

REPORT TO OUR COMMUNITY for Fiscal Year 2018/19

Look for this symbol for links to additional information



Our Mission: Simply Better Service for a World-Class Community

This annual report provides an overview of the city of Scottsdale's priorities, strategic initiatives and performance measures. It is organized around the six guiding principles the city uses to achieve its mission.

Nearly 8,000 people directly serve Scottsdale in this mission. Voters elect the mayor and six council members to set policy and direction, who in turn appoint six charter officers to advise them and run day-to-day operations. About 2,800 employees deliver hundreds of programs and services for residents and businesses and those employees are joined by more than 6,000 volunteers. That team serves more than 250,000 people who call Scottsdale home and about nine million people who visit our community each year.

If you have comments or suggestions on how we can improve this document, please contact the City Manager's Office: 480-312-2800 | citymanager@ScottsdaleAZ.gov



Value Scottsdale's Unique Lifestyle and Character

Scottsdale blends a spirit of the old west with a legacy of planning and innovation to continuously improve services and quality of life for our community.



Highlighted Accomplishments

- To honor the past, a historic archive and community resource called the Scottsdale Heritage Connection was installed at the Civic Center Library.
- The city of Scottsdale and Experience Scottsdale launched Scottsdale Contemporary Month celebrating a curated collection of special events, art galleries, performing art centers, museum, architecture and food.

Scottsdale residents continue to enjoy a high quality of life. Nine in 10 residents positively rated the overall image or reputation of Scottsdale in the most recent National Citizen Survey.



Percent rating positively (excellent/good)



Looking Forward

• The city, San Francisco Giants and the Scottsdale Charros are partnering to modernize Scottsdale Stadium to enhance the fan experience and increase the stadium's usability for non-baseball events and activities.



Seek Sustainability

As a desert community, Scottsdale values conserving natural resources to sustain our quality of life.

Highlighted Accomplishments

- Residents diverted 28 percent of household waste to recycling rather than shipping it to the landfill.
- Scottsdale's fleet of solid waste collection vehicles is green. Six out of every 10 trucks are powered by compressed natural gas, while the rest use bio-diesel.
- Scottsdale Water is working with large commercial customers, providing recommendations and tools that save more than 38 million gallons of water annually.

Looking Forward

• Scottsdale is doing its part to improve our air quality by maintaining its green fleet and by reducing the total mileage driven by five percent in the next year.



Scottsdale Water launched the Choose Tap! campaign to promote the city's water quality, value and convenience. Twenty bottle filling stations were installed around the community and a bottle refill trailer spread the word at events. Combined they dispensed more than 18,000 gallons of water – offsetting the equivalent of 100,000 one-time use plastic water bottles.

The typical Scottsdale household pays less for monthly water, wastewater, trash and recycling service than the average rates for other Valley cities.

Actual bills may vary based on actual usage and size of property. Source: City of Tempe



\$85 Scottsdale







Preserve Meaningful Open Space

For 25 years, Scottsdale's McDowell Sonoran Preserve has provided residents and visitors unmatched natural experiences.



Highlighted Accomplishments

• The city opened two new trailheads at Granite Mountain and at Fraesfield, and completed 10 miles of new trails to welcome people to the preserve.

Looking Forward

 Another new trailhead is being built at Pima and Dynamite, providing more access to the extensive network of trails in the preserve's northern expanse.

The McDowell Sonoran Conservancy's 580 volunteer stewards care for the preserve and those who enjoy it – you can be one of them.

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Visit mcdowellsonoran.org to learn how to become a volunteer



Advance Transportation

From maintaining high quality roads to convenient public transit, providing exceptional transportation options drives our city forward.

Highlighted Accomplishments

- Voter-approved bonds financed resurfacing 57 lane miles of city streets, improving driving conditions and reducing maintenance costs.
- The city expanded trolley and bus services, provided eight new bus stop pads and updated signs to improve accessibility to public transit.

Looking Forward

 A safe and efficient street network remains a top priority, evidenced through continuous investment in street surfaces, traffic signals and road markings. Learn how roundabouts are improving driving conditions across our city.



Learn more at ScottsdaleAZ.gov, search "roundabouts"

SCOTTSDALE EZ

Our crews repaired 99 percent of all street repair requests within 48 hours. See a pothole? Report it at ScottsdaleAZ.gov, search "EZ."



Enhance Neighborhoods

Scottsdale's exceptional quality of life begins in our wonderful neighborhoods, where the city continues to focus attention and resources to keep them safe and thriving.



Highlighted Accomplishments

- Nearly 900 volunteers participated in the award-winning Operation Fix It program, completing 188 repair and beautification projects for neighbors unable to do the work themselves.
- Community supporters stepped up to help 332 senior citizens, donating money and materials to the Adopt-A-Senior program.

Nextdoor

The city of Scottsdale is sharing info & answering questions in your neighborhood via Nextdoor, the free neighborhood social network



5:05 minutes average police response time



4:52 minutes average fire response time



Fire Department public education and outreach connected with more than 21,000 people



Scottsdale's public libraries welcomed more than one million visitors



537 volunteers with Vista del Camino & Paiute Neighborhood Cent<u>ers</u>





Visit nextdoor.com and find your neighborhood



Support Economic Vitality

Our strong and diverse economy makes a high quality of life possible in our community. Scottsdale is home to more than 18,000 businesses and hosts hundreds of special events annually.

Highlighted Accomplishments

• Scottsdale's Economic Development Department attracted new companies and helped others expand, resulting in 1,531 new jobs with an average wage of \$68,000.

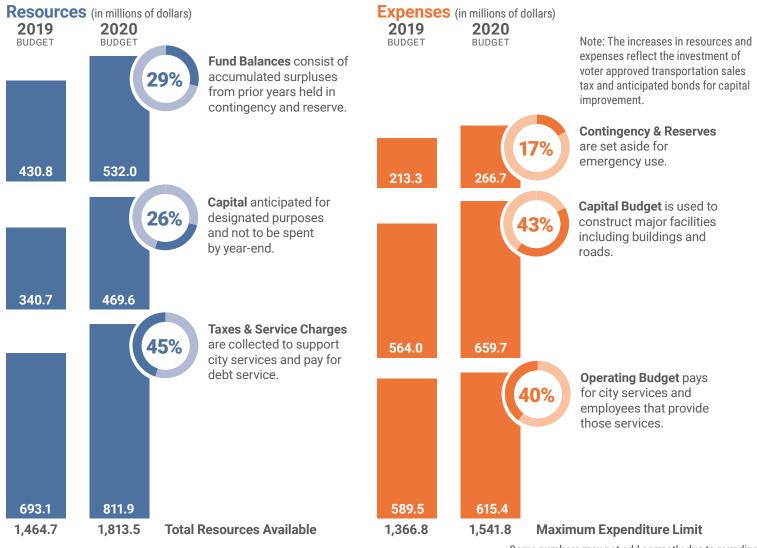
Looking Forward

• Construction has started on Papago Marketplace, a landmark project in the McDowell Corridor as well as the new Nationwide campus, Cavasson, at Hayden and Loop 101.



The Resources and Expenses that Fund Scottsdale's High Quality of Life

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. These numbers are as adopted by the City Council in June 2019. The city's financial statements are audited annually by an independent auditor. The most recent audit for 2018 received a clean opinion. If you would like more information, visit ScottsdaleAZ.gov and search "budget."



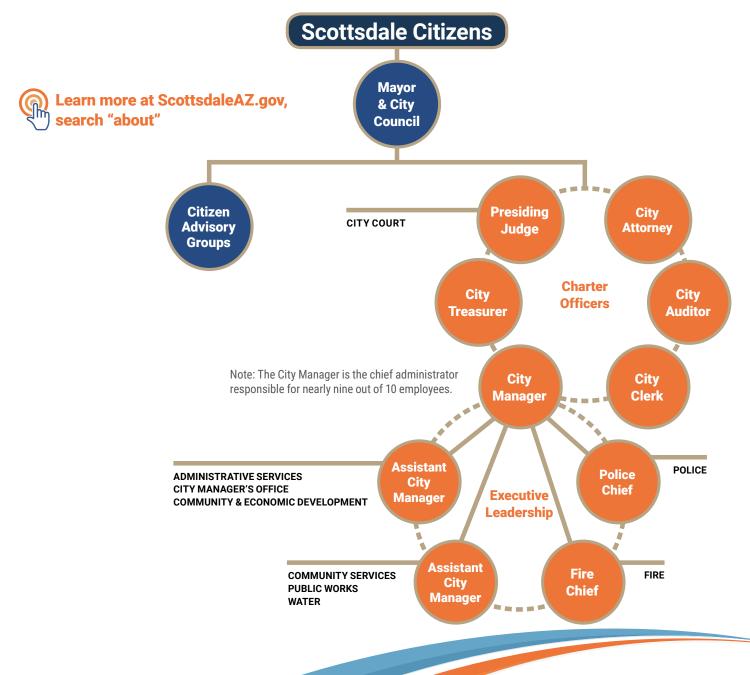
Some numbers may not add correctly due to rounding.



CITY ORGANIZATION

An Introduction to Our Leadership

The City Council is the governing body for Scottsdale. The council consists of the mayor and six council members who are elected to represent the city at large and serve overlapping, four-year terms. These seven citizens oversee city government and set policy, approve programs, appropriate funds, enact laws, select charter officers and appoint residents to serve on advisory bodies. The mayor is the chair of the Scottsdale City Council and presides over its meetings, which are typically held on Tuesdays in the City Hall Kiva Forum located at 3939 N. Drinkwater Blvd. in Old Town Scottsdale. The City Council hires six officers to advise them on policy issues and run day-to-day operations. They are collectively known as the charter officers because their positions are spelled out in the City Charter, a voter-approved document which describes the organization and authority of city government in Scottsdale. These positions are the city attorney, city auditor, city clerk, city manager, city treasurer and presiding city judge.



Scottsdale City Council



W. J. "Jim" Lane served for four years on the Scottsdale City Council beginning in June 2004 and began his third term as Mayor in January 2017. Mayor Lane currently represents the city as a member of the Flinn Foundation Arizona Bioscience Roadmap Steering Committee. He is the current President of the Arizona Municipal Water Users Association, a member of the Governor's Arizona Workforce Committee, member of the Executive Committee of the League of Arizona Cities and Towns. He is a member the MAG Regional Council and former President of the MAG Executive Board and Economic Development Committee. Mayor Lane also serves on the Municipal Tax Code Commission, Arizona Game and Fish Appointment Recommendation Board, he is a member of the Phoenix Committee on Foreign Relations and an Honorary Member of the Taliesin West Board of Stewards. He came to Scottsdale from New Jersey in 1973 to take a position with KPMG (Peat Marwick), an international CPA firm. He worked as an Arizona CPA for 20 years with five of those years in public accounting as a financial statement auditor. Mayor Lane has owned and operated businesses in construction, mining, computer technology, telecommunications, regional aviation and financial consulting. Mayor Lane is also a former Adjunct professor of Business and Accounting at Scottsdale Community College. He holds a Bachelor of Science degree in Accounting from Saint Joseph's University in Philadelphia.

jlane@ScottsdaleAZ.gov • 480-312-2433



Suzanne Klapp began her first term on the Scottsdale City Council in January 2009 and began her third term in January 2017. She has more than 40 years of management experience in manufacturing, distribution and retail operations. She began her career with Whirlpool Corp. where she worked for 14 years in a variety of positions in marketing, communications,

human resources, production and material control. Later, she owned a custom plastics manufacturing plant in Indiana. She moved to Scottsdale in 1998 and has since owned custom framing retail stores in Scottsdale and Phoenix. She is member of the Valley Metro RPTA board and helped found and continues to advise the Scottsdale Gateway Alliance. She is a graduate of Valley Leadership and is on the Advisory Board of Scottsdale Leadership. She serves as chair of the Council's Economic Development Subcommittee and is a member of the Council's Capital Improvement Plan Subcommittee. She holds a Bachelor of Arts degree in English and Journalism from the University of Evansville and Master of Business Administration from Southern Methodist University.

sklapp@ScottsdaleAZ.gov · 480-312-7402



Councilmember Virginia Korte began her second term on the Scottsdale City Council in January 2017. She has an extensive background in business and non-profit management as well as community service. In 1981 she joined her family business (Ray Korte Chevrolet) to work with and learn from her father where she served in various roles until becoming general

manager and dealer in 1991. After selling the dealership in 1998, Virginia was hired as a biology professor at Scottsdale Community College and became the first Executive Director of their Center for Native & Urban Wildlife, serving until 2002. In 1996, Virginia was named to the Board of Directors of the Scottsdale Area Chamber of Commerce, and in 2002, she was hired as President and CEO. Virginia then served as President and CEO of Scottsdale Training and Rehabilitation Services (STARS) from 2008 until 2014. She currently serves as a member of the board for Business United for Scottsdale Schools.

vkorte@ScottsdaleAZ.gov · 480-312-7456



Kathy Littlefield began her second term on the Scottsdale City Council in January 2019. She has 25 years of financial and management experience. She co-founded (with her husband Bob Littlefield, who served three terms on the Scottsdale City Council from 2002 to 2015) and continues to manage a successful Scottsdale-based computer company, NetXpert Systems,

Inc. Her previous professional experience includes working in the Budget Office of the City of Plano, Texas, as an office manager for a local greetings company, and as the finance director for Girls Ranch, a nonprofit organization formerly in Scottsdale. She served as president of her Civitan Club (an organization that helps developmentally disabled and underprivileged children), where she was chosen "Civitan of the Year" for her efforts. Councilwoman Littlefield is a Scottsdale native. She attended the Scottsdale Unified Schools Ingleside Elementary and Arcadia High and graduated with distinction from Arizona State University in 1970 with a bachelor's degree in business education.

klittlefield@ScottsdaleAZ.gov • 480-312-7412



Guy Phillips began his second term on the Scottsdale City Council in January 2017. Councilman Phillips was raised in Phoenix where he graduated from Camelback High School in 1977. He moved to Scottsdale in 1994. He attended Maricopa Community College and subsequently started the air conditioning contracting business that he still owns and operates. He was a

general contractor and homebuilder whose business was one of the first to implement Scottsdale's Green Building Program. He is a member of the Better Business Bureau, the Arizona Small Business Association, the North Scottsdale Chamber of Commerce, the Heritage Foundation, the National Rifle Association, and the Arizona Archaeological Society. Councilman Phillips has created many startup businesses with a patent pending and in his spare time he likes to restore vintage muscle cars. Scottsdale is where Guy Phillips met his wife Cora, and together they raised a family of five children who all attended Scottsdale public schools.

gphillips@ScottsdaleAZ.gov · 480-312-2374



Linda Milhaven began serving on the Scottsdale City Council in January 2011 and was re-elected to a third term that began in January 2019. She has served in numerous volunteer capacities including Chair of the Board of Trustees of the Scottsdale Cultural Council, Chair of the Board of the Scottsdale Area Chamber of Commerce and Chair of the Board of the Better Business

Bureau. She was a member of Class VIII of Scottsdale Leadership and in 2009 earned their Frank B. Hodges Alumni Achievement Award. As part of her 30 year banking career, she was a community bank president in Scottsdale from 1993 to 2005. Councilwoman Milhaven graduated from Paradise Valley High School. She holds a Bachelor of Arts degree in Psychology from Wellesley College in Wellesley, Massachusetts, and a Masters in Business Administration from Columbia University in New York.

Imilhaven@ScottsdaleAZ.gov • 480-312-7454



Councilwoman Whitehead began her first term on the Scottsdale City Council in January 2019. She came to Scottsdale in 1996 from San Diego for 'just six months', fell in love with everything Arizona and never went back. Councilwoman Whitehead graduated from the University of Florida where she earned a degree in electrical engineering. She is an accomplished

businesswoman, currently working in the real estate field. She served 10 years as executive director of the Environmental Fund for Arizona and in that capacity was named Arizona Wildlife Federation's "Arizona Conservationist of the Year" in 2009. Councilwoman Whitehead is a former Scottsdale McDowell Sonoran Preserve Commissioner, proudly helped lead the monumental effort to pass Proposition 420 in November 2018 and provided funding for the initial 3D Printer Lab at Scottsdale Community College. She and her husband Mike have three grown children and spend a lot of time outdoors.

swhitehead@ScottsdaleAZ.gov · 480-312-7423

Charter Officers



Jim Thompson City Manager jthompson@ScottsdaleAZ.gov 480-312-2800



Sherry R. Scott City Attorney sscott@ScottsdaleAZ.gov 480-312-2405



Carolyn Jagger City Clerk cjagger@ScottsdaleAZ.gov 480-312-2411



Sharron Walker City Auditor swalker@ScottsdaleAZ.gov 480-312-7867



Jeff Nichols City Treasurer jenichols@ScottsdaleAZ.gov 480-312-2364



Joseph Olcavage Presiding Judge jolcavage@ScottsdaleAZ.gov 480-312-7604

Highlighted Recognition

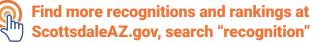


Scottsdale achieves What Works Cities Silver Certification. A Bloomberg Philanthropies Initiative, the certification rates how well cities are managed by measuring the extent to which city leaders incorporate data and evidence in their decision-making. Scottsdale was recognized for adopting a business mindset to run a wellmanaged government, embracing transparency, embedding data in decision-making – and several other accomplishments that resulted from those practices. Scottsdale was one of seven cities to achieve 2019 What Works Cities Certification and the smallest city to be certified to-date.

Operation Fix It receives Outstanding Achievement in Local Government Innovation Award. This award recognizes programs that successfully confront an important service delivery dilemma and have a positive impact and benefit to the community.

Tourism and Events wins six advertising awards for Old Town rebranding. The Phoenix Chapter of the American Advertising Federation presented ADDY Awards for the Old Town Rebrand Campaign, including three gold level awards (for magazine print, outdoor board advertising and integrated campaign), one silver award (for magazine print) and one bronze (for outdoor board). The Tourism and Events Department was also awarded the coveted Judge's Choice Award for the entire campaign.

Scottsdale Employee Awards. At Scottsdale's annual Employee Awards Program on Dec. 5, 160 employees and one volunteer were honored. The winners were among more than 550 employees nominated in several categories.





COMMUNITY PROFILE

Welcome to Scottsdale, Arizona

A world-class community

Located in the beautiful Sonoran Desert, Scottsdale is nestled at the foot of the McDowell Mountains in the Valley of the Sun. Scottsdale is a premier community known for a high quality of life with attractive residential, working and shopping areas. It is an internationally recognized visitor destination and a thriving location for businesses of all kinds.

Scottsdale consistently ranks among the nation's best places to live, with top-rated schools, awardwinning parks, low crime and a vibrant economy. Old Town Scottsdale is home to many restaurants, retail shops, art galleries and resort hotels. Scottsdale's McDowell Sonoran Preserve is a permanently protected Sonoran Desert habitat encompassing nearly 48 square miles. There are recreational opportunities for everyone with many golf courses, tennis courts, parks, pools, bike paths and trails.

Scottsdale was founded by Army Chaplain Winfield Scott in 1888 but was not incorporated until 1951 when Scottsdale was a small community of 2,000 residents situated on about two square miles of land. Today, Scottsdale has more than 250,000 residents enjoying the rich diversity of experiences offered within the city's 185 square miles.





All Work and All Play

Business

Scottsdale is one of the state's leading job centers with a robust economy anchored by bio-life science companies, hightech innovation, financial services, tourism and corporate headquarters. Scottsdale is home to nearly 18,000 businesses supplying more than 150,000 jobs. SkySong, the ASU Scottsdale Innovation Center, is designed to help companies grow through a unique partnership with Arizona State University. Scottsdale's downtown, Old Town Scottsdale, is an emerging center for high-tech businesses. Farther north, the Scottsdale Airpark is the city's largest employment area and the Scottsdale Cure Corridor is a partnership of premier health care providers and biomedical companies.

Tourism

With great weather, fantastic scenery and a calendar full of special events, Scottsdale is a popular tourist destination in Arizona. Millions of people visit Scottsdale annually. The city boasts many hotels and resorts, restaurants and spas. That activity adds up to big business. The annual economic impact of Scottsdale visitors is estimated at several billion dollars. Annual tax revenue generated by domestic visitors was estimated around 47 million dollars – representing about one in every five city tax dollars.

Special Events

Every January through March, Scottsdale captures the national spotlight with an eclectic mix of sport and cultural events that draw hundreds of thousands of spectators and millions of television viewers. Scottsdale resorts annually host Fiesta Bowl teams and Old Town becomes a focal point for pep rallies and fan parties. The Barrett-Jackson Collector Car Auction headlines a week of automotive attractions and becomes the star of more than 40 hours of live television coverage. The Waste Management Phoenix Open unfolds at TPC Scottsdale, featuring more national TV coverage and the largest, loudest galleries in golf. The Scottsdale Arabian Horse Show — among the largest horse shows in the nation — and Scottsdale's festive Parada del Sol Parade and Rodeo follow later. In March, Major League Baseball takes center stage. Old Town Scottsdale serves as the spring home of the San Francisco Giants and makes the city a headquarters for visiting fans and media from across the nation.



Scottsdale Top Attractions



1. Pinnacle Peak Park



4. WestWorld



6. McCormick-Stillman Railroad Park



8. Scottsdale Fashion Square



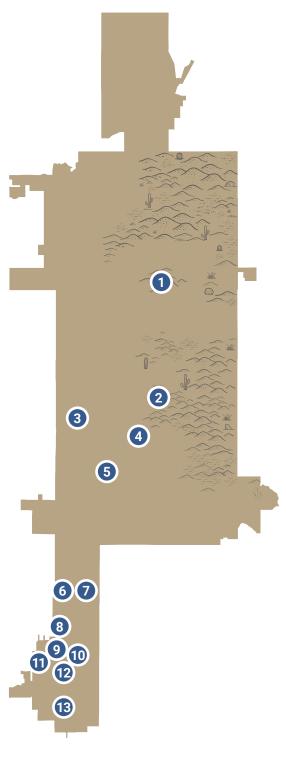
10. Scottsdale Historical Museum



12. Scottsdale Stadium



2. Preserve Gateway and Scottsdale's McDowell Sonoran Preserve





3. TPC Scottsdale



5. Scottsdale Airport/Airpark



7. Indian Bend Wash Greenbelt



9. Old Town Scottsdale



11. Scottsdale's Museum of the West



13. SkySong



The Best Park in the Nation!

The McCormick-Stillman Railroad Park captured the 2019 ELGL Knope Award for the nation's best park or open space, beating out 31 competitors in a national contest sponsored by Engaging Local Government Leaders. This award symbolizes not just one of the best open spaces in the



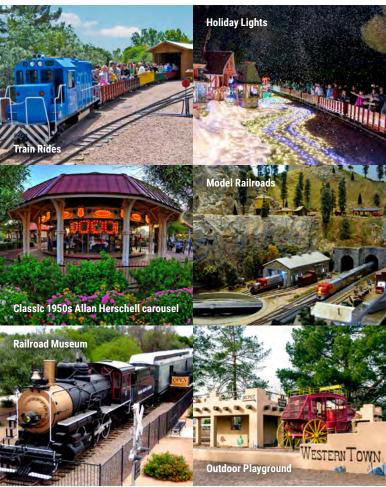
nation but also showcases the management of public places that make communities special. The Railroad Park and the city of Scottsdale would like to thank all of our citizens and supporters for their role in helping the park receive such a meaningful recognition.

The 30-acre McCormick-Stillman Railroad Park, located in the heart of Scottsdale, is the most unique park of its kind in the country. The park entertains approximately one million visitors annually.

Take a ride on the Paradise & Pacific Railroad and the 1950-vintage Allan Herschell carousel. Immerse yourself in the massive model railroad museum. Play on one-of-a-kind playgrounds, enjoy shopping and ice cream, or just relax in the grass under a tree in one of the nation's most fun and beautiful parks.



Photos by: Scott Amonson, Barrett-Jackson, Mark Boisclair Photography, Inc., James L. Christy, Jake Debruyckere, Michael Duerinckx, Bernard Gagnon, Ken Greshowak, HAPI, Maureen Isree



Railfair: October 12–13, 2019

All aboard! The McCormick-Stillman Railroad Park celebrates all things railroad with model train displays and exhibits and a wide selection of the park's seldom seen vintage railroad equipment on display along with special presentations on railroad and Arizona history. Take a free tour of the Roald Amundsen Pullman car and the Scottsdale Railroad Museum.



DEMOGRAPHICS

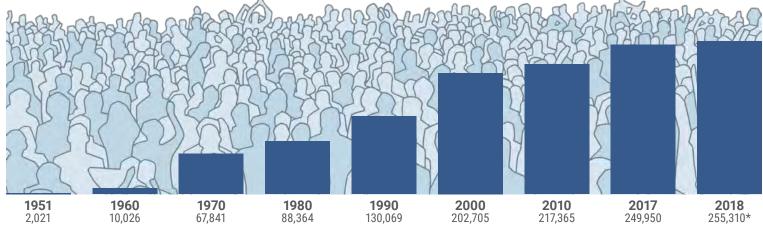
Look for this symbol for the most up-to-date demographic information



Scottsdale by the Numbers: A Demographic Summary



Scottsdale is the 85th largest city in the U.S. by population, and currently has over a quarter million residents. Source: U.S. Census (2018)



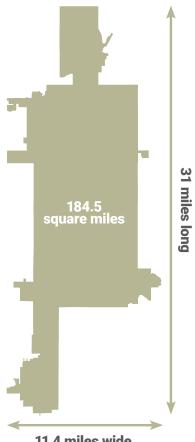
1,510 ft Scottsdale

Airport

1,150 ft

Lowest point

Scottsdale is the 45th largest city in the U.S. by area. Source: U.S. Census and City of Scottsdale (2010)



More than 8,000 people directly serve the residents of Scottsdale. Source: City of Scottsdale



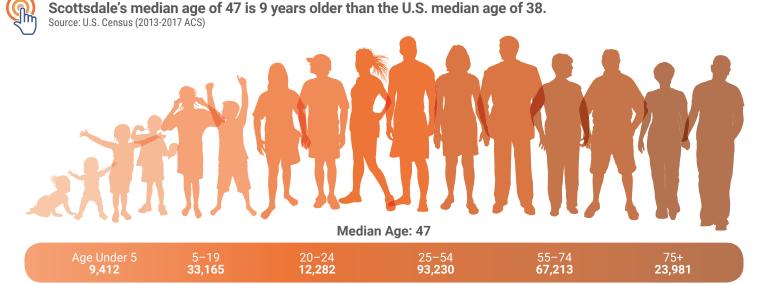
▼ 82°

Change in Elevation

62°

Scottsdale Residents

Scottsdale's median age of 47 is 9 years older than the U.S. median age of 38.



10%

2%

2%

1%

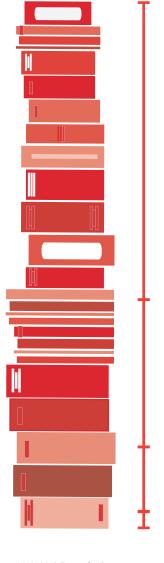
56% (103,577)

Bachelor's Degree or

higher

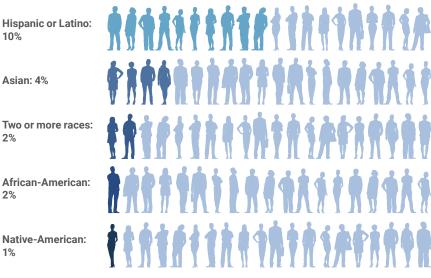
Asian: 4%

More than half of Scottsdale adults have earned a bachelor's degree or higher. Source: U.S. Census (2013-2017 ACS)



184,424 Population 25 years & older

While most residents are white, about 1 in 10 are Hispanic or Latino. Source: U.S. Census (2013-2017 ACS)



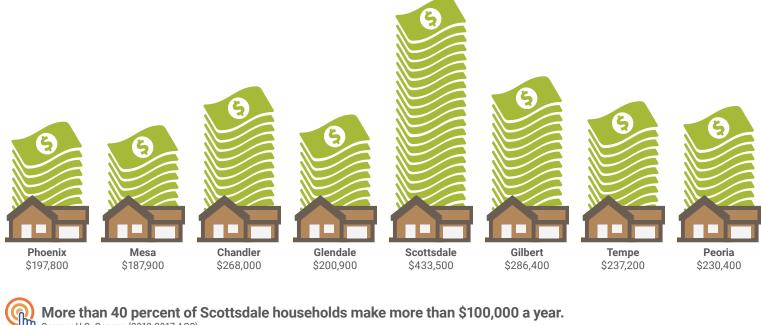
White: 81%

There are more women than men in Scottsdale Source: U.S. Census (2013-2017 ACS)

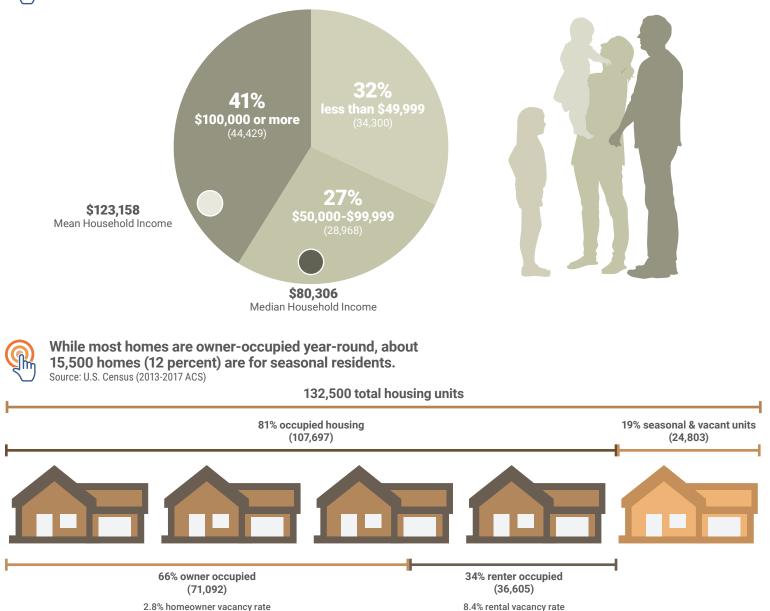
28% (51,078) Associate Degree/Some College 51% 49% Female Male 12.5% (23,141) (117,542) High School Graduate 3.5% (6,628) Less than High School Graduate

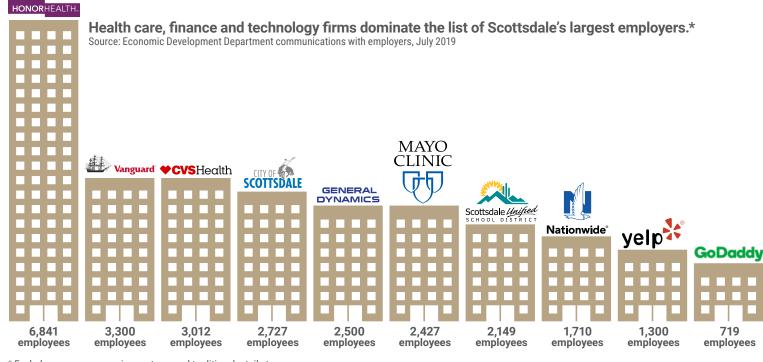
Scottsdale has the highest median housing price of any of the large Valley cities.

Source: U.S. Census (2013-2017 ACS)



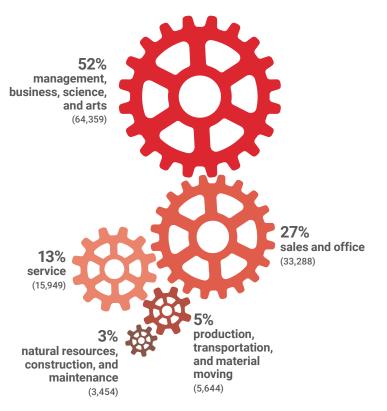
Source: U.S. Census (2013-2017 ACS)





* Excludes grocers, convenience stores and traditional retail stores.

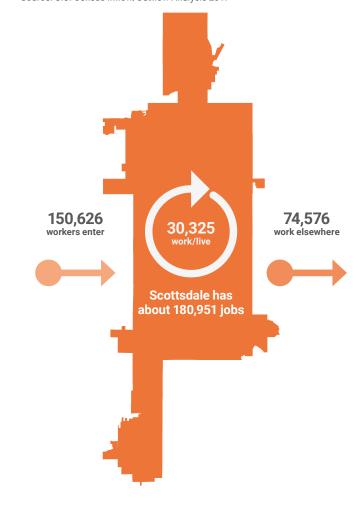
Most residents work in management or office jobs. Source: U.S. Census (2013-2017 ACS)



122,694 civilian employed population (16 years & over)

To view additional demographic information, visit ScottsdaleAZ.gov and search "about"

More people come to work in Scottsdale each day than leave to work in other communities. Source: U.S. Census Inflow/Outflow Analysis 2017





Scottsdale employees provide Simply Better Service that help keep the community clean and healthy.

Learn more at ScottsdaleAZ.gov, search "about"





1,483 MILES OF SANITARY SEWERS

2,124 MILES OF WATER MAINS

ER

Scottsdale employees provide Simply Better Service that help keep our World-Class Community safe.

4 POLICE 343 POLICE STATIONS 343 POLICES







E RESPONSE

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HICLES

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Scottsdale employees provide Simply Better Service that enhance the quality of life of residents and visitors.



Scottsdale has a vibrant business community and is a destination for arts, dining and tourism.



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