficient. The economy continues its slow recovery, while the city's budget also must reflect rising operating costs.

General fund revenues are projected to increase by \$9.1 million – about 4 percent. Some of the increase will be used to cover increasing operating expenses. These increased expenses include the maintenance and replacement of city vehicles, computers and equipment, and employee health care and retirement rate increases.

Spending was reduced by \$2.7 million and 18 fulltime positions were eliminated in the general fund. This permitted 3 percent of payroll to be set aside for salary increases for high performing employees, consistent with council's goal of reinvesting in a high performance organization.

In addition, \$13 million will be transferred from the general fund to the Capital Improvement Program (CIP) for critical infrastructure projects. We project to spend \$230 million on capital projects in the next fiscal year.

Finally, consolidating city staff into other facilities will allow the sale of excess city buildings. Proceeds from those sales (when they happen) will contribute one-time money to the CIP, return property to the tax rolls and reduce ongoing maintenance costs.

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
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What are our priorities for Fiscal Year 2014/15?

The Scottsdale City Council adopted a new mission statement and priorities in December, and reviewed progress and reaffirmed the priorities at a strategic planning workshop in April.

Mission Statement: Simply better service for a world-class community.

City Council priorities:

- Partner with residents and businesses to revitalize the McDowell Road corridor
- Provide strategic support for tourism and visitor events
- Create and adopt a comprehensive economic development strategy
- Develop a transportation strategy that anticipates future needs
- Prepare and adopt fiscally sustainable operating and capital budgets
- Reinvest in a high performance organization and work culture

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



Preserve Meaningful Open Space

- Acquire two properties near Pima and Dynamite for future Preserve trailhead and wash protection



Enhance Neighborhoods

- Redesign ScottsdaleAZ.gov website to accommodate tablets and mobile phones
- Double wireless capacity at public libraries in response to continued increases in customer demand
- Purchase land and begin design of a permanent location for Fire Station 613 near Scottsdale and Jomax



Seek Sustainability

- Increase residential recycling diversion rate from 28 percent to 35 percent or greater by the year 2020
- Ensure water supply sustainability by increasing stored water credits for drought reserve
- Initiate education campaign on salinity to reduce salt in wastewater and environment
- Upgrade treatment technology at Chaparral Water Treatment Plant to meet stricter regulations



Support Economic Vitality

- Coordinate with Scottsdale Convention & Visitors Bureau to host 2015 Super Bowl events in Scottsdale
- Complete construction and open the Scottsdale Museum of the West
- Complete renovations to the TPC Scottsdale clubhouse and Stadium Course



Advance Transportation

- Improve traffic signal performance by repair, replacement or upgrade of equipment and signal timing
- Begin construction of transit improvements and roundabout adjacent to Mustang Library
- Improve storm drainage north of Shea between 90th and 96th and along Granite Reef south of Chaparral



Value Scottsdale's Unique Lifestyle and Character

- Begin construction of a multi-use path along the Arizona Canal from Chaparral Road to McDonald Drive
- Add bicycle and pedestrian capacity to the McDowell Road bridge over the Indian Bend Wash Greenbelt
- Complete bicycle lanes and pedestrian amenities on Thomas Road from Scottsdale Road to Indian Bend Wash

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

This report prepared according to AGA citizen centric reporting standards.

