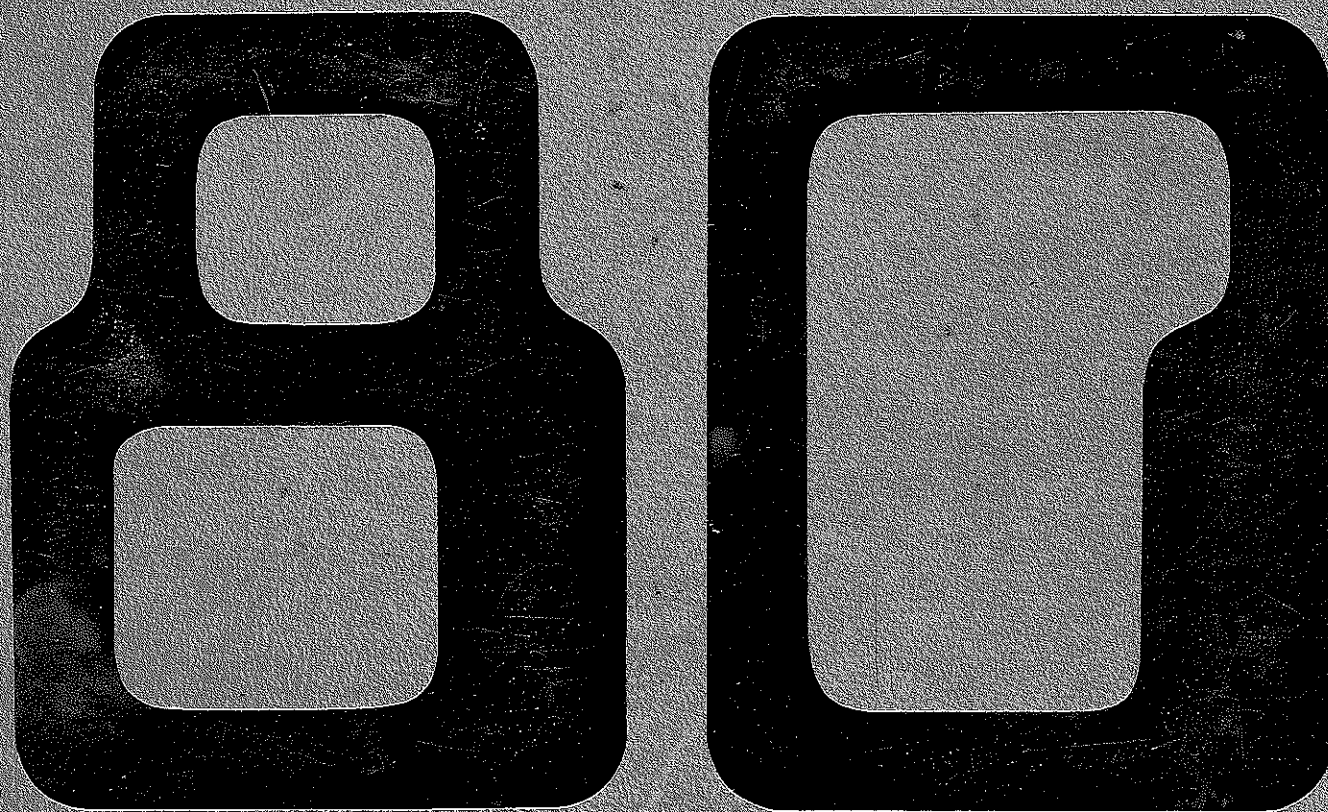


DRAWN OF A DECADE PEOPLE SERVING PEOPLE

ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED, JUNE 30, 1981



SCOTTSDALE, ARIZONA



CITY OF SCOTTSDALE, ARIZONA
ANNUAL
FINANCIAL REPORT
FISCAL YEAR ENDED
JUNE 30, 1981

CITY COUNCIL

HERBERT R. DRINKWATER, MAYOR

JAMES D. BRUNER

HEINZ R. HINK, PHD

DIANE D. CUSACK

JEFF SCHUBERT

BILLIE AXLINE GENTRY

CHARLIE SMITH

ROY R. PEDERSON - CITY MANAGER

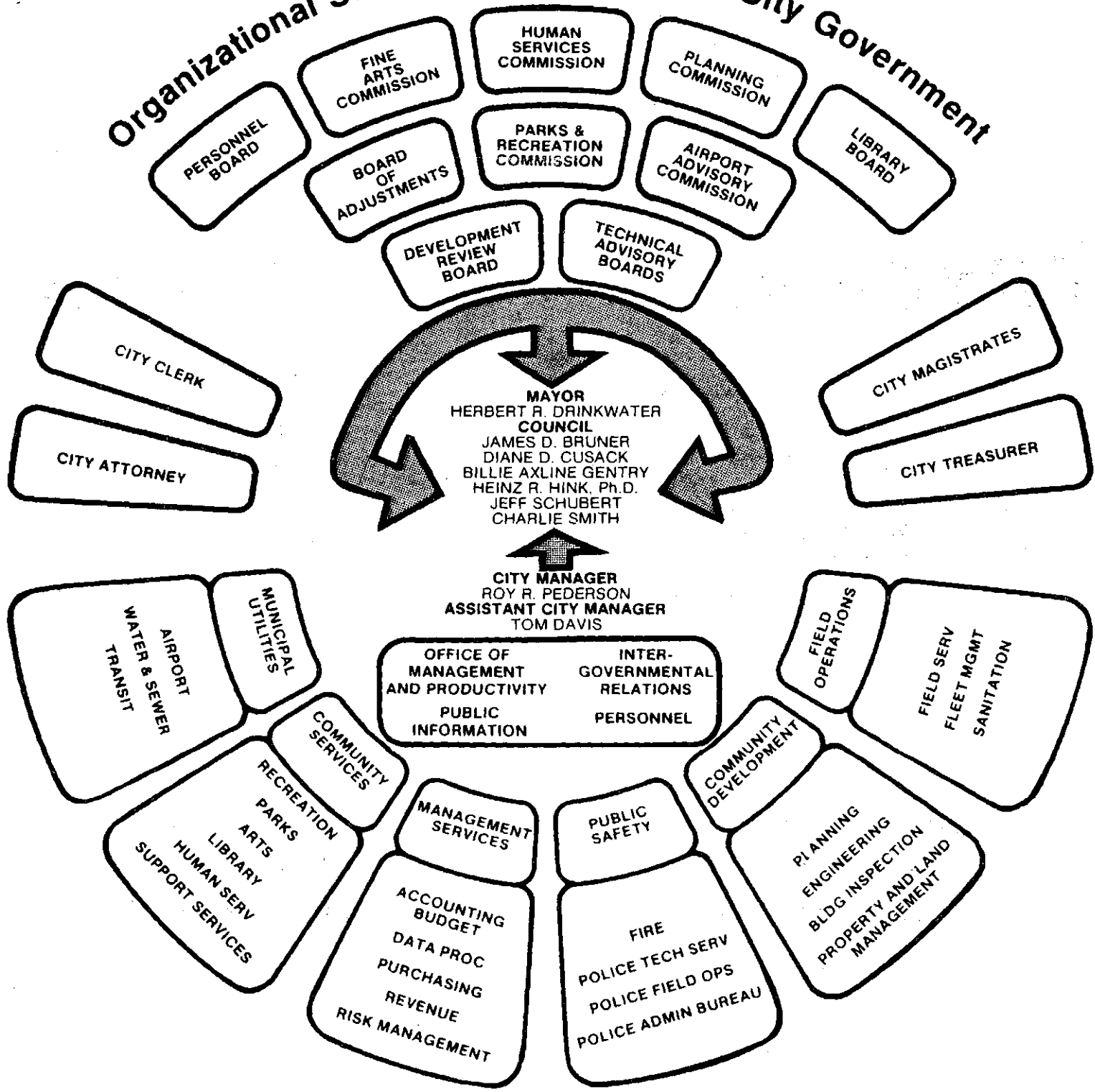
TOM DAVIS - ASSISTANT CITY MANAGER

Prepared by

Management Services Department
James A. Jenkins

Management Services Dept. Head/City Treasurer

Organizational Structure for Scottsdale City Government



City of Scottsdale
ANNUAL FINANCIAL REPORT

June 30, 1981

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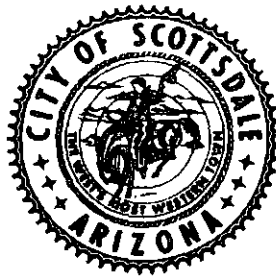
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**INTRODUCTORY
SECTION**



August 28, 1981

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, 1981, 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, 1980, 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 and Fiduciary Funds of the City are maintained on the accrual basis of accounting. The Governmental Funds are maintained on the modified accrual basis of accounting. The accrual basis of accounting recognizes revenue when it is earned and measurable and expenses when incurred, if measurable. 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 should be 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, 1981.

Financial Overview

A comparison of total fund balances for Governmental Funds reveals a substantial decrease over last year in both the Public Works Reserve and Capital Projects Funds. This decrease was anticipated in the Capital Projects Fund as no new bonds were issued to add to the Fund. In the Public Works Reserve Fund fewer projects remained incomplete at year-end than in the prior year.

<u>Fund</u>	<u>FY 1980-81</u>	<u>FY 1979-80</u>	<u>Increase (Decrease)</u>
General	\$ 1,862,728	\$ 1,894,496	\$ (31,768)
Highway User	311,562	269,688	41,874
Public Works Reserve	2,373,410	5,417,667	(3,044,257)
Federal Revenue Sharing	139,459	15,607	123,852
Community Development	310	49,790	(49,480)
Grants	281,256	220,695	60,561
Debt Service	4,311,094	3,715,852	595,242
Capital Projects	1,090,877	2,098,255	(1,007,378)
Special Assessments	111,409	106,368	5,041
Trust and Agency	<u>193,439</u>	<u>86,594</u>	<u>106,845</u>
Total Fund Balances	<u>\$10,675,544</u>	<u>\$13,875,012</u>	<u>\$(3,199,468)</u>

A comparison of total retained earnings for Proprietary Funds reveals a substantial improvement over last year.

<u>Fund</u>	<u>FY 1980-81</u>	<u>FY 1979-80</u>	<u>Increase (Decrease)</u>
Water and Sewer	\$13,590,443	\$10,619,071	\$ 2,971,372
Airport	(482,986)	(452,190)	(30,796)
Motor Pool	85,014	104,919	(19,905)
Public Housing	(131,616)	(124,676)	(6,940)
Self Insurance	<u>1,034,645</u>	<u>868,810</u>	<u>165,835</u>
Total Retained Earnings	<u>\$14,095,500</u>	<u>\$11,015,934</u>	<u>\$ 3,079,566</u>

Governmental Funds Revenue

Revenue for governmental funds totaled \$36,195,931 in 1981, an increase of 5.3% over 1980. The amount of revenue from various sources and the increase or decrease over last year is shown in the following tabulation.

This is consistent with expectations in that the three revenue sources showing significant increase or decrease are caused by non-recurring events. Charges for Services include a 29% increase in the refuse collection fee; Miscellaneous is up due to shared capital improvements projects costs; Grants are down due to a sharp reduction in the amount of new grants received. The remaining items which are in large part dependent on economic conditions are showing very moderate changes as the economy remains stagnant.

<u>Revenue Source</u>	<u>FY 1980-81</u>	<u>FY 1979-80</u>	<u>Increase (Decrease)</u>	<u>%</u>
Property Taxes	\$ 3,148,907	\$ 2,949,749	\$ 199,158	6.8%
Privilege and Other Taxes	12,506,507	11,747,501	759,006	6.5
Licenses and Permits	1,408,602	1,301,675	106,927	8.2
Fines and Forfeitures	578,808	564,704	14,104	2.5
State Shared Revenue	8,789,985	8,223,567	566,418	6.9
Federal Shared Revenue	1,130,809	1,048,561	82,248	7.8
Charges for Services	2,676,846	2,140,977	535,869	25.0
Use of Money and Property	1,542,496	1,617,730	(75,234)	(4.7)
Miscellaneous	3,232,744	2,678,965	553,779	20.7
Grants	1,180,227	2,092,470	(912,243)	(43.6)
Total	<u>\$36,195,931</u>	<u>\$34,365,899</u>	<u>\$1,830,032</u>	<u>5.3%</u>

Another interesting comparison is that of percentage contribution by revenue source.

<u>Revenue Source</u>	<u>FY 1980-81</u>	<u>FY 1979-80</u>	<u>Increase (Decrease)</u>
Property Taxes	8.7%	8.6%	.1 %
Privilege Taxes	34.6	34.2	.4
Licenses and Permits	3.9	3.8	.1
Fines and Forfeitures	1.6	1.6	--
State Shared Revenue	24.3	23.9	.4
Federal Shared Revenue	3.1	3.1	--
Charges for Services	7.4	6.2	1.2
Use of Money and Property	4.3	4.7	(.4)
Miscellaneous	8.9	7.8	1.1
Grants	3.2	6.1	(2.9)
Total	<u>100.0%</u>	<u>100.0%</u>	<u>-0-%</u>

Governmental Funds Expenditures

Expenditures of governmental funds increased by 9.5% or \$3,280,554 over 1980. A comparison by municipal department is shown in the following schedule.

<u>Department</u>	<u>FY 1980-81</u>	<u>FY 1979-80</u>	<u>Increase (Decrease)</u>
General Government	\$ 2,981,022	\$ 2,216,339	\$ 764,683
Public Safety	7,731,176	6,685,001	1,046,175
Management Services	2,556,277	2,516,505	39,772
Field Operations	7,091,973	5,680,964	1,411,009
Community Services	5,813,913	5,377,929	435,984
Community Development	4,151,823	4,504,456	(352,633)
Debt Service	1,532,127	1,526,660	5,467
Municipal Utilities	226,151	407,185	(181,034)
Capital Improvements	5,894,920	5,783,789	111,131
Total	<u>\$37,979,382</u>	<u>\$34,698,828</u>	<u>\$3,280,554</u>

Treasury Management

Temporarily idle cash was invested during the year in time certificates of deposit, treasury bills, savings accounts, and government agency securities. These investments yielded 11.2% on an average daily invested balance of \$19,800,000. Total interest earned on all funds provided \$2,767,661 investment income. Interest earnings on the governmental funds was \$1,467,454.

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 3.5% for 1980-81. 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 legal debt margin of \$16,301,185 for 6% General Obligation Bonds and \$58,081,709 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, 1981, the general fixed assets of the City amounted to \$251,209,220. 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 net income for the water and sewer system totaled \$2,971,372, up from \$2,684,578 last year. The primary reason for the increase was the increase of \$757,695 in water service charges collected during the year. Water and sewer system revenue totaled \$7,244,494 for fiscal year 1980-81, up \$1,012,981 from last year.

Expenses have increased; for fiscal year 1980-81 expenses totaled \$4,273,122, up \$726,187 or 20.5% over last year.

Airport

The net loss for the airport decreased from \$43,592 last year to \$30,796 for fiscal year 1980-81. Operating revenue increased \$56,378 or 23% over last year, primarily from space rentals and commissions on sales by the Fixed Base Operators. Operating expenses increased \$28,293 or 9% with the largest increases for materials and supplies.

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 1980-81 was \$6,940 compared to a loss of \$13,984 for last year. Rental income increased \$12,006 from the prior year, due primarily to a reduction in the amount of uncollected rents and increases in rental rates. Operating costs were increased by \$4,841 with all of the increase occurring in maintenance and utility expenses.

Significant Events and Accomplishments - 1980-81

o The local economy in most sectors ceased growing in 1980-81.

Local Privilege tax receipts increased only \$354,918 or 3.3%. Inflation as measured by the Phoenix Metro CPI increased 11.9% during the same period of time.

State Shared Sales Taxes increased only \$49,628 or 1.3%. This small increase was partially due to the elimination of state sales tax on food effective in July of 1980. The revenue loss due to the elimination of the state sales tax on food is estimated to be \$120,000.

1,906 building permits were issued, up 473 from last year's total of 1,433 permits. The increase was all in multi-family units which were up 516 units.

Permit valuations for 1980-81 totaled \$148.8 million, up \$42.2 million (40%) from last year's \$106.6 million total permitted valuation. These valuations are influenced by a fee increase of approximately 35% for the year.

1,690 new dwelling units were approved by the Development Review Board, a decrease of 1,195 from last year's total of 2,885 units.

- o The City sold the remaining authorized but unissued bond authority in June, 1980. At this date the City has no voter approved but unissued bond authority for either general obligation or revenue bonds.
- o The combined property tax rate for 1981-82 is \$.89. The primary tax rate is \$.59 as compared to \$.63 last year. The secondary tax rate is \$.30 as compared to \$.41 last year. The tax levy for 1981-82 will be \$3,306,072 up \$142,072 from last year's levy of \$3,164,000.
- o \$14,600,000 was expended on capital improvements during the year. The major capital improvement projects were:

Community Services Projects

Mountain View Park Initial Development

Flood Control Projects

Scottsdale Ranch Detention Basin
Shea/Scottsdale Storm Drain
Indian School Road Storm Drain
Culvert at 71st and Shea

Improvement District Projects

Scottsdale Road - McKellips to Roosevelt

Neighborhood Improvement Projects

Downtown Curb Cuts for Handicapped
Fire Hydrant Improvements
Oak Street Bikeway

Public Buildings Projects

5th Avenue Restroom
Civic Center Smoke/Heat Detectors
Stadium Beautification
Airport Terminal Improvements

Transportation Projects

Major Street Overlay Program
Traffic Signals
Hayden Road, North of McDonald
Pima: Bell - Shea
Airport Runway Extension

Water and Sewer Projects

Improvements to the 91st Avenue Wastewater Facility
Transmission, Pima and Arizona Canal
Transmission, Well 5 to Arizona Canal
Well Site Fencing and Beautification
Well 29 Production Improvements
Salt River Outfall Sewer Repairs
Booster: 100th and Cactus
Sewer: 96th and Desert Cove
Two New Wells
Telemetry System
2 MG Reservoir

- o 22 miles of water lines and 18 miles of sewer lines were added to serve our expanding population.
- o Water production for the year totaled approximately five billion gallons, an increase of 25% compared to last year. The water production capacity now stands at 744 million gallons per month or 16,992 gallons per minute. This is up 20% from last year due to the addition of two new wells during the year.
- o Sewage treated during FY 1980-81 at the Multi-City Wastewater Facility totaled 2.91 billion gallons. This is an average of 8.0 million gallons per day, an increase of 2% over the previous year.
- o 8,082,685 square yards of City streets were resurfaced in FY 1980-81.
- o Approximate user fee increases during FY 1980-81 are as follows:
 - Transit Fees - 18%
 - Aircraft Parking Fees - 17%
 - Fixed Base Operator Rents - 32%
 - Water Rates - 30%
 - Residential Refuse Rates - 29%
 - Commercial Refuse Rates - 5%
 - Water Development Fee - 25%
 - Building Permit Fees - 35%
- o During FY 1980-81 a new sewer development fee was enacted. The fee is \$650 per single family dwelling unit; \$455 per multiple family dwelling unit and appropriate commercial fees by water meter size.
- o For FY 1981-82 the following rate increases have been approved:
 - Commercial Sewer Fees based upon type of business as required by EPA
 - Commercial Refuse Fees
- o The third year of our Self-Insurance Program has been completed successfully; the program objectives having been substantially met:
 - City employee vehicle accident rate declined by 2.5%.

City employee industrial injuries declined 10%.

The catastrophic reserve now totals \$1,682,000.

Due to a lowering of insurance rates for 1980-81 we have decreased our risk retention from the first \$250,000 to \$100,000 of coverage for liability insurance.

- o The Human Services Mobility Program, a demand responsive program providing low cost transportation to vital services for the older adult, completed its second year with an increase of 70.7% in registrations. City cost per ride decreased 23% due primarily to increased usage.
- o The Office of Management and Productivity was established to provide resources to research and implement productivity improvements throughout the City.
- o A cable television ordinance was adopted; eight firms have submitted proposals, with selection of one company to construct and operate the system anticipated during FY 1981-82.
- o A Work Management Program was installed in both Water and Sewer Operations and Parks Maintenance. A reduction of 13 full time positions was achieved by this program without any loss in service levels. The Work Management Program will be implemented in all appropriate program areas.
- o Success of the Scottsdale Alcohol Awareness Diversion Program has led to the approval of a Stress Management Diversion Program for first offender petty theft suspects.
- o The Joint Science Advisor Program conducted in cooperation with the City of Phoenix will be continued.

Future Outlook

The 1981-82 budget provides for an operating expenditure level of \$44 million, up 7.5% from last year. In addition, a contingency program of \$12 million was approved, of which \$9 million is designated for capital improvements. The capital improvement projects will be authorized periodically if sufficient revenue is received to provide the planned funding. This insures that the operating programs can be funded before capital programs should the economic situation be less favorable than projected at budget time.

The budget for 1981-82 estimates current revenue at approximately the same level as 1980-81. This is in part due to a significant non-recurring revenue item received in 1980-81 related to the Capital Improvements program and to continued pessimism concerning growth of the local economy. For 1981-82 it is expected that economic growth will not keep pace with inflation thus resulting in negative growth for the year.

In 1982-83 the statewide voter approved expenditure limitation for cities, counties and schools will become effective. Projections indicate that if alternative limitation plans are not pursued and approved by the electorate the expenditure limitation will cause the City to reduce its planned expenditures. For 1981-82 the City budget would be approximately \$4 million above the expenditure limit, had it been in effect for that year.

Staff is presently studying the various alternative expenditure limitation possibilities available to the City under the new law. The goal is to be able to provide the physical facilities and services necessary to our growing community and at the same time be responsive to the voters wishes for local government to be effective, efficient and accountable.

Certificate of Conformance

The Municipal Finance Officers Association of the United States and Canada (MFOA) 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, 1980.

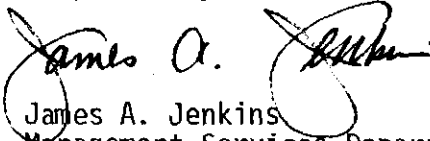
In order to be awarded a Certificate of Conformance, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable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

A Certificate of Conformance is valid for a period of one year only. We believe our current report continues to conform to Certificate of Conformance Program requirements, and we are submitting it to MFOA to determine its eligibility for another certificate.

Acknowledgement

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
and City Treasurer

JAJ:mg

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, 1980

A Certificate of Conformance in Financial Reporting is presented by the Municipal 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.



Dennis
President

Ronald W. Satt
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, 1981 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, 1981 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. 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, 1981 and the results of their operations and the changes in financial position of the 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.

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, and individual fund financial statements and, in our opinion, is stated fairly in all material respects only when considered in conjunction with the financial statements taken as a whole.

Peat, Marwick, Mitchell & Co.

August 28, 1981

CITY OF SCOTTSDALE
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1981
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1980

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, 1981	JUNE 30, 1980
Cash and short-term investments	\$ 840,804	\$2,159,759	\$	\$1,090,877	\$ 848,613	\$1,456,400	\$ 6,438,363	\$2,032,091	\$	\$	\$ 14,866,907	\$ 16,933,647
Cash with fiscal agents			4,981,225		112,011	216,657					5,309,893	4,526,691
Investments	1,070,684										1,070,684	1,348,374
Accrued interest receivable	618,084										618,084	807,746
Receivables												
Property taxes	175,679										175,679	44,131
State-shared sales tax	228,770										228,770	328,264
Auto lieu tax	62,361										62,361	62,703
Gas tax		120,432									120,432	109,833
Federal revenue sharing		293,204									293,204	274,533
Grants		120,045									120,045	222,499
Special assessments				2,671,480							2,671,480	3,311,250
Accounts	348,102						1,144,892	7,079			1,500,073	1,066,552
Miscellaneous	80,012	884,912					490,644				1,455,568	1,831,183
Restricted cash, investments and receivables							4,489,191				4,489,191	4,964,778
Assets held in trust for retirement of refunded debt							3,199,838				3,199,838	3,312,138
Property, plant and equipment - less applicable accumulated depreciation and amortization							46,390,440	2,291,081	251,209,220		299,890,741	267,472,145
Excess purchase price over fair market value of water system assets acquired							1,079,693				1,079,693	1,240,072
Amount available in Debt Service Fund										4,311,094	4,311,094	3,715,852
Amount to be provided for retirement of long-term debt										14,964,735	14,964,735	15,818,639
Total Assets and Other Debits	\$3,424,496	\$3,578,352	\$4,981,225	\$1,090,877	\$3,632,104	\$1,673,057	\$63,233,061	\$4,330,251	\$251,209,220	\$19,275,829	\$356,428,472	\$327,391,030

See notes to financial statements.

CITY OF SCOTTSDALE
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1981
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1980

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, 1981	JUNE 30, 1980
Liabilities												
Cash overdraft	\$	\$ 181,610	\$	\$	\$	\$	\$	\$	\$	\$	\$ 181,610	\$ 335,143
Claims payable	107,938	290,745				387	391,795	225,944			1,016,809	1,926,148
Accrued payroll and withholdings	1,226,141										1,226,141	1,226,191
Guaranty and other deposits						1,479,231					1,479,231	1,093,025
Deferred revenue - property taxes	77,689										77,689	34,624
Bonds interest payable			315,131		112,011		274,873				702,015	701,556
Bonds payable - current			355,000				535,000				890,000	850,000
Contracts payable - current							150,763				150,763	197,676
Other deposits							1,879				1,879	1,514
Long-term debt (Less current portion)					3,408,684		10,743,271		19,275,829	33,427,784	34,962,831	34,962,831
Other	150,000						300,107			450,107	335,735	335,735
Refunded debt to be retired by assets held in trust							3,609,225			3,609,225	3,756,982	3,756,982
Total Liabilities	<u>1,561,768</u>	<u>472,355</u>	<u>670,131</u>		<u>3,520,695</u>	<u>1,479,618</u>	<u>16,006,913</u>	<u>225,944</u>	<u>19,275,829</u>	<u>43,213,253</u>	<u>45,421,425</u>	<u>45,421,425</u>
Fund Equity												
Contributed capital							34,250,307	2,984,648			37,234,955	31,062,394
Investment in general fixed assets									251,209,220	251,209,220	226,016,265	226,016,265
Retained earnings												
Reserved for												
Revenue bond retirement							1,089,214			1,089,214	946,685	946,685
Water and sewer system replacement							388,416			388,416	265,592	265,592
Debt service							24,301			24,301	30,978	30,978
Unreserved							11,473,910	1,119,659		12,593,569	9,772,679	9,772,679
Fund Balances												
Reserved for												
Encumbrances	541,249	2,763,245		174,221		95				3,478,810	7,533,651	7,533,651
Debt service			4,311,094		111,409					4,422,503	3,822,220	3,822,220
Unreserved	1,321,479	342,752		916,656		193,344				2,774,231	2,519,141	2,519,141
Total Retained Earnings/ Fund Balance	<u>1,862,728</u>	<u>3,105,997</u>	<u>4,311,094</u>	<u>1,090,877</u>	<u>111,409</u>	<u>193,439</u>	<u>12,975,841</u>	<u>1,119,659</u>		<u>24,771,044</u>	<u>24,890,946</u>	<u>24,890,946</u>
Total Fund Equity	<u>1,862,728</u>	<u>3,105,997</u>	<u>4,311,094</u>	<u>1,090,877</u>	<u>111,409</u>	<u>193,439</u>	<u>47,226,148</u>	<u>4,104,307</u>	<u>251,209,220</u>	<u>313,215,219</u>	<u>281,969,605</u>	<u>281,969,605</u>
Total Liabilities and Fund Equity	<u>\$3,424,496</u>	<u>\$3,578,352</u>	<u>\$4,981,225</u>	<u>\$1,090,877</u>	<u>\$3,632,104</u>	<u>\$1,673,057</u>	<u>\$63,233,061</u>	<u>\$4,330,251</u>	<u>\$251,209,220</u>	<u>\$19,275,829</u>	<u>\$356,428,472</u>	<u>\$327,391,030</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, 1981
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1980

• EXHIBIT A-2

	GOVERNMENTAL FUND TYPES					FIDUCIARY	TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	SPECIAL ASSESSMENTS	TRUST AND AGENCY	(MEMORANDUM ONLY) JUNE 30, 1981	JUNE 30, 1980
Revenue								
Taxes - Local	\$11,785,009	\$ 2,364,078	\$1,506,327	\$	\$	\$	\$15,655,414	\$14,697,250
Taxes - Intergovernmental	7,276,499	2,644,295					9,920,794	9,272,128
Grants		1,180,227					1,180,227	2,092,470
Licenses	331,019						331,019	312,244
Charges for Current Services	3,754,429						3,754,429	3,130,408
Fines and Forfeitures	578,808						578,808	564,704
Use of Money and Property	775,424	365,368	299,251	102,453			1,542,496	1,617,730
Miscellaneous	947,920	1,806,165			284,261	194,398	3,232,744	2,678,965
Total Revenue	<u>25,449,108</u>	<u>8,360,133</u>	<u>1,805,578</u>	<u>102,453</u>	<u>284,261</u>	<u>194,398</u>	<u>36,195,931</u>	<u>34,365,899</u>
Expenditures								
Current								
General Government	2,410,511	98,422					2,508,933	1,956,224
Public Safety	6,711,253	1,019,923					7,731,176	6,685,001
Management Services	2,556,277						2,556,277	2,516,505
Field Operations	3,559,828	3,532,145					7,091,973	5,680,964
Community Services	5,765,778	48,135					5,813,913	5,377,929
Community Development	674,952	3,476,871					4,151,823	4,504,456
Municipal Utilities	226,151						226,151	407,185
Street Light Districts					234,536		234,536	129,685
Trust and Agency						87,553	87,553	130,430
Provision for Litigation (Net of \$300,000 in General Long Term Debt)	150,000						150,000	
Debt Service								
Principal Retirement	82,578		491,753				574,331	546,393
Interest and Fiscal Charges	239,213		718,583				957,796	980,267
Capital Improvements		4,740,405		1,109,831	44,684		5,894,920	5,783,789
Total Expenditures	<u>22,376,541</u>	<u>12,915,901</u>	<u>1,210,336</u>	<u>1,109,831</u>	<u>279,220</u>	<u>87,553</u>	<u>37,979,382</u>	<u>34,698,828</u>
Excess (Deficiency) of Revenue over Expenditures	3,072,567	(4,555,768)	595,242	(1,007,378)	5,041	106,845	(1,783,451)	(332,929)
Other Sources (Uses)								
Operating Transfers In		2,500,000					2,500,000	1,000,000
Operating Transfers Out	(2,500,000)						(2,500,000)	(1,000,000)
Excess (Deficiency) of Revenue and Other Sources over Expendi- tures and Other Uses	572,567	(2,055,768)	595,242	(1,007,378)	5,041	106,845	(1,783,451)	(332,929)
Fund Balances July 1	1,894,496	5,973,447	3,715,852	2,098,255	106,368	86,594	13,875,012	14,207,941
Residual Equity Transfer Out	604,335	811,682					1,416,017	
Fund Balances June 30	<u>\$ 1,862,728</u>	<u>\$ 3,105,997</u>	<u>\$4,311,094</u>	<u>\$1,090,877</u>	<u>\$111,409</u>	<u>\$193,439</u>	<u>\$10,675,544</u>	<u>\$13,875,012</u>

See notes to financial statements.

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, 1981

EXHIBIT A-3

	TOTALS			GENERAL FUND			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	\$17,264,000	\$15,655,414	\$(1,608,586)	\$11,814,445	\$11,785,009	\$ (29,436)	\$ 3,919,732	\$ 2,364,078	\$(1,555,654)	\$1,529,823	\$1,506,327	\$(23,496)
Taxes - Intergovernmental	10,029,000	9,920,794	(108,206)	7,524,000	7,276,499	(247,501)	2,505,000	2,644,295	139,295			
Licenses	285,000	331,019	46,019	285,000	331,019	46,019						
Charges for Current Services	3,244,000	3,754,429	510,429	3,244,000	3,754,429	510,429						
Fines and Forfeitures	600,000	578,808	(21,192)	600,000	578,808	(21,192)						
Use of Money and Property	1,038,000	1,140,792	102,792	532,000	775,424	243,424	506,000	365,368	(140,632)			
Miscellaneous	2,585,000	2,754,085	169,085	300,000	947,920	647,920	2,285,000	1,806,165	(478,835)			
Total Revenue	<u>35,045,000</u>	<u>34,135,341</u>	<u>(909,659)</u>	<u>24,299,445</u>	<u>25,449,108</u>	<u>1,149,663</u>	<u>9,215,732</u>	<u>7,179,906</u>	<u>(2,035,826)</u>	<u>1,529,823</u>	<u>1,506,327</u>	<u>(23,496)</u>
Expenditures												
Current												
General Government	2,344,862	2,381,249	(36,387)	2,344,862	2,381,249	(36,387)						
Public Safety	7,792,397	7,619,442	172,955	6,767,397	6,604,118	163,279	1,025,000	1,015,324	9,676			
Management Services	2,475,131	2,398,547	76,584	2,475,131	2,398,547	76,584						
Field Operations	7,026,458	7,012,486	13,972	3,580,555	3,558,674	21,881	3,445,903	3,453,812	(7,909)			
Community Services	5,751,056	5,737,672	13,384	5,751,056	5,737,672	13,384						
Community Development	3,231,271	3,116,835	114,436	660,136	664,810	(4,674)	2,571,135	2,452,025	119,110			
Municipal Utilities	244,060	262,052	(17,992)	244,060	262,052	(17,992)						
Debt Service												
Principal Retirement	433,234	423,331	9,903	166,481	156,578	9,903				266,753	266,753	
Interest & Fiscal Charges	1,069,531	1,057,796	11,735	348,700	339,213	9,487				720,831	718,583	2,248
Sinking Fund Deposits	520,000	520,991	(991)							520,000	520,991	(991)
Capital Improvements	4,683,763	2,600,197	2,083,566				4,683,763	2,600,197	2,083,566			
Total Expenditures	<u>35,571,763</u>	<u>33,130,598</u>	<u>2,441,165</u>	<u>22,338,378</u>	<u>22,102,913</u>	<u>235,465</u>	<u>11,725,801</u>	<u>9,521,358</u>	<u>2,204,443</u>	<u>1,507,584</u>	<u>1,506,327</u>	<u>1,257</u>
Excess (Deficiency) of Revenue over Expenditures	(526,763)	1,004,743	1,531,506	1,961,067	3,346,195	1,385,128	(2,510,069)	(2,341,452)	168,617	22,239	-0-	(22,239)
Other Sources (Uses)												
Operating Transfers In	2,955,242	2,500,000	(455,242)				2,955,242	2,500,000	(455,242)			
Operating Transfers Out	1,356,732	(2,500,000)	(1,143,268)	(1,356,732)	(2,500,000)	(1,143,268)						
Excess (Deficiency) of Revenue and Other Sources over Expenditures and Other Uses	1,071,747	1,004,743	(67,004)	604,335	846,195	241,860	445,173	158,548	(286,625)	22,239	-0-	(22,239)
Encumbrances Cancelled	-0-	644,020	644,020	-0-	255,318	255,318	-0-	388,702	388,702			
Fund Balances July 1, 1980	366,509	1,731,119	1,364,610	-0-	1,082,601	1,082,601	366,509	648,518	282,009	-0-	-0-	-0-
Residual Equity Transfers Out	1,416,017	1,416,017		604,335	604,335		811,682	811,682				
Fund Balances June 30, 1981	<u>\$ 22,239</u>	<u>\$ 1,963,865</u>	<u>\$ 1,941,626</u>	<u>\$ -0-</u>	<u>\$ 1,579,779</u>	<u>\$1,579,779</u>	<u>\$ -0-</u>	<u>\$ 384,086</u>	<u>\$ 384,086</u>	<u>\$ 22,239</u>	<u>\$ -0-</u>	<u>\$ (22,239)</u>

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, 1981
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1980

	ENTERPRISE	INTERNAL SERVICE	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 1981	JUNE 30, 1980
Operating Revenue				
Water service charges	\$ 3,051,588	\$	\$ 3,051,588	\$ 2,293,893
Water connection fees	150,121		150,121	158,961
Water development fees	644,371		644,371	415,193
Sewer service fees	1,978,594		1,978,594	1,803,278
Sewer connection fees	180,679		180,679	207,088
Sewer development fees	55,283		55,283	
Tie downs and rentals	188,472		188,472	165,166
Commissions on sales	115,975		115,975	82,903
Property rentals	52,834		52,834	40,793
Billings to user programs		3,658,657	3,658,657	3,629,939
Other	58,530	146,699	205,229	225,564
Total Operating Revenue	<u>6,476,447</u>	<u>3,805,356</u>	<u>10,281,803</u>	<u>9,022,778</u>
Operating Expenses				
Water operations	1,474,163		1,474,163	1,188,489
Sewer operations	764,734		764,734	560,146
Customer collection	194,531		194,531	153,881
Airport operations	232,943		232,943	206,995
Public housing operations	50,935		50,935	42,707
Motor pool operations		2,561,261	2,561,261	2,111,022
Self-insurance operations		482,024	482,024	494,126
Depreciation and amortization	1,212,731	616,141	1,828,872	1,565,056
Total Operating Expenses	<u>3,930,037</u>	<u>3,659,426</u>	<u>7,589,463</u>	<u>6,322,422</u>
Operating Income	<u>2,546,410</u>	<u>145,930</u>	<u>2,692,340</u>	<u>2,700,356</u>
Non-Operating Revenue (Expenses)				
Interest earnings	1,144,274		1,144,274	1,306,266
Interest expense	(757,048)		(757,048)	(704,779)
Total Non-Operating Revenue (Expenses)	<u>387,226</u>		<u>387,226</u>	<u>601,487</u>
Net Income	2,933,636	145,930	3,079,566	3,301,843
Retained Earnings July 1	<u>10,042,205</u>	<u>973,729</u>	<u>11,015,934</u>	<u>7,714,091</u>
Retained Earnings June 30	<u>\$12,975,841</u>	<u>\$1,119,659</u>	<u>\$14,095,500</u>	<u>\$11,015,934</u>

See notes to financial statements.

CITY OF SCOTTSDALE

EXHIBIT A-5

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION -
ALL PROPRIETARY FUND TYPESFOR THE FISCAL YEAR ENDED JUNE 30, 1981
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1980

	ENTERPRISE	INTERNAL SERVICE	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 1981	JUNE 30, 1980
Sources of Funds				
From operations				
Net income	\$2,933,636	\$ 145,930	\$3,079,566	\$3,301,843
Noncash charge - depreciation and amortization	<u>1,212,731</u>	<u>616,141</u>	<u>1,828,872</u>	<u>1,565,056</u>
Total from operations	<u>4,146,367</u>	<u>762,071</u>	<u>4,908,438</u>	<u>4,866,899</u>
Decrease in receivables	169,297		169,297	1,204
Decrease in assets held for refunded debt	112,300		112,300	77,871
Decrease in restricted cash and investments	475,587		475,587	37,710
Decrease in construction in process		129,658	129,658	
Contribution of water/sewer assets from subdividers	2,476,145		2,476,145	2,443,040
Increase in contributions to capital	3,192,081	504,335	3,696,416	976,445
Increase in current liabilities	304	38,678	38,982	445,795
Increase in long-term debt				<u>1,190,572</u>
	<u>10,572,081</u>	<u>1,434,742</u>	<u>12,006,823</u>	<u>10,039,536</u>
Uses of Funds				
Increase in receivables	687,264	6,205	693,469	190,105
Purchase of equipment and construction in process	6,020,080	527,567	6,547,647	7,066,190
Contribution of water/sewer assets from subdividers	2,476,145		2,476,145	2,443,040
Decrease in current liabilities	318,538	73,747	392,285	23,677
Decrease in other liabilities	35,628		35,628	48,430
Decrease in refunded debt	147,757		147,757	117,133
Payments on long-term debt	740,315		740,315	88,247
	<u>10,425,727</u>	<u>607,519</u>	<u>11,033,246</u>	<u>9,976,822</u>
Increase in Cash and Short-term Investments	146,354	827,223	973,577	62,714
Cash and Short-term Investments July 1	<u>6,292,009</u>	<u>1,204,868</u>	<u>7,496,877</u>	<u>7,434,163</u>
June 30	<u>\$6,438,363</u>	<u>\$2,032,091</u>	<u>\$8,470,454</u>	<u>\$7,496,877</u>

See notes to financial statements.

CITY OF SCOTTSDALE
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1981

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. 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 - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessment funds, and trust funds).

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 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUNDS (Continued)

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 group of accounts is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds and trust funds.

General Long-Term Debt Account Group - This group of accounts is established to account for all long-term debt of the City except that accounted for in the proprietary funds, trust 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, revenues are 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, are recorded when the liability is incurred.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are 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 failure to comply with prescribed compliance requirements. e.g., equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the available criterion.

Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues (except investment earnings) are recorded as revenues 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.)

Special assessments are recorded as revenues in the year the assessments are levied, even if payments are made in annual installments.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Accounting (Continued)

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. The limit may be amended for emergency or unanticipated municipal expenditures upon obtaining approval of the State Board of Property Tax Appeals. No such action was taken during this fiscal year.
- o Upon the recommendation of the City Manager and with the approval of the City Council, expenditures may be made from the appropriation for contingencies. The transfers of any sums within any specific appropriation may be done only upon the approval of the City Manager.
- o The total expenditure appropriation in the adopted budget is the maximum legal expenditure permitted for the fiscal year. 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 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 \$843,000 have been committed by the proprietary funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Investments held in trust for the retirement of refunded debt are carried at amortized cost. The City is required, under irrevocable trust arrangements as described in Note 9, to retain these investments until maturity.

F. Inventories

The costs of inventory items are recorded as expenditures for financial statement purposes when purchased and are not included on the balance sheet of the General Fund. Inventories aggregated \$185,520 at June 30, 1981 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.

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 of, 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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	\$187,483,199
Land	4,664,000
Traffic signal equipment	606,000
Water and Sewer Utility Fund:	
Water system and sewer system	\$ 24,745,829

K. Vacation and Sick Leave

The City's personnel ordinance provides full-time City employees with vacation and sick leave in varying amounts. Vacation and sick pay expenses are charged to operations when taken by the employee. At termination, an employee is paid for his accumulated (vested) vacation time. The amount not recorded in the accounts for vested vacation pay aggregated \$1,100,754 at June 30, 1981.

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 \$1,521,972 at June 30, 1981.

L. Comparative Total Columns

Comparative total columns for the current and prior year have been presented in the accompanying combined financial statements in order to provide an understanding of changes in the City's financial position and operations. These totals do not represent consolidated financial information.

M. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Funds Servicing Long-Term Debt

The Debt Service Fund is specifically established to account for and service the general obligation bonded debt and the contracts payable to the City of Scottsdale Municipal Property Corporation for the Governmental Funds.

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

Each Enterprise Fund individually accounts for and services the applicable revenue bonds and the contracts payable to the City of Scottsdale Municipal Property Corporation and other parties.

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 AT END OF YEAR		
	GENERAL	SPECIAL REVENUE FUND TYPES*	DEBT SERVICE
GAAP Basis	\$1,862,728	\$2,824,431	\$4,311,094
Reserved encumbrances at June 30, 1981 but recognized as expenditures for budget purposes	(541,249)	(2,462,766)	
Accrued payroll not recognized as an expenditure for budget purposes	108,300	22,421	
Provision for litigation not recognized as an expenditure for budget purposes	150,000		
Fund balance from sinking fund not recognized for budget purposes			(4,311,094)
Budget Basis	<u>\$1,579,779</u>	<u>\$ 384,086</u>	<u>\$ -0-</u>

*Community Development and Grants Funds, not a part of budget basis reporting, are excluded.

NOTE 2 - BUDGETARY BASIS OF ACCOUNTING (Continued)

Adjustments necessary to convert the results of operations at the end of the year on 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	\$ 572,567	\$(2,066,849)	\$ 595,242
Expenditures of amounts encumbered during year ended June 30, 1980	532,576	4,188,351	
Reserved encumbrances during year ended June 30, 1981 recognized as expenditures for budget purposes	(517,248)	(1,985,375)	
Accrued payroll not recognized as an expenditure for budget purposes	108,300	22,421	
Provision for Litigation not recognized as an expenditure for budget purposes	150,000		
Sinking fund interest earnings not recognized as revenue for budget purposes			(299,251)
Principal payment from sinking fund not recognized as an expenditure for budget purposes			225,000
Sinking fund deposit recognized as an expenditure for budget purposes			(520,991)
Budget Basis	<u>\$ 846,195</u>	<u>\$ 158,548</u>	<u>\$ -0-</u>

*Community Development and Grants Funds, not a part of budget basis reporting, are excluded.

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, 1981 consist of the following:

Cash in savings account	\$ 180,934
Cash in checking accounts	(327,920)
Certificate of deposit	2,548,495
Treasury bills	2,181,241
Treasury notes	2,982,144
Federal agencies	7,802,420
Improvement district bonds	318,684
Repurchase agreements	3,725,000
	<u>\$19,410,998</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, 1981 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.

NOTE 5 - DUE FROM OTHER GOVERNMENTS

Miscellaneous receivables include \$875,446 due from the Maricopa County Flood Control District which is the latest billing in connection with the construction of the Indian Bend Wash Project. Under the agreement with the Flood Control District the City will be reimbursed for 25% of its total qualifiable expenditures. The County's share of \$875,446 was recognized as revenue in the 1980-81 fiscal year since it is expected to be collected in fiscal year 1981-82. These receivables are accounted for in the Special Revenue Fund.

Also included in miscellaneous receivables are two amounts due from the City of Phoenix. A receivable of \$417,678 represents the City's share of EPA reimbursements for the refurbishing and expansion of the Multi-City Wastewater Facilities that Phoenix, the facilities operating agent, has received through June 1981. A receivable of \$12,876 represents the City's share of the facilities sale of effluent for the year 1980-81. These receivables are accounted for in the Water and Sewer Enterprise Fund.

NOTE 6 - FIXED ASSETS

A summary of changes in General Fixed Assets follows:

	BALANCE 7/1/80	ADDITIONS	DELETIONS	BALANCE 6/30/81
Land	\$ 6,086,596	\$ 582,791	\$ 34,108	\$ 6,635,279
Buildings and Improvements	21,369,086	1,954,253		23,323,339
Streets and Storm Drains	190,682,981	22,229,489		212,912,470
Machinery and Equipment	1,750,397	496,288		2,246,685
Construction in Process	6,127,205	4,648,575	4,684,333	6,091,447
	<u>\$226,016,265</u>	<u>\$29,911,396</u>	<u>\$4,718,441</u>	<u>\$251,209,220</u>

A summary of Proprietary Fund types Fixed Assets at June 30, 1981 follows:

	ENTERPRISE	INTERNAL SERVICE
Land	\$ 2,894,085	\$ 67,904
Water System	22,148,465	
Sewer System	22,157,910	
Buildings and Improvements	1,268,881	429,392
Motor Vehicles		3,512,796
Machinery and Equipment		709,522
Furniture and Fixtures	196,974	17,048
Construction in Process	6,276,377	245,472
	<u>54,942,692</u>	<u>4,982,134</u>
Accumulated Depreciation	<u>(8,552,252)</u>	<u>(2,691,053)</u>
	<u>\$ 46,390,440</u>	<u>\$2,291,081</u>

NOTE 7 - 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 assessed valuation, nor may outstanding general obligation bonded debt for all other purposes exceed 6% of a City's net assessed valuation. The following is a summary of legal borrowing capacity:

<u>Water, Sewer, Light, and Parks and Open Space Purposes Bonds</u>		<u>All Other General Obligation Bonds</u>	
20% constitutional limit	\$62,920,616	6% constitutional limit	\$18,876,185
Net such general obligation bonds outstanding	<u>4,838,907</u>	Net such general obligation bonds outstanding	<u>2,575,000</u>
Available 20% limitation borrowing capacity	<u>\$58,081,709</u>	Available 6% limitation borrowing capacity	<u>\$16,301,185</u>

At June 30, 1981 the City has no authorized but unissued bonds.

There are also 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	\$ 7,411,907	100.00	\$ 7,413,907
State of Arizona	None	3.09	-0-
Maricopa County	21,301,922	7.88	1,678,591
Maricopa County C.C.D.	3,000,000	7.88	236,400
Phoenix Union H.S.D. No. 210	24,090,000	0.32	77,088
S.D. No. 31 (Balsz)	None	6.27	-0-
Scottsdale Unified S.D. No. 48	5,150,000	63.92	3,291,880
S. D. No. 69 (Paradise Valley)	44,197,000	6.76	<u>2,987,717</u>
Total Direct and Overlapping Debt			<u>\$15,685,583</u>

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

	<u>GENERAL OBLIGATION BONDS</u>	<u>CONTRACTS PAYABLE</u>	<u>CITY-OWNED SPECIAL ASSESSMENTS</u>	<u>OTHER</u>	<u>TOTAL</u>
Balance June 30, 1980	\$12,080,000	\$7,388,059	\$66,432	\$	\$19,534,491
Provision for Litigation				300,000	300,000
Debt Retired		(186,754)	(16,908)		(203,662)
Debt to be Retired July 1, 1981	<u>(355,000)</u>				<u>(355,000)</u>
Balance June 30, 1981	<u>\$11,725,000</u>	<u>\$7,201,305</u>	<u>\$49,524</u>	<u>\$300,000</u>	<u>\$19,275,829</u>

NOTE 7 - LONG-TERM DEBT - EXCLUDING REFUNDED DEBT (Continued)

The following is a summary of bond transactions of the City for the fiscal year ended June 30, 1981:

	GENERAL OBLIGATION	REVENUE	SPECIAL ASSESSMENT	TOTAL
Bonds Payable at June 30, 1980	\$12,430,000	\$11,250,000	\$3,999,306	\$27,679,306
New Debt Issued				
Improvement District 80			44,684	44,684
Debt Retired				
Serial Bonds (Paid 7/1/80)	(125,000)	(500,000)		(625,000)
Term Bonds (Paid 7/1/80)	(225,000)			(225,000)
Serial Bonds (Paid 1/1/81)			(635,306)	(635,306)
Total Bonds Payable at June 30, 1981	<u>12,080,000</u>	<u>10,750,000</u>	<u>3,408,684</u>	<u>26,238,684</u>
Current Portion	<u>(355,000)</u>	<u>(535,000)</u>	<u>-0-</u>	<u>(890,000)</u>
Long-Term Bonds Payable June 30, 1981	<u>\$11,725,000</u>	<u>\$10,215,000</u>	<u>\$3,408,684</u>	<u>\$25,348,684</u>

The following is a summary of debt service requirements to maturity, including contracts payable as of June 30, 1981. The interest portion of the total is \$13,174,362:

ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS

FISCAL YEAR	GENERAL OBLIGATION BONDS	REVENUE DEBT	SPECIAL ASSESSMENT BONDS	OTHER DEBT	TOTAL
1982	\$ 1,268,085	\$ 1,278,110	\$ 833,702	\$ 682,757	\$ 4,062,654
1983	1,255,710	1,339,336	791,872	681,670	4,068,588
1984	1,247,885	1,809,376	655,145	678,370	4,390,776
1985	1,246,675	1,807,249	446,867	679,170	4,179,961
1986	1,209,865	1,411,814	376,520	676,490	3,674,689
1987	1,113,470	960,623	344,127	678,030	3,096,250
1988	1,061,365	962,560	324,190	678,530	3,026,645
1989	1,002,390	967,560	186,982	677,990	2,834,922
1990	948,230	964,835	110,760	681,410	2,705,235
1991	950,225	935,385	45,920	683,530	2,615,060
1992	940,225	909,885	40,323	683,420	2,573,853
1993	610,725	343,635	23,360	681,960	1,659,680
1994	259,075	338,635	19,950	679,150	1,296,810
1995	273,500	297,825	17,637	679,450	1,268,412
1996	261,750			1,498,100	1,759,850
	<u>\$13,649,175</u>	<u>\$14,326,828</u>	<u>\$4,217,355</u>	<u>\$11,020,027</u>	<u>\$43,213,385</u>

NOTE 7 - LONG-TERM DEBT - EXCLUDING REFUNDED DEBT (Continued)

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 \$1,477,630 at June 30, 1981.

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%.	\$ 200,000
\$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%.	355,000
\$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%.	820,000
\$1,400,000 1968 Civic Center Improvement Serial Bonds due in annual installments of \$75,000 to \$250,000 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*
\$1,500,000 1973 Storm Sewer Series B Term Bonds due in three installments of \$225,000 each through July 1, 1983; interest at 5.20%.	450,000*
\$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*
*Annual payments are made to the Sinking Fund and all bond retirements are paid from the Sinking Fund.	<u>\$11,725,000</u>

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%.	\$ 3,240,000
\$2,500,000 1973 Utility Revenue Series A Serial Bonds due in annual installments of \$75,000 to \$375,000 through July 1, 1983; interest at 4.90% to 5.80%.	600,000
\$750,000 1975 Utility Revenue Series B Serial Bonds due in annual installments of \$25,000 to \$400,000 through July 1, 1984; interest at 5.50% to 6.50%.	575,000
\$4,000,000 1977 Utility Revenue Series C Serial Bonds due in annual installments of \$400,000 to \$550,000 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%	1,800,000
	<u>\$10,215,000</u>

Special Assessment Bonds

\$6,762,313 Special Assessment Bonds issued 4/26/71 through 9/15/80, maturity 1/1/81 through 1/1/95. Interest 6.00% to 9.0% Annual installments of \$2,000 to \$174,000.	\$ 3,408,684
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NOTE 8 - CONTRACTS PAYABLE

Contracts payable at June 30, 1981 include the following:

	<u>EXCISE DEBT SERVICE</u>	<u>AIRPORT</u>	<u>WATER AND SEWER UTILITY</u>	<u>TOTAL</u>
Contracts payable to City of Scottsdale Municipal Property Corporation for:				
Financing construction of municipal buildings, 5.2% to 6% (average rate 5.4%) principal due from July 1, 1982 through July 1, 1996.	\$7,130,000	\$	\$	\$7,130,000
Refinancing contracts, 4.75%, payable in annual installments through July 1, 1982.	71,305	33,695		105,000
Purchase contracts for acquisition of water companies 5.75% to 6%, due in annual installments through 1986.	<u>7,201,305</u>	<u>33,695</u>	<u>645,339</u> <u>645,339</u>	<u>645,339</u> <u>7,880,339</u>
Less current portion	<u>-0-</u>	<u>33,695</u>	<u>117,068</u>	<u>150,763</u>
	<u>\$7,201,305</u>	<u>\$ -0-</u>	<u>\$528,271</u>	<u>\$7,729,576</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 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 revenues 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.

Land (\$88,350) and buildings and improvements (\$6,559,303) relating to the aforementioned arrangement are included in the General Fixed Assets at June 30, 1981.

NOTE 8 - CONTRACTS PAYABLE (Continued)

Annual principal installments on contracts payable are due as follows (in thousands of dollars):

<u>FISCAL YEAR ENDING JUNE 30,</u>	<u>DEBT SERVICE</u>	<u>AIRPORT</u>	<u>WATER AND SEWER UTILITY</u>	<u>TOTAL</u>
1982	\$ 256	\$34	\$117	\$ 407
1983	305		132	437
1984	320		132	452
1985	340		132	472
1986	355		133	488
1987 - 1992	2,580			2,580
1992 - 1996	<u>3,045</u>			<u>3,045</u>
	<u>\$7,201</u>	<u>\$34</u>	<u>\$646</u>	<u>\$7,881</u>

NOTE 9 - REFUNDED DEBT TO BE RETIRED FROM ASSETS HELD IN TRUST

During fiscal 1973, the City issued revenue refunding bonds aggregating \$3,910,000 to refinance certain existing long-term debt of the Water and Sewer Utility Fund aggregating \$4,220,000. The proceeds of the refunding issue were used to purchase securities of U.S. Federal Government agencies and were placed in irrevocable trusts. The maturities of such investments, together with the related interest earnings, are restricted for and designed to meet the debt service requirements of the refunded debt.

NOTE 10 - 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, 1981, 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 11 - RETIREMENT AND PENSION PLANS

Substantially all full-time City employees are covered by one of three 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. Employees contribute eight percent of their annual compensation as set by State law and the City contributes the actuarially determined current service costs plus amortization of the unfunded past service liability over 40 years and current administrative expenses.

NOTE 11 - RETIREMENT AND PENSION PLANS (Continued)

For 1980-81 the City's contribution was \$389,622, a rate of 13.05% of annual compensation. The City's actuarially determined value of employer unfunded vested costs at June 30, 1980, was \$640,675. Actuarial valuations for Scottsdale's participation in the Arizona Public Safety Personnel Retirement System are computed annually.

The Arizona State Retirement Plan ("Plan") covers all new City employees since July 1, 1976, except policemen, and those City employees on that date who elected to transfer to such Plan from the Arizona State Retirement System ("System"). Employees contribute seven percent of their total annual wages and the City contributes the larger of the actuarially determined current service costs plus amortization of the unfunded past service liability over 45 years and current administrative expenses or seven percent of total annual wages. For 1980-81 the City's contribution was \$749,287 at a rate of seven percent of annual compensation. The Plan does not provide separately calculated financial information for its participants, therefore the City's share of any actuarially determined unfunded vested costs cannot be determined. The actuarially determined value of employer unfunded past service liability costs for all employee participants in the Retirement Plan Fund at June 30, 1980 was \$436,244,700. The City has approximately 625 employee participants in the Plan which statewide has 145,455 employee participants.

The System, a money-purchase plan, covers all employees other than the City's policemen and those employees who transferred to the Plan. The City and these employees each contribute five percent of total annual wages to this plan. For 1980-81 the City's contribution was \$59,433 at a rate of five percent of annual compensation. The City did not recognize prior employment when this retirement plan was adopted and accordingly there are no past service liabilities. Annual actuarial valuations are computed for the entire System and not separately for the City.

NOTE 12 - 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 compliance audits. The audits of these programs for or including the year ended June 30, 1981 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 party to several lawsuits incident to its normal operations. In the opinion of the City Attorney settlement of these lawsuits may have a material effect on the financial position of various funds of the City. Accordingly, \$150,000 has been provided for in the General Fund and \$300,000 has been provided for as a general long term liability in the General Long Term Debt Account Group.

The City entered into an agreement with the U.S. Army Corps of Engineers for the construction of flood control and recreation facilities throughout the Indian Bend Wash. In connection with this agreement, the City will be required to make annual payments of approximately \$208,000 including interest at approximately 5.1% for fifty years upon completion of the project, estimated to be in 1981-82.

NOTE 13 - 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, 1981 for these services are as follows (in thousands of dollars):

NOTE 13 - SEGMENTS OF ENTERPRISE ACTIVITIES (Continued)

	<u>TOTAL</u>	<u>WATER AND SEWER</u>	<u>AIRPORT</u>	<u>HOUSING</u>
Operating Revenue	\$ 6,476	\$ 6,119	\$ 304	\$ 53
Operating Expenses				
Depreciation	1,213	1,088	106	19
Other	2,717	2,434	232	51
	<u>3,930</u>	<u>3,522</u>	<u>338</u>	<u>70</u>
Operating Income (Loss)	<u>\$ 2,546</u>	<u>\$ 2,597</u>	<u>\$ (34)</u>	<u>\$ (17)</u>
Net Income	<u>\$ 2,934</u>	<u>\$ 2,972</u>	<u>\$ (31)</u>	<u>\$ (7)</u>
Assets	<u>\$63,233</u>	<u>\$57,457</u>	<u>\$5,254</u>	<u>\$522</u>
Bonds Payable	<u>\$10,750</u>	<u>\$10,750</u>		
Fund Equity	<u>\$47,226</u>	<u>\$41,489</u>	<u>\$5,217</u>	<u>\$520</u>
Acquisition of Property, Plant and Equipment	<u>\$ 8,496</u>	<u>\$ 6,557</u>	<u>\$1,939</u>	

NOTE 14 - AIRPORT AND PUBLIC HOUSING ACCUMULATED DEFICIT

The accumulated deficits of \$482,986 and \$131,616 in the Airport Fund and Public Housing Fund respectively 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 these funds is positive, the Airport Fund being \$5,217,043 and the Public Housing Fund \$519,895.

NOTE 15 - GENERAL DEBT SERVICE FUND EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The \$1,105 excess of expenditures over appropriations in this fund resulted from higher than anticipated fiscal agent fees and sinking fund deposit requirements. Revenue sufficient to provide for the excess expenditures was made available in the fund.

NOTE 16 - OTHER MATTERS

- A. In fiscal 1979-80, the City entered into a five-year agreement with Metropolitan Fire Department, Inc. ("Metropolitan") whereby Metropolitan will provide fire protection and related services to the City. Annual amounts due, as specified in the contract, will approximate \$1,643,000.
- B. The City has a contract for the acquisition of data processing equipment that has been accounted for as an operating lease. Annual contract payments are as follows: 1981-82 \$235,937; 1982-83 \$213,289; 1983-84 \$97,915; 1984-85 \$52,113; 1985-86 \$50,715.

NOTE 16 - OTHER MATTERS (Continued)

- C. 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 1980-81 the Self Insurance Fund was responsible for the first \$250,000 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.

The Self Insurance Fund establishes a liability for claims filed but not yet settled based upon the City's estimate of probable loss.



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 elsewhere in the Capital Projects Funds, Special Revenue Funds or Enterprise Funds.

CITY OF SCOTTSDALE

EXHIBIT B-1

GENERAL FUND

BALANCE SHEET

JUNE 30, 1981

ASSETS

Cash and short-term investments	\$ 840,804
Investments	1,070,684
Accrued interest receivable	618,084
Property taxes receivable	175,679
State-shared sales tax receivable	228,770
Auto lieu tax receivable	62,361
Accounts receivable, including unbilled of \$160,387	348,102
Miscellaneous receivables	80,012
	<hr/>
Total Assets	<u>\$3,424,496</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Claims payable	\$ 107,938
Accrued payroll and withholdings	1,226,141
Other	150,000
Deferred revenue - property taxes	77,689
	<hr/>
Total Liabilities	<u>1,561,768</u>
Commitments	
Fund Balance	
Reserved for encumbrances	541,249
Unreserved	1,321,479
	<hr/>
Total Fund Balance	<u>1,862,728</u>
	<hr/>
Total Liabilities and Fund Balance	<u>\$3,424,496</u>

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, 1981

	<u>ACTUAL</u>
Revenue	
Taxes - Local	\$11,785,009
Taxes - Intergovernmental	7,276,499
Licenses	331,019
Charges for Current Services	3,754,429
Fines and Forfeitures	578,808
Use of Money and Property	775,424
Miscellaneous	947,920
Total Revenue	<u>25,449,108</u>
Expenditures	
Current	
General Government	2,410,511
Public Safety	6,711,253
Management Services	2,556,277
Field Operations	3,559,828
Community Services	5,765,778
Community Development	674,952
Municipal Utilities	226,151
Provision for Litigation (Net of \$300,000 in Long Term Debt)	150,000
Debt Service	
Principal Retirement	82,578
Interest and Fiscal Charges	239,213
Total Expenditures	<u>22,376,541</u>
Excess of Revenue over Expenditures	3,072,567
Other Uses	
Operating Transfers Out	<u>2,500,000</u>
Excess of Revenue over Expenditures and Other Uses	572,567
Fund Balance July 1, 1980	1,894,496
Residual Equity Transfer Out	<u>604,335</u>
Fund Balance June 30, 1981	<u>\$ 1,862,728</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, 1981

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
Revenue			
Taxes - Local	\$11,814,445	\$11,785,009	\$ (29,436)
Taxes - Intergovernmental	7,524,000	7,276,499	(247,501)
Licenses	285,000	331,019	46,019
Charges for Current Services	3,244,000	3,754,429	510,429
Fines and Forfeitures	600,000	578,808	(21,192)
Use of Money and Property	532,000	775,424	243,424
Miscellaneous	300,000	947,920	647,920
Total Revenue	<u>24,299,445</u>	<u>25,449,108</u>	<u>1,149,663</u>
Expenditures			
Current			
General Government	2,344,862	2,381,249	(36,387)
Public Safety	6,767,397	6,604,118	163,279
Management Services	2,475,131	2,398,547	76,584
Field Operations	3,580,555	3,558,674	21,881
Community Services	5,751,056	5,737,672	13,384
Community Development	660,136	664,810	(4,674)
Municipal Utilities	244,060	262,052	(17,992)
Debt Service			
Principal Retirement	166,481	156,578	9,903
Interest and Fiscal Charges	348,700	339,213	9,487
Total Expenditures	<u>22,338,378</u>	<u>22,102,913</u>	<u>235,465</u>
Excess of Revenue over Expenditures	1,961,067	3,346,195	1,385,128
Other Uses			
Operating Transfers Out	<u>(1,356,732)</u>	<u>(2,500,000)</u>	<u>(1,143,268)</u>
Excess of Revenue over Expenditures and Other Uses	604,335	846,195	241,860
Encumbrances Cancelled	-0-	255,318	255,318
Fund Balance July 1, 1980	-0-	1,082,601	1,082,601
Residual Equity Transfer Out	<u>(604,335)</u>	<u>(604,335)</u>	
Fund Balance June 30, 1981	<u>\$ -0-</u>	<u>\$ 1,579,779</u>	<u>\$ 1,579,779</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, 1981

	<u>ESTIMATED</u>	<u>ACTUAL</u>	<u>ACTUAL OVER/(UNDER) ESTIMATED</u>
Taxes - Local			
Property	\$ 741,665	\$ 764,025	\$ 22,360
Transaction privilege	7,525,780	9,457,764	1,931,984
Hotel/motel transient tax	670,000	693,565	23,565
Light and power franchise	625,000	807,330	182,330
Salt River Project in lieu	52,000	62,325	10,325
Development tax	2,200,000	-0-	(2,200,000)
	<u>11,814,445</u>	<u>11,785,009</u>	<u>(29,436)</u>
Taxes - Intergovernmental			
State-shared sales tax	4,216,000	4,012,367	(203,633)
Automobile in lieu	825,000	788,675	(36,325)
State revenue sharing	2,483,000	2,475,457	(7,543)
	<u>7,524,000</u>	<u>7,276,499</u>	<u>(247,501)</u>
Licenses			
Business licenses	88,000	98,867	10,867
Liquor licenses	163,000	185,454	22,454
Application fees	9,000	17,795	8,795
Occupational registrations	25,000	28,903	3,903
	<u>285,000</u>	<u>331,019</u>	<u>46,019</u>
Charges for Current Services			
Refuse collection charges	2,105,000	2,117,894	12,894
Building and related permits	675,000	1,077,583	402,583
Other fees	188,000	245,195	57,195
Recreation fees	276,000	313,757	37,757
	<u>3,244,000</u>	<u>3,754,429</u>	<u>510,429</u>
Fines and Forfeitures			
Moving vehicles	461,260	418,752	(42,508)
Parking	43,870	42,437	(1,433)
Other court fees	59,870	58,467	(1,403)
Library	35,000	59,152	24,152
	<u>600,000</u>	<u>578,808</u>	<u>(21,192)</u>
Use of Money and Property			
Interest earnings	456,000	700,382	244,382
Property rental	76,000	75,042	(958)
	<u>532,000</u>	<u>775,424</u>	<u>243,424</u>
Miscellaneous			
	<u>300,000</u>	<u>947,920</u>	<u>647,920</u>
Total Revenue	<u>\$24,299,445</u>	<u>\$25,449,108</u>	<u>\$1,149,663</u>

CITY OF SCOTTSDALE

GENERAL FUND

SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	<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	\$ 2,410,511	\$ 1,292,921	\$ 999,712	\$ 40,194	\$	\$ 77,684
Public Safety	6,711,253	5,112,877	1,408,220	80,296		109,860
Management Services	2,556,277	1,692,503	733,998	33,323		96,453
Field Operations	3,559,828	1,572,432	1,594,587	339,657		53,152
Community Services	5,765,778	3,810,326	1,338,435	366,524		250,493
Community Development	674,952	554,065	97,229	8,846		14,812
Municipal Utilities	226,151	7,753	218,389	9		
Provision for Litigation	150,000		150,000			
Debt Service						
Principal Retirement	82,578				82,578	
Interest and Fiscal Charges	<u>239,213</u>				<u>239,213</u>	
Total Expenditures	<u>\$22,376,541</u>	<u>\$14,042,877</u>	<u>\$6,540,570</u>	<u>\$868,849</u>	<u>\$321,791</u>	<u>\$602,454</u>
Operating Transfer to:						
Highway User Fund	<u>\$ 2,500,000</u>					
Residual Equity Transfer to:						
Self Insurance Fund	\$ 504,335					
Airport Fund	<u>100,000</u>					
	<u>\$ 604,335</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.

Public Works Reserve Fund

The Public Works Reserve Fund is utilized for accumulating and expending of general tax revenue specifically appropriated for major capital outlay projects by action of the City Council. Appropriations are made from the fund annually. The fund will continue to exist indefinitely.

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, 1981

EXHIBIT C-1

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>HIGHWAY USERS FUEL TAX</u>	<u>PUBLIC WORKS RESERVE</u>	<u>FEDERAL REVENUE SHARING</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>GRANTS</u>
Cash and short-term investments	\$2,159,759	\$371,234	\$1,581,766	\$	\$	\$206,759
Gas tax receivable	120,432	120,432				
Federal revenue sharing receivable	293,204			293,204		
Grants receivable	120,045				45,000	75,045
Miscellaneous receivables	<u>884,912</u>	<u>6,106</u>	<u>875,446</u>	<u>3,360</u>		
Total Assets	<u>\$3,578,352</u>	<u>\$497,772</u>	<u>\$2,457,212</u>	<u>\$296,564</u>	<u>\$ 45,000</u>	<u>\$281,804</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities						
Cash overdraft	\$ 181,610	\$	\$	\$157,105	\$ 24,505	\$
Claims payable	<u>290,745</u>	<u>186,210</u>	<u>83,802</u>		<u>20,185</u>	<u>548</u>
Total Liabilities	<u>472,355</u>	<u>186,210</u>	<u>83,802</u>	<u>157,105</u>	<u>44,690</u>	<u>548</u>
Fund Balances						
Reserved for encumbrances	2,763,245	103,317	2,359,449		194,524	105,955
Unreserved	<u>342,752</u>	<u>208,245</u>	<u>13,961</u>	<u>139,459</u>	<u>(194,214)</u>	<u>175,301</u>
Total Fund Balances	<u>3,105,997</u>	<u>311,562</u>	<u>2,373,410</u>	<u>139,459</u>	<u>310</u>	<u>281,256</u>
Total Liabilities and Fund Balances	<u>\$3,578,352</u>	<u>\$497,772</u>	<u>\$2,457,212</u>	<u>\$296,564</u>	<u>\$ 45,000</u>	<u>\$281,804</u>

See notes to financial statements.

CITY OF SCOTTSDALE
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	TOTAL ALL FUNDS	HIGHWAY USERS FUEL TAX	PUBLIC WORKS RESERVE	FEDERAL REVENUE SHARING	COMMUNITY DEVELOPMENT	GRANTS
Revenue						
Taxes - Local	\$ 2,364,078	\$	\$ 2,364,078	\$	\$	\$
Taxes - Intergovernmental	2,644,295	1,513,486		1,130,809		
Grants	1,180,227				883,562	296,665
Use of Money and Property	365,368	3,132	354,867	7,369		
Miscellaneous	1,806,165	15,988	1,789,179	998		
Total Revenue	<u>8,360,133</u>	<u>1,532,606</u>	<u>4,508,124</u>	<u>1,139,176</u>	<u>883,562</u>	<u>296,665</u>
Expenditures						
Current						
General Government	98,422					98,422
Public Safety	1,019,923			1,015,324		4,599
Field Operations	3,532,145	3,532,145				
Community Services	48,135					48,135
Community Development	3,476,871	457,006	2,001,875		933,042	84,948
Capital Improvements	4,740,405	1,581	4,738,824			
Total Expenditures	<u>12,915,901</u>	<u>3,990,732</u>	<u>6,740,699</u>	<u>1,015,324</u>	<u>933,042</u>	<u>236,104</u>
Excess (Deficiency) of Revenue over Expendi- tures	(4,555,768)	(2,458,126)	(2,232,575)	123,852	(49,480)	60,561
Other Sources						
Operating Transfers In	2,500,000	2,500,000				
Excess (Deficiency) of Revenue and Other Sources over Expendi- tures	(2,055,768)	41,874	(2,232,575)	123,852	(49,480)	60,561
Fund Balances July 1, 1980	5,973,447	269,688	5,417,667	15,607	49,790	220,695
Residual Equity Transfers Out	(811,682)		(811,682)			
Fund Balances June 30, 1981	<u>\$ 3,105,997</u>	<u>\$ 311,562</u>	<u>\$ 2,373,410</u>	<u>\$ 139,459</u>	<u>\$ 310</u>	<u>\$ 281,256</u>

See notes to financial statements.

CITY OF SCOTTSDALE
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, 1981

	TOTAL ALL FUNDS			HIGHWAY USERS FUEL TAX			PUBLIC WORKS RESERVE			FEDERAL REVENUE SHARING		
	BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Revenue												
Taxes - Local	\$ 3,919,732	\$ 2,364,078	\$(1,555,654)	\$	\$	\$	\$3,919,732	\$2,364,078	\$(1,555,654)	\$	\$	\$
Taxes - Intergovernmental	2,505,000	2,644,295	139,295	1,480,000	1,513,486	33,486				1,025,000	1,130,809	105,809
Use of Money and Property	506,000	365,368	(140,632)		3,132	3,132	506,000	354,867	(151,133)		7,369	7,369
Miscellaneous	2,285,000	1,806,165	(478,835)		15,988	15,988	2,285,000	1,789,179	(495,821)		998	998
Total Revenue	<u>9,215,732</u>	<u>7,179,906</u>	<u>(2,035,826)</u>	<u>1,480,000</u>	<u>1,532,606</u>	<u>52,606</u>	<u>6,710,732</u>	<u>4,508,124</u>	<u>(2,202,608)</u>	<u>1,025,000</u>	<u>1,139,176</u>	<u>114,176</u>
Expenditures												
Current												
Public Safety	1,025,000	1,015,324	9,676							1,025,000	1,015,324	9,676
Field Operations	3,445,903	3,453,812	(7,909)	3,445,903	3,453,812	(7,909)						
Community Development	2,571,135	2,452,025	119,110	458,515	447,481	11,034	2,112,620	2,004,544	108,076			
Capital Improvements	4,683,763	2,600,197	2,083,566	42	42		4,683,721	2,600,155	2,083,566			
Total Expenditures	<u>11,725,801</u>	<u>9,521,358</u>	<u>2,204,443</u>	<u>3,904,460</u>	<u>3,901,335</u>	<u>3,125</u>	<u>6,796,341</u>	<u>4,604,699</u>	<u>2,191,642</u>	<u>1,025,000</u>	<u>1,015,324</u>	<u>9,676</u>
Excess (Deficiency) of Revenue over Expenditures	(2,510,069)	(2,341,452)	168,617	(2,424,460)	(2,368,729)	55,731	(85,609)	(96,575)	(10,966)	-0-	123,852	123,852
Other Sources (Uses)												
Operating Transfers In	2,955,242	2,500,000	(455,242)	2,424,460	2,500,000	75,540	530,782		(530,782)			
Excess (Deficiency) of Revenue and Other Sources over Expenditures	445,173	158,548	(286,625)	-0-	131,271	131,271	445,173	(96,575)	(541,748)	-0-	123,852	123,852
Encumbrances Cancelled	-0-	388,702	388,702	-0-	40,940	40,940	-0-	347,762	347,762			
Fund Balances July 1, 1980	366,509	648,518	282,009	-0-	44,527	44,527	366,509	588,384	221,875	-0-	15,607	15,607
Residual Equity Transfers Out	811,682	811,682					811,682	811,682				
Fund Balances June 30, 1981	\$ -0-	\$ 384,086	\$ 384,086	\$ -0-	\$ 216,738	\$ 216,738	\$ -0-	\$ 27,889	\$ 27,889	\$ -0-	\$ 139,459	\$ 139,459

See notes to financial statements.

CITY OF SCOTTSDALE
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUE AND OTHER SOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	TOTAL ALL FUNDS	HIGHWAY USERS FUEL TAX	PUBLIC WORKS RESERVE	FEDERAL REVENUE SHARING	COMMUNITY DEVELOPMENT	GRANTS
Taxes - Local						
Property tax	\$ 1,161,558	\$	1,161,558	\$	\$	\$
Privilege tax	<u>1,202,520</u>		<u>1,202,520</u>			
	<u>2,364,078</u>		<u>2,364,078</u>			
Taxes - Intergovernmental						
Gas tax	1,513,486	1,513,486				
Federal revenue sharing	<u>1,130,809</u>			1,130,809		
	<u>2,644,295</u>	<u>1,513,486</u>		<u>1,130,809</u>		
Use of Money and Property						
Interest earnings	<u>365,368</u>	<u>3,132</u>	<u>354,867</u>	<u>7,369</u>		
Grants						
Federal	950,612				883,562	67,050
State	145,271					145,271
Miscellaneous	<u>84,344</u>					<u>84,344</u>
	<u>1,180,227</u>				<u>883,562</u>	<u>296,665</u>
Miscellaneous	<u>1,806,165</u>	<u>15,988</u>	<u>1,789,179</u>	<u>998</u>		
Other Sources						
Operating transfers in	<u>2,500,000</u>	<u>2,500,000</u>				
Total	<u>\$10,860,133</u>	<u>\$4,032,606</u>	<u>\$4,508,124</u>	<u>\$1,139,176</u>	<u>\$883,562</u>	<u>\$ 296,665</u>

CITY OF SCOTTSDALE
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUE AND OTHER SOURCES - ESTIMATED AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	TOTAL ALL FUNDS			HIGHWAY USERS FUEL TAX			PUBLIC WORKS RESERVE			FEDERAL REVENUE SHARING		
	ESTIMATED	ACTUAL	ACTUAL OVER/(UNDER) ESTIMATED	ESTIMATED	ACTUAL	ACTUAL OVER/(UNDER) ESTIMATED	ESTIMATED	ACTUAL	ACTUAL OVER/(UNDER) ESTIMATED	ESTIMATED	ACTUAL	ACTUAL OVER/(UNDER) ESTIMATED
Taxes - Local												
Property tax	\$ 1,148,116	\$1,161,558	\$ 13,442	\$	\$	\$	\$1,148,116	\$1,161,558	\$ 13,442	\$	\$	\$
Privilege tax	<u>2,771,616</u>	<u>1,202,520</u>	<u>(1,569,096)</u>				<u>2,771,616</u>	<u>1,202,520</u>	<u>(1,569,096)</u>			
	<u>3,919,732</u>	<u>2,364,078</u>	<u>(1,555,654)</u>				<u>3,919,732</u>	<u>2,364,078</u>	<u>(1,555,654)</u>			
Taxes - Intergovernmental												
Gas tax	1,480,000	1,513,486	33,486	1,480,000	1,513,486	33,486						
Federal revenue sharing	<u>1,025,000</u>	<u>1,130,809</u>	<u>105,809</u>							<u>1,025,000</u>	<u>1,130,809</u>	<u>105,809</u>
	<u>2,505,000</u>	<u>2,644,295</u>	<u>139,295</u>	<u>1,480,000</u>	<u>1,513,486</u>	<u>33,486</u>				<u>1,025,000</u>	<u>1,130,809</u>	<u>105,809</u>
Use of Money and Property												
Interest earnings	<u>506,000</u>	<u>365,368</u>	<u>(140,632)</u>		<u>3,132</u>	<u>3,132</u>	<u>506,000</u>	<u>354,867</u>	<u>(151,133)</u>		<u>7,369</u>	<u>7,369</u>
Miscellaneous	<u>2,285,000</u>	<u>1,806,165</u>	<u>(478,835)</u>		<u>15,988</u>	<u>15,988</u>	<u>2,285,000</u>	<u>1,789,179</u>	<u>(495,821)</u>		<u>998</u>	<u>998</u>
Total Revenue	9,215,732	7,179,906	(2,035,826)	1,480,000	1,532,606	52,606	6,710,732	4,508,124	(2,202,608)	1,025,000	1,139,176	114,176
Other Sources												
Operating transfers in	<u>2,955,242</u>	<u>2,500,000</u>	<u>(455,242)</u>	<u>2,424,460</u>	<u>2,500,000</u>	<u>75,540</u>	<u>530,782</u>		<u>(530,782)</u>			
Total Revenue and Other Sources	<u>\$12,170,974</u>	<u>\$9,679,906</u>	<u>\$(2,491,068)</u>	<u>\$3,904,460</u>	<u>\$4,032,606</u>	<u>\$128,146</u>	<u>\$7,241,514</u>	<u>\$4,508,124</u>	<u>\$(2,733,390)</u>	<u>\$1,025,000</u>	<u>\$1,139,176</u>	<u>\$114,176</u>

CITY OF SCOTTSDALE

EXHIBIT C-6

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>CAPITAL OUTLAY</u>
<u>HIGHWAY USER FUEL TAX</u>					
Current					
Field Operations	\$ 3,532,145	\$ 925,897	\$1,363,914	\$1,235,368	\$ 6,966
Community Development	457,006	209,904	234,851	1,721	10,530
Capital Improvements	1,581		41		1,540
	<u>3,990,732</u>	<u>1,135,801</u>	<u>1,598,806</u>	<u>1,237,089</u>	<u>19,036</u>
<u>PUBLIC WORKS RESERVE</u>					
Current					
Community Development	2,001,875	1,599,316	327,318	27,036	48,205
Capital Improvements	4,738,824	205,739	33,876	57,051	4,442,158
	<u>6,740,699</u>	<u>1,805,055</u>	<u>361,194</u>	<u>84,087</u>	<u>4,490,363</u>
<u>FEDERAL REVENUE SHARING</u>					
Current					
Public Safety	<u>1,015,324</u>		<u>1,015,134</u>	<u>190</u>	
<u>COMMUNITY DEVELOPMENT</u>					
Current					
Community Development	<u>933,042</u>	<u>208,358</u>	<u>126,361</u>	<u>2,764</u>	<u>595,559</u>
<u>GRANTS</u>					
Current					
General Government	98,422	33,478	23,840	1,950	39,154
Community Services	48,135	3,090	34,713	1,185	9,147
Public Safety	4,599		4,599		
Community Development	84,948	4,962	2,235	956	76,795
	<u>236,104</u>	<u>41,530</u>	<u>65,387</u>	<u>4,091</u>	<u>125,096</u>
TOTAL EXPENDITURES	<u>\$12,915,901</u>	<u>\$3,190,744</u>	<u>\$3,166,882</u>	<u>\$1,328,221</u>	<u>\$5,230,054</u>
<u>PUBLIC WORKS RESERVE</u>					
Residual Equity Transfer to:					
Airport Fund	<u>\$ 811,682</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:

- 1961 Sewer Bonds
- 1966 Parks and Recreation Improvement Bonds
- 1967 Civic Center Improvement Bonds
- 1968 Civic Center Improvement Bonds
- 1973 Storm Sewer Construction Bonds
- 1975 Storm Sewer Construction Bonds
- 1976 Storm Sewer Construction Bonds
- 1978 Storm Sewer Construction Bonds

Excise Debt Service Funds presently established are as follows:

- 1974 Municipal Properties Corporation Refunding Bonds
- 1974 Municipal Properties Corporation Bonds

CITY OF SCOTTSDALE
 DEBT SERVICE FUND
 BALANCE SHEET
 JUNE 30, 1981

EXHIBIT D-1

<u>ASSETS</u>	<u>GENERAL DEBT SERVICE</u>
Cash with fiscal agents	<u>\$4,981,225</u>
Total Assets	<u>\$4,981,225</u>
 <u>LIABILITIES AND FUND BALANCE</u>	
Liabilities	
Bonds interest payable	\$ 315,131
Bonds payable	<u>355,000</u>
Total Liabilities	<u>670,131</u>
Fund balance	
Reserved for sinking fund requirements	<u>4,311,094</u>
Total Liabilities and Fund Balance	<u>\$4,981,225</u>

See notes to financial statements.

CITY OF SCOTTSDALE

EXHIBIT D-2

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	<u>TOTAL ALL FUNDS</u>	<u>GENERAL DEBT SERVICE</u>	<u>EXCISE DEBT SERVICE</u>
Revenue			
Taxes - Local			
Property	\$1,223,324	\$1,223,324	\$
Transaction privilege	283,003		283,003
Interest earnings	<u>299,251</u>	<u>299,251</u>	
Total Revenue	<u>1,805,578</u>	<u>1,522,575</u>	<u>283,003</u>
Expenditures			
Payment to fiscal agents			
Principal	266,753	80,000	186,753
Interest	714,673	620,510	94,163
Fiscal agents' fees	3,910	1,823	2,087
Principal retired from sinking fund	<u>225,000</u>	<u>225,000</u>	
Total Expenditures	<u>1,210,336</u>	<u>927,333</u>	<u>283,003</u>
Excess of Revenue over Expenditures	595,242	595,242	-0-
Reserved Fund Balances July 1, 1980	<u>3,715,852</u>	<u>3,715,852</u>	<u>-0-</u>
Reserved Fund Balances June 30, 1981	<u>\$4,311,094</u>	<u>\$4,311,094</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, 1981

	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	\$1,222,219	\$1,223,324	\$ 1,105	\$1,222,219	\$1,223,324	\$ 1,105	\$	\$	\$
Transaction privilege	307,604	283,003	(24,601)				307,604	283,003	(24,601)
Total Revenue	<u>1,529,823</u>	<u>1,506,327</u>	<u>(23,496)</u>	<u>1,222,219</u>	<u>1,223,324</u>	<u>1,105</u>	<u>307,604</u>	<u>283,003</u>	<u>(24,601)</u>
Expenditures									
Payment to fiscal agents									
Principal	266,753	266,753	-0-	80,000	80,000		186,753	186,753	
Interest	717,122	714,673	2,449	620,510	620,510		96,612	94,163	2,449
Fiscal agents' fees	3,709	3,910	(201)	1,709	1,823	(114)	2,000	2,087	(87)
Sinking fund deposit	520,000	520,991	(991)	520,000	520,991	(991)			
Total Expenditures	<u>1,507,584</u>	<u>1,506,327</u>	<u>1,257</u>	<u>1,222,219</u>	<u>1,223,324</u>	<u>(1,105)</u>	<u>285,365</u>	<u>283,003</u>	<u>2,362</u>
Excess of Revenue over Expenditures	22,239	-0-	(22,239)	-0-	-0-	-0-	22,239	-0-	(22,239)
Reserved Fund Balances July 1, 1980	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Reserved Fund Balances June 30, 1981	<u>\$ 22,239</u>	<u>\$ -0-</u>	<u>\$(22,239)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$-0-</u>	<u>\$ 22,239</u>	<u>\$ -0-</u>	<u>\$(22,239)</u>

See notes to financial statements.

CAPITAL PROJECTS FUND

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.) This fund 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. The only one presently in existence is:

Storm Sewer Construction Fund

CITY OF SCOTTSDALE
 CAPITAL PROJECTS FUND
 BALANCE SHEET
 JUNE 30, 1981

EXHIBIT E-1

<u>ASSETS</u>	<u>STORM SEWER CONSTRUCTION</u>
Cash and short-term investments	\$1,090,877
Total Assets	<u>\$1,090,877</u>
<u>LIABILITIES AND FUND BALANCE</u>	
Fund Balance	
Reserved for encumbrances	\$ 174,221
Unreserved	<u>916,656</u>
Total Fund Balance	<u>1,090,877</u>
Total Liabilities and Fund Balance	<u>\$1,090,877</u>

See notes to financial statements.

CITY OF SCOTTSDALE

EXHIBIT E-2

CAPITAL PROJECTS FUND

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	<u>STORM SEWER CONSTRUCTION</u>
Revenue	
Interest earnings	\$ <u>102,453</u>
Total Revenue	<u>102,453</u>
Expenditures	
Capital Improvements	<u>1,109,831</u>
Total Expenditures	<u>1,109,831</u>
Deficiency of Revenue over Expenditures	1,007,378
Fund Balance July 1, 1980	<u>2,098,255</u>
Fund Balance June 30, 1981	<u>\$1,090,877</u>

See notes to financial statements.

CITY OF SCOTTSDALE

CAPITAL PROJECTS FUND

SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>CAPITAL OUTLAY</u>
Storm Sewer Construction Fund					
Capital Improvements	<u>\$1,109,831</u>	<u>\$ 6,974</u>	<u>\$ 26</u>	<u>\$ 58</u>	<u>\$1,102,773</u>
Total Expenditures	<u>\$1,109,831</u>	<u>\$ 6,974</u>	<u>\$ 26</u>	<u>\$ 58</u>	<u>\$1,102,773</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. Contractors and suppliers, who must be paid upon completion of the project, are issued improvement district serial bonds which are repaid from the annual installments paid by the property owners.

CITY OF SCOTTSDALE
 SPECIAL ASSESSMENTS FUND
 BALANCE SHEET
 JUNE 30, 1981

EXHIBIT F-1

ASSETS

Cash and short-term investments	\$ 848,613
Cash with fiscal agents	112,011
Special assessments receivable	<u>2,671,480</u>
Total Assets	<u>\$3,632,104</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Bonds interest payable	\$ 112,011
Bonds payable	<u>3,408,684</u>
Total Liabilities	<u>3,520,695</u>
Fund Balance	
Reserved for bond interest and redemption	<u>111,409</u>
Total Liabilities and Fund Balance	<u>\$3,632,104</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, 1981

Revenue	
Penalty income	\$ 4,796
Assessments levied	44,684
Street light districts	<u>234,781</u>
Total Revenue	<u>284,261</u>
Expenditures	
Current	
Street light districts	234,536
Capital improvements	<u>44,684</u>
Total Expenditures	<u>279,220</u>
Excess of Revenue over Expenditures	5,041
Fund Balance July 1, 1980	<u>106,368</u>
Fund Balance June 30, 1981	<u>\$111,409</u>

See notes to financial statements.

CITY OF SCOTTSDALE
 SPECIAL ASSESSMENTS FUND
 SCHEDULE OF EXPENDITURES BY OBJECT
 FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>CAPITAL OUTLAY</u>
Special Assessments Fund					
Current					
Street Lights	\$234,536		\$234,536		\$
Capital Improvements	<u>44,684</u>				<u>44,684</u>
Total Expenditures	<u>\$279,220</u>		<u>\$234,536</u>		<u>\$44,684</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.

CITY OF SCOTTSDALE
 TRUST AND AGENCY FUND
 BALANCE SHEET
 JUNE 30, 1981

EXHIBIT G-1

ASSETS

Cash and short-term investments	\$1,456,400
Cash with fiscal agents	<u>216,657</u>
Total Assets	<u>\$1,673,057</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Claims payable	\$ 387
Guaranty and other deposits	<u>1,479,231</u>
Total Liabilities	<u>1,479,618</u>
Fund Balance	
Reserved for encumbrances	95
Unreserved	<u>193,344</u>
Total Fund Balance	<u>193,439</u>
Total Liabilities and Fund Balance	<u>\$1,673,057</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, 1981

Revenue	\$194,398
Expenditures - Current	<u>87,553</u>
Excess of Revenue over Expenditures	106,845
Fund Balance July 1, 1980	<u>86,594</u>
Fund Balance June 30, 1981	<u>\$193,439</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, 1981

	<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	<u>\$87,553</u>	<u>\$ 965</u>	<u>\$62,655</u>	<u>\$14,977</u>	<u>\$ 8,956</u>
Total Expenditures	<u><u>\$87,553</u></u>	<u><u>\$ 965</u></u>	<u><u>\$62,655</u></u>	<u><u>\$14,977</u></u>	<u><u>\$ 8,956</u></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, 1981

<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	\$ 6,438,363	\$ 6,286,133	\$ 33,013	\$119,217
Accounts receivable, including unbilled of \$741,892	1,144,892	1,124,070	20,822	
Miscellaneous receivables	490,644	490,644		
Total Current Assets	<u>8,073,899</u>	<u>7,900,847</u>	<u>53,835</u>	<u>119,217</u>
Restricted Cash, Investments & Receivables				
Cash with fiscal agents	834,174	834,174		
Revenue bond reserves	1,089,214	1,089,214		
Acquisition and construction - bond proceeds	2,167,387	2,167,387		
Water and sewer replacement	398,416	398,416		
	<u>4,489,191</u>	<u>4,489,191</u>		
Assets Held in Trust for Retirement of Refunded Debt				
Cash	229,224	229,224		
Investments	2,970,614	2,970,614		
	<u>3,199,838</u>	<u>3,199,838</u>		
Property, Plant and Equipment				
Land	2,894,085	79,209	2,814,876	
Water system	22,148,465	22,148,465		
Sewer system	22,157,910	22,157,910		
Buildings and improvements	1,268,881		721,591	547,290
Furniture, fixtures and equipment	196,974	174,480	22,494	
Construction in process	6,276,377	3,834,368	2,442,009	
	<u>54,942,692</u>	<u>48,394,432</u>	<u>6,000,970</u>	<u>547,290</u>
Accumulated depreciation and amortization	<u>(8,552,252)</u>	<u>(7,607,137)</u>	<u>(800,382)</u>	<u>(144,733)</u>
	<u>46,390,440</u>	<u>40,787,295</u>	<u>5,200,588</u>	<u>402,557</u>
Excess purchase price over fair market value of water system assets acquired, net of accumulated amortization of \$1,258,039	1,079,693	1,079,693		
Total Assets	<u>\$63,233,061</u>	<u>\$57,456,864</u>	<u>\$5,254,423</u>	<u>\$521,774</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				
Claims payable	\$ 391,795	\$ 388,110	\$ 3,685	\$
Current portion of contracts payable	150,763	117,068	33,695	
Other deposits	1,879			1,879
Total Current Liabilities	<u>544,437</u>	<u>505,178</u>	<u>37,380</u>	<u>1,879</u>
Current Liabilities (payable from restricted assets)				
Bonds interest payable	274,873	274,873		
Current portion of bonds payable	535,000	535,000		
Total Current Liabilities (payable from restricted assets)	<u>809,873</u>	<u>809,873</u>		
Total Current Liabilities	<u>1,354,310</u>	<u>1,315,051</u>	<u>37,380</u>	<u>1,879</u>
Long-Term Debt (less current portion)				
Bonds payable	10,215,000	10,215,000		
Contracts payable	528,271	528,271		
	<u>10,743,271</u>	<u>10,743,271</u>		
Other Liabilities				
Customer advances and deposits	100,107	100,107		
Advance from municipality	200,000	200,000		
	<u>300,107</u>	<u>300,107</u>		
Refunded Debt to be Retired by Assets Held in Trust				
Bonds interest payable	74,225	74,225		
Bonds payable				
Current portion	155,000	155,000		
Long-term portion	3,380,000	3,380,000		
	<u>3,609,225</u>	<u>3,609,225</u>		
Fund Equity				
Contributed capital	34,250,307	27,898,767	5,700,029	651,511
Retained earnings (accumulated deficit)				
Reserved for				
Revenue bond retirement	1,089,214	1,089,214		
Water and sewer system replacement	388,416	388,416		
Debt service	24,301	24,301		
Unreserved	11,473,910	12,088,512	(482,986)	(131,616)
Total Retained Earnings (Accumulated Deficit)	<u>12,975,841</u>	<u>13,590,443</u>	<u>(482,986)</u>	<u>(131,616)</u>
Total Fund Equity	<u>47,226,148</u>	<u>41,489,210</u>	<u>5,217,043</u>	<u>519,895</u>
Total Liabilities and Fund Equity	<u>\$63,233,061</u>	<u>\$57,456,864</u>	<u>\$5,254,423</u>	<u>\$521,774</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, 1981

	TOTAL ALL FUNDS	WATER AND SEWER UTILITY	AIRPORT	PUBLIC HOUSING
Operating Revenue				
Water service charges	\$ 3,051,588	\$ 3,051,588	\$	\$
Water connection fees	150,121	150,121		
Water development fees	644,371	644,371		
Sewer service fees	1,978,594	1,978,594		
Sewer connection fees	180,679	180,679		
Sewer development fees	55,283	55,283		
Tie downs and rentals	188,472		188,472	
Commissions on sales	115,975		115,975	
Property rentals	52,834			52,834
Other	58,530	58,530		
Total Operating Revenue	<u>6,476,447</u>	<u>6,119,166</u>	<u>304,447</u>	<u>52,834</u>
Operating Expenses				
Water operations	1,474,163	1,474,163		
Sewer operations	764,734	764,734		
Customer collection	194,531	194,531		
Airport operations	232,943		232,943	
Utilities	23,715			23,715
Maintenance	27,220			27,220
Depreciation and amortization	1,212,731	1,088,438	105,806	18,487
Total Operating Expenses	<u>3,930,037</u>	<u>3,521,866</u>	<u>338,749</u>	<u>69,422</u>
Operating Income (Loss)	<u>2,546,410</u>	<u>2,597,300</u>	<u>(34,302)</u>	<u>(16,588)</u>
Non-Operating Revenue (Expenses)				
Interest earnings	1,144,274	1,125,328	9,298	9,648
Interest expense	(757,048)	(751,256)	(5,792)	
Total Non-Operating Revenue (Expenses)	<u>387,226</u>	<u>374,072</u>	<u>3,506</u>	<u>9,648</u>
Net Income (Loss)	2,933,636	2,971,372	(30,796)	(6,940)
Retained Earnings July 1, 1980	<u>10,042,205</u>	<u>10,619,071</u>	<u>(452,190)</u>	<u>(124,676)</u>
Retained Earnings June 30, 1981	<u>\$12,975,841</u>	<u>\$13,590,443</u>	<u>\$(482,986)</u>	<u>\$(131,616)</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, 1981

	<u>TOTAL ALL FUNDS</u>	<u>WATER AND SEWER UTILITY</u>	<u>AIRPORT</u>	<u>PUBLIC HOUSING</u>
Sources of Funds				
From operations				
Net income (loss)	\$ 2,933,636	\$2,971,372	\$ (30,796)	\$ (6,940)
Noncash charge - depreciation and amortization	<u>1,212,731</u>	<u>1,088,438</u>	<u>105,806</u>	<u>18,487</u>
Total from operations	4,146,367	4,059,810	75,010	11,547
Contribution of water/sewer assets from subdividers	2,476,145	2,476,145		
Increase in current liabilities	304			304
Contributions from government units	2,090,494	1,262,217	828,277	
Decrease in receivables	169,297		165,504	3,793
Decrease in net assets held for refunded debt	112,300	112,300		
Decrease in restricted cash and investments	475,587	475,587		
Contributions from municipality	<u>1,101,587</u>	<u>119,737</u>	<u>981,850</u>	
	<u>10,572,081</u>	<u>8,505,796</u>	<u>2,050,641</u>	<u>15,644</u>
Uses of Funds				
Contribution of water/sewer assets from subdividers	2,476,145	2,476,145		
Purchase of other property, equipment, and construction in process	6,020,080	4,080,988	1,939,092	
Payments on long-term debt	740,315	652,068	88,247	
Increase in receivables	687,264	687,264		
Decrease in refunded debt	147,757	147,757		
Decrease in other liabilities	35,628	35,628		
Decrease in current liabilities	<u>318,538</u>	<u>137,027</u>	<u>181,511</u>	
	<u>10,425,727</u>	<u>8,216,877</u>	<u>2,208,850</u>	
Increase (Decrease) in Cash and Short- term Investments	146,354	288,919	(158,209)	15,644
Cash and Short-term Investments				
July 1, 1980	<u>6,292,009</u>	<u>5,997,214</u>	<u>191,222</u>	<u>103,573</u>
June 30, 1981	<u>\$ 6,438,363</u>	<u>\$6,286,133</u>	<u>\$ 33,013</u>	<u>\$119,217</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 billings to user programs of the City.

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, 1981

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	\$2,032,091	\$ 348,133	\$1,683,958
Accounts receivable	7,079	7,079	
Total Current Assets	<u>2,039,170</u>	<u>355,212</u>	<u>1,683,958</u>
Property, plant and equipment			
Land	67,904	67,904	
Buildings and improvements	429,392	429,392	
Motor vehicles	3,512,796	3,512,796	
Machinery and equipment	709,522	709,522	
Furniture, fixtures and office equipment	17,048	17,048	
Construction in process	245,472	245,472	
	<u>4,982,134</u>	<u>4,982,134</u>	
Accumulated depreciation	<u>(2,691,053)</u>	<u>(2,691,053)</u>	
	<u>2,291,081</u>	<u>2,291,081</u>	
Total Assets	<u>\$4,330,251</u>	<u>\$2,646,293</u>	<u>\$1,683,958</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Current Liabilities			
Claims payable	\$ 225,944	\$ 80,966	\$ 144,978
Fund Equity			
Contributed capital	2,984,648	2,480,313	504,335
Retained earnings - unreserved	1,119,659	85,014	1,034,645
Total Fund Equity	<u>4,104,307</u>	<u>2,565,327</u>	<u>1,538,980</u>
Total Liabilities and Fund Equity	<u>\$4,330,251</u>	<u>\$2,646,293</u>	<u>\$1,683,958</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, 1981

	<u>TOTAL ALL FUNDS</u>	<u>MOTOR POOL</u>	<u>SELF INSURANCE</u>
Operating Revenue			
Billings to user programs	\$3,658,657	\$3,147,584	\$ 511,073
Other	<u>146,699</u>	<u>9,913</u>	<u>136,786</u>
Total Operating Revenue	<u>3,805,356</u>	<u>3,157,497</u>	<u>647,859</u>
Operating Expenses			
Salaries and wages	995,592	995,592	
Materials purchased	710,499	710,499	
Gas, oil and lubricants	560,952	560,952	
Depreciation	616,141	616,141	
Other shop expenses	109,967	109,967	
General and administrative	117,139	12,343	104,796
Outside services	171,908	171,908	
Insurance premiums	196,152		196,152
Claims paid	<u>181,076</u>		<u>181,076</u>
Total Operating Expenses	<u>3,659,426</u>	<u>3,177,402</u>	<u>482,024</u>
Net Gain From Operations	145,930	(19,905)	165,835
Retained Earnings July 1, 1980	<u>973,729</u>	<u>104,919</u>	<u>868,810</u>
Retained Earnings June 30, 1981	<u>\$1,119,659</u>	<u>\$ 85,014</u>	<u>\$1,034,645</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, 1981

	<u>TOTAL ALL FUNDS</u>	<u>MOTOR POOL</u>	<u>SELF INSURANCE</u>
Sources of Funds			
From operations			
Net gain (loss)	\$ 145,930	\$ (19,905)	\$ 165,835
Noncash charge - depreciation	<u>616,141</u>	<u>616,141</u>	
Total from operations	762,071	596,236	165,835
Decrease in construction in progress	129,658	129,658	
Contributions from municipality	504,335		504,335
Increase in claims payable	<u>38,678</u>	<u>38,678</u>	
	<u>1,434,742</u>	<u>764,572</u>	<u>670,170</u>
Uses of Funds			
Purchase of motor vehicles	515,662	515,662	
Increase in buildings and equipment	11,905	11,905	
Increase in accounts receivable	6,205	6,205	
Decrease in claims payable	<u>73,747</u>		<u>73,747</u>
	<u>607,519</u>	<u>533,772</u>	<u>73,747</u>
Increase in Cash and Short-term Investments	827,223	230,800	596,423
Cash and Short-term Investments			
July 1, 1980	<u>1,204,868</u>	<u>117,333</u>	<u>1,087,535</u>
June 30, 1981	<u>\$2,032,091</u>	<u>\$ 348,133</u>	<u>\$1,683,958</u>

See notes to financial statements.

**STATISTICAL
SECTION**

TABLE I

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

<u>FISCAL YEAR</u>	<u>TOTAL</u>	<u>GENERAL GOVERNMENT</u>	<u>PUBLIC SAFETY</u>	<u>MANAGEMENT SERVICES</u>	<u>FIELD OPERATIONS</u>	<u>COMMUNITY SERVICES</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>MUNICIPAL UTILITIES</u>	<u>DEBT SERVICE</u>	<u>CAPITAL IMPROVEMENTS</u>
*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	
1974	14,606,409	2,526,056	2,806,951		6,138,145	2,050,495			1,084,762	
1973	10,803,303	1,743,392	2,289,692		4,977,483	1,373,567			419,169	
1972	7,674,213	1,036,203	1,806,833		3,647,558	785,430			398,189	

*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 & PERMITS	INTER-GOVERNMENT REVENUE	CHARGES FOR SERVICES	FORFEITS	USES OF MONEY & PROPERTY	MISCELLANEOUS
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
1974	13,165,118	6,228,398	544,996	4,644,425	260,485	229,396	292,438	964,980
1973	11,005,352	5,578,586	565,811	3,446,539	240,847	239,166	205,908	728,495
1972	8,233,855	4,552,900	147,086	2,373,264	613,816	197,333	130,473	218,983

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

TABLE III

FISCAL YEAR	TOTAL TAXES	PRIVILEGE TAXES	GENERAL PROPERTY TAX	FRANCHISE	IN-LIEU PROPERTY
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
1974	6,228,398	4,637,393	1,439,818	125,729	25,458
1973	5,578,586	4,173,436	1,273,554	102,023	29,573
1972	4,552,900	3,380,861	1,064,754	78,930	28,355

TABLE IV

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

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	% OF LEVY COLLECTIONS	DELINQUENT TAX COLLECTIONS	FUTURE YEAR TAX COLLECTIONS	TOTAL TAX COLLECTIONS	TOTAL COLLECTIONS % OF CURRENT LEVY	OUTSTANDING DELINQUENT TAXES	OUTSTANDING DELINQUENT AS A % OF CURRENT LEVY
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
1974	1,431,614	1,389,339	97.05	28,858	21,621	1,439,818	100.57	42,275	2.95
1973	1,291,567	1,223,459	94.73	26,271	23,824	1,273,554	98.61	71,905	5.57
1972	1,062,379	1,033,373	97.27	16,385	14,996	1,064,754	100.22	30,068	2.83

TABLE V

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

COMPARATIVE ASSESSED VALUATION CLASSIFICATION

	<u>REAL ESTATE</u>	<u>IMPROVEMENTS</u>	<u>SECURED PERSONAL</u>	<u>UNSECURED PERSONAL</u>	<u>UTILITIES, RAILS, WIRES</u>	<u>GROSS VALUATION</u>	<u>EXEMPTIONS</u>	<u>NET TAXABLE VALUATION</u>	<u>ESTIMATED ACTUAL VALUATION (\$000)</u>
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	2,164,591
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
1973-74	40,478,765	113,661,935	1,170,470	7,505,240	12,410,719	175,227,129	594,125	174,633,004	902,400
1972-73	31,571,935	77,515,955	1,054,588	5,733,750	10,283,575	126,159,803	778,850	125,380,953	639,047
1971-72	26,360,355	62,206,065	1,041,960	5,118,130	9,487,252	104,213,762	1,070,145	103,143,617	525,707

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ASSESSED VALUATION HISTORIES

YEAR	CITY OF SCOTTSDALE	MARICOPA COUNTY	STATE OF ARIZONA
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
1973-74	174,633,004	2,119,061,748	4,476,532,548
1972-73	125,380,953	1,644,191,013	3,634,000,000
1971-72	103,143,617	1,385,223,610	3,165,849,984

NOTE:

Property tax reform legislation approved by the voters on June 3, 1980 created PRIMARY (P) and 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.

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

TABLE VI

TAX RATES		SCHOOL DISTRICTS						CENTRAL ARIZONA PROJECT	TOTAL
FISCAL YEAR	CITY OF SCOTTSDALE	SCOTTSDALE UNIFIED*	COMMUNITY COLLEGE	MARICOPA COUNTY	STATE OF ARIZONA	FLOOD DISTRICT			
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
1974-75		1.03	5.05	.57	2.34	1.50	.20	.03	10.72
1973-74		.82	7.46	.57	1.94	.75	.20		11.74
1972-73		1.03	6.94	.62	2.10	1.55	.05		12.29
TAX LEVIES									
1981-82	Primary	\$2,035,757	\$20,619,199	\$35,382,235	\$72,719,050	\$43,109,179	\$	\$	\$173,865,420
	Secondary	1,270,315	1,806,942	1,502,500	9,605,781		13,500,000	1,599,438	29,284,976
	Total	\$3,306,072	\$22,426,141	\$36,884,735	\$82,324,831	\$43,109,179	\$13,500,000	\$1,599,438	\$203,150,396
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
1974-75		2,014,517	15,497,448	13,836,726	56,803,402	77,077,598	4,854,992	728,249	170,812,932
1973-74		1,431,614	21,125,953	12,078,652	41,109,798	33,749,494	3,427,676		112,923,187
1972-73		1,291,567	14,960,407	10,193,984	34,528,011	56,337,631	822,096		118,133,696

*For Scottsdale residents residing within the Phoenix Union High School District and the Balsz Elementary District the 1981-82 tax rate total is \$9.76. For those residing within the Paradise Valley Unified School District the 1981-82 tax rate total is \$12.02.

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
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
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
1973-74	663,806	N/A	N/A	N/A
1972-73	696,964	N/A	N/A	N/A
1971-72	647,190	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.

TABLE VIII

CITY OF SCOTTSDALE
 RATIO OF NET GENERAL 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 CAPITA</u>
1980-81	92,200	\$314,603,079	\$12,080,000	\$4,666,093	\$ 7,413,907	2.4%	\$ 80.41
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	12,750,000	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
1973-74	79,400	174,633,004	7,713,000	494,000	7,219,000	4.1	90.92
1972-73	76,300	125,380,953	4,437,000	224,000	4,213,000	3.4	55.22
1971-72	71,300	103,143,617	4,594,000	157,000	4,437,000	4.3	62.23

*Source: City Planning Staff.

TABLE IX

CITY OF SCOTTSDALE
COMPUTATION OF LEGAL DEBT MARGINS
JUNE 30, 1981

Assessed Value			\$314,603,079
Debt Limit 6% of Assessed Value			<u>18,876,185</u>
Amount of Debt Applicable to Debt Limit			
Total Bonded Debt		\$22,830,000	
Other Debt			
Excise Tax Debt	\$ 7,235,000		
Water Purchase Debt	<u>645,339</u>	<u>7,880,339</u>	
			<u>30,710,339</u>
Less:			
Cash in Debt Service Funds	80,000		
Revenue Bonds	10,750,000		
Excise Tax Debt	7,235,000		
Water Purchase Debt	645,339		
20% General Obligation Bonds	<u>9,425,000</u>	<u>28,135,339</u>	
Total Debt Applicable to Debt Limit			<u>2,575,000</u>
Legal Debt Margin			<u>\$ 16,301,185</u>
Debt Limit 20% of Assessed Value			\$ 62,920,616
Amount of Debt Applicable to Debt Limit			
Total Bonded Debt		\$22,830,000	
Other Debt			
Excise Tax Debt	\$ 7,235,000		
Water Purchase Debt	<u>645,339</u>	<u>7,880,339</u>	
			<u>30,710,339</u>
Less:			
Cash in Debt Service Funds	4,586,093		
Revenue Bonds	10,750,000		
Excise Tax Debt	7,235,000		
Water Purchase Debt	645,339		
6% General Obligation Bonds	<u>2,655,000</u>	<u>25,871,432</u>	
Total Debt Applicable to Debt Limit			<u>4,838,907</u>
Legal Debt Margin			<u>\$ 58,081,709</u>

TABLE X

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

FISCAL YEAR	PRINCIPAL	INTEREST	DEBT SERVICE	TOTAL EXPENDITURES	RATIO OF DEBT SERVICE TO TOTAL EXPENDITURES
*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
1974	504,000	348,884	852,884	14,606,409	5.84
1973	224,000	186,663	410,663	10,803,303	3.80
1972	102,000	188,227	290,227	7,674,213	3.78

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

TABLE XI

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>
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
1974	2,433,062	480,848	1,952,214	125,000	244,050	369,050	5.29	1.20
1973	1,978,216	406,832	1,571,384	-0-	-0-	-0-	-0-	1.20

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 XII

CITY OF SCOTTSDALE
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>POPULATION (1)</u>	<u>PER CAPITA INCOME (2)</u>	<u>MEDIAN AGE (2)</u>	<u>EDUC. LEVEL IN YEARS OF SCHOOLING (2)</u>	<u>SCHOOL ENROLLMENT (3)</u>	<u>UNEMPLOYMENT RATE (4)</u>
1972	71,300	4,474	29.0	14.1	28,615	N/A
1973	76,300	5,357	29.1	14.8	28,563	N/A
1974	79,400	5,259	29.3	14.2	28,247	5.5
1975	77,400	6,250	29.4	14.8	27,653	10.5
1976	77,500	6,280	30.4	14.8	26,837	7.8
1977	78,300	6,786	31.4	14.1	26,264	5.8
1978	81,100	7,826	32.4	14.6	25,478	4.2
1979	87,400	8,397	33.3	14.5	24,440	3.4
1980	87,900	8,968	34.3	14.4	23,309	4.4
1981	92,200	11,116	34.6	14.7	22,060	3.9

Sources:

- (1) City Planning Staff.
- (2) Inside Phoenix (Republic and Gazette), Forecast '80 (Western Savings).
- (3) Scottsdale School District.
- (4) Arizona Department of Economic Security.

TABLE XIII

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 OF DWELLING UNITS	VALUE		COMMERCIAL	RESIDENTIAL	NONTAXABLE
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			
1974					3,734,111			
1973					3,485,035			
1972					2,846,448			

Note (1) Source - City Building Inspection program; data not available prior to 1975.

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 XIV

CITY OF SCOTTSDALE
MISCELLANEOUS STATISTICAL DATA
JUNE 30, 1981

Date of Incorporation - June 25, 1951	
Date Charter Adopted - November 16, 1961	
Form of Government - Council/Manager	
Population	Area - Square Miles
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
1981 Est. 6/30/81 - 92,200	
Miles of Streets and Alleys	
Streets	481.03
Alleys	152.54
Miles of Sewers	
Storm	13.68
Sanitary	323.86
Fire Protection	
Number of Stations	4
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	195
Number of Traffic Citations (excluding parking)	25,387
Number of Vehicles	78
The City jail is a holding facility. All long-term prisoners are incarcerated in the County jail.	
Recreation	
Parks - Number of Acres	1,750
Number of Swimming Pools	3
Number of Other Recreation Facilities	17
These include schools and school playgrounds in cooperation with Scottsdale School District.	
Water Enterprise	
Number of Users (No. Units)	20,022
Annual Consumption (Gallons)	5,028,071,700
Plant Capacity	23,100,000 G.P.D.
Miles of Distribution Lines	217.50
Number of Street Lights	5,158
Employees as of June 30, 1981	
Full Time	788
Part Time	203
Grant Funded	4
Total	995
Elections	
Number of Registered Voters as of Last Regular Election (Feb. '80)	36,963
Number/% Voting in Last Municipal Election	5,357/14%
Population	
Median Age of Residents	34.6
Median Household Income	\$27,789
Median Home Value - Single Family	\$83,538

TABLE XVa

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
GENERAL OBLIGATION BONDS AND EXCISE DEBT

AS OF JUNE 30, 1981

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
1981-82	\$ 85,000	\$ 113,160	\$ 198,160	\$ 50,000	\$ 520,000	\$ 499,925	\$ 1,069,925	\$ 655,000	\$ 613,085	\$ 1,268,085	\$ 290,000	\$ 392,757	\$ 682,757	\$ 945,000	\$ 1,005,842	\$ 1,950,842
1982-83	90,000	109,435	199,435	50,000	520,000	486,275	1,056,275	660,000	595,710	1,255,710	305,000	376,670	681,670	965,000	972,380	1,937,380
1983-84	100,000	105,485	205,485	50,000	520,000	472,400	1,042,400	670,000	577,885	1,247,885	320,000	358,370	678,370	990,000	936,255	1,926,255
1984-85	105,000	101,225	206,225	50,000	520,000	470,450	1,040,450	675,000	571,675	1,246,675	340,000	339,170	679,170	1,015,000	910,845	1,925,845
1985-86	160,000	96,740	256,740		500,000	453,125	953,125	660,000	549,865	1,209,865	355,000	321,490	676,490	1,015,000	871,355	1,886,355
1986-87	165,000	90,220	255,220		500,000	358,250	858,250	665,000	448,470	1,113,470	375,000	303,030	678,030	1,040,000	751,500	1,791,500
1987-88	175,000	84,115	259,115		500,000	302,250	802,250	675,000	386,365	1,061,365	395,000	283,530	678,530	1,070,000	669,895	1,739,895
1988-89	180,000	77,640	257,640		500,000	244,750	744,750	680,000	322,390	1,002,390	415,000	262,990	677,990	1,095,000	585,380	1,680,380
1989-90	190,000	70,980	260,980		500,000	187,250	687,250	690,000	258,230	948,230	440,000	241,410	681,410	1,130,000	499,640	1,629,640
1990-91	200,000	62,975	262,975		500,000	187,250	687,250	700,000	250,225	950,225	465,000	218,530	683,530	1,165,000	468,755	1,633,755
1991-92	200,000	52,975	252,975		500,000	187,250	687,250	700,000	240,225	940,225	490,000	193,420	683,420	1,190,000	433,645	1,623,645
1992-93	200,000	43,475	243,475		180,000	187,250	367,250	380,000	230,725	610,725	515,000	166,960	681,960	895,000	397,685	1,292,685
1993-94	225,000	34,075	259,075					225,000	34,075	259,075	540,000	139,150	679,150	765,000	173,225	938,225
1994-95	250,000	23,500	273,500					250,000	23,500	273,500	570,000	109,450	679,450	820,000	132,950	952,950
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
TOTALS	\$2,575,000	\$1,077,750	\$3,652,750	\$200,000	\$5,760,000	\$4,036,425	\$ 9,996,425	\$8,535,000	\$5,114,175	\$13,649,175	\$7,235,000	\$3,785,027	\$11,020,027	\$15,770,000	\$ 8,899,202	\$24,669,202

(1) A sinking fund has been provided to retire all issues which will mature July 1, 1993.

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
SPECIAL ASSESSMENT BONDS
JUNE 30, 1981

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1982	\$ 631,684	\$202,018	\$ 833,702
1983	630,000	161,872	791,872
1984	530,000	125,145	655,145
1985	350,000	96,867	446,867
1986	301,000	75,520	376,520
1987	288,000	56,127	344,127
1988	287,000	37,190	324,190
1989	165,000	21,982	186,982
1990	98,000	12,760	110,760
1991	38,000	7,920	45,920
1992	35,000	5,323	40,323
1993	20,000	3,360	23,360
1994	18,000	1,950	19,950
1995	17,000	637	17,637
	<u>\$3,408,684</u>	<u>\$808,671</u>	<u>\$4,217,355</u>

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
REVENUE BONDS AND LONG-TERM CONTRACTS
JUNE 30, 1981

FISCAL YEAR	WATER AND SEWER UTILITY REVENUE BONDS		
	PRINCIPAL	INTEREST	TOTAL
1982	\$ 600,000	\$ 522,322	\$ 1,122,322
1983	685,000	490,573	1,175,573
1984	1,200,000	453,537	1,653,537
1985	1,270,000	389,333	1,659,333
1986	950,000	321,822	1,271,822
1987	690,000	270,623	960,623
1988	725,000	237,560	962,560
1989	765,000	202,560	967,560
1990	800,000	164,835	964,835
1991	810,000	125,385	935,385
1992	825,000	84,885	909,885
1993	300,000	43,635	343,635
1994	310,000	28,635	338,635
1995	285,000	12,825	297,825
	<u>\$10,215,000</u>	<u>\$3,348,530</u>	<u>\$13,563,530</u>

TABLE XVc

WATER AND SEWER UTILITY LONG-TERM CONTRACTS			WATER AND SEWER UTILITY TOTAL REQUIREMENTS		
<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$117,068	\$ 38,720	\$ 155,788	\$ 717,068	\$ 561,042	\$ 1,278,110
132,067	31,696	163,763	817,067	522,269	1,339,336
132,068	23,771	155,839	1,332,068	477,308	1,809,376
132,068	15,848	147,916	1,402,068	405,181	1,807,249
132,068	7,924	139,992	1,082,068	329,746	1,411,814
			690,000	270,623	960,623
			725,000	237,560	962,560
			765,000	202,560	967,560
			800,000	164,835	964,835
			810,000	125,385	935,385
			825,000	84,885	909,885
			300,000	43,635	343,635
			310,000	28,635	338,635
			285,000	12,825	297,825
<u>\$645,339</u>	<u>\$117,959</u>	<u>\$ 763,298</u>	<u>\$10,860,339</u>	<u>\$3,466,489</u>	<u>\$14,326,828</u>

TABLE XVI

CITY OF SCOTTSDALE
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1981

<u>CARRIER</u>	<u>POLICY DESCRIPTION</u>	<u>AMOUNT OF COVERAGE</u>
Insurance of North America 7/1/80 to 6/30/81	Property Insurance - Civic Center Repair or replace, fire, extended coverage, vandalism and malicious mischief. \$25,000 deductible	\$34,000,000
	Extra expense	\$ 500,000
Integrity 7/1/80 to 6/30/81	Excess Liability Coverage \$100,000 retention	\$ 900,000
Integrity 7/1/80 to 6/30/81	Excess Liability Coverage	\$ 9,000,000
Transport & Harbor 7/1/80 to 6/30/81	Excess Liability Coverage	\$10,000,000
Associated Aviation Underwriters 7/1/80 to 6/30/81	Airport and Hangarkeepers Coverage	\$15,000,000
Employers Reinsurance 7/1/80 to 6/30/81	Excess Workers Compensation Coverage \$250,000 retention	\$ 2,000,000
Aetna 7/1/80 to 6/30/81	Workers Compensation Guaranty Bond	\$ 100,000

TABLE XVIa

CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1981

REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/81)</u>
<u>Parks</u>				
<u>Agua Linda Park Bldg.</u> 8732 E. McDonald	Conc./Block	4/75	1,300	\$ 74,000
<u>Chaparral Park</u> 5401 N. Hayden Road	Conc./Block	10/74	4,650	193,000
<u>Chesnutt Park</u>				
4565 N. Granite Reef	Adobe	8/65	950	45,000
Senior Citizen Center	Conc./Block	7/69	693	16,800
Ramadas				
<u>Cholla Park</u>				
14501 N. Hayden Road				
Control Building	Conc./Block	12/71	1,904	86,000
<u>Eldorado Park</u>				
Recreation Center	Conc./Block	10/68	10,000	458,000
2311 N. Miller Road				
Pool/Bath House	Conc./Block	6/68	3,515	147,000
2301 N. Miller Road				
Restrooms	Conc./Block	7/70	350	14,000
2301 N. Miller Road				
South Control Bldg.	Conc./Block	7/70	1,944	90,000
1909 N. Miller				
Concession Stand	Conc./Block	1970	210	5,000
2301 N. Miller Road				
<u>Paiute Park</u>				
6535 E. Osborn				
Control Building	Conc./Block	--	500	39,000
<u>Pima Park</u>				
8600 E. Thomas Road	Conc./Block	--	500	39,000
<u>Baseball Stadium</u>				
7408 E. Osborn	Wood Frame	--	12,000	337,000
<u>Vista Del Camino</u>				
7700 E. Roosevelt	Conc./Block	8/73	8,753	673,000
<u>McCormick Park</u>				
7303 E. Indian Bend				
Bldg./North Branch Library	Adobe	12/67	3,108	156,000
Storage Building	Adobe	12/67	616	22,000
Railroad Train Shed	Steel	12/71	6,400	180,000
Train Depot	Wood Frame	4/75	504	17,000

TABLE XVIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1981REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/81)</u>
Parks (Continued)				
<u>McCormick Park (Continued)</u>				
Peoria Building	Wood Frame	4/75	1,008	\$ 32,000
Machine Shop Museum	Wood Frame	1974	180	5,000
North Star - Train Car	Steel	--	750	160,000
<u>Indian School Park</u>				
4289 N. Hayden Road				
Sports Control Bldg.	Conc./Block	2/80	2,265	143,000
Visitor Center	Conc./Block	2/80	3,918	252,000
Shower and Lockers	Conc./Block	2/80	3,600	260,000
	TOTAL PARKS			<u>\$3,443,800</u>
Neighborhood Development				
<u>Apartments</u>				
7548 East Osborn	Conc./Block	7/74	4,896	\$ 210,000
<u>Houses</u>				
7714 E. Kimsey	Wood Frame	12/74	1,300	61,000
7716 E. McKinley	Wood Frame	12/74	1,200	55,000
<u>Apartments</u>				
1200 N. 77th Street "A"	Conc./Block	10/75	6,150	223,000
1200 N. 77th Street "B"	Conc./Block	10/75	3,600	134,000
"A" 8 units, "B" 3 units				
	TOTAL NEIGHBORHOOD DEVELOPMENT			<u>\$ 683,000</u>
Maintenance Complex				
<u>Street Maintenance</u>				
	Conc./Block	8/71	8,479	\$ 402,000
<u>Storage Building</u>				
	Metal	7/66	600	10,000
1327 E. McKellips				
<u>Sanitation Center</u>				
1325 E. McKellips	Conc./Block	7/66	3,640	201,000
<u>Fleet Maintenance</u>				
1323 E. McKellips	Conc./Block	11/64	20,646	550,000
<u>P/M Building</u>				
1323 E. McKellips	Conc./Block	2/69	1,600	55,000
<u>Auto Parts Building</u>				
1323 E. McKellips	Sheet Metal	11/74	1,600	33,000
<u>Facilities Maintenance Shop</u>				
1601 E. McKellips	Sheet Metal	11/74	1,600	33,000

TABLE XVIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1981REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/81)</u>
Maintenance Complex (Continued)				
<u>Facilities Maintenance Bldg.</u> 1601 E. McKellips	Conc./Block	2/75	5,400	\$ 220,000
<u>Mower Shop</u> 1323 E. McKellips	Conc./Block	9/67	780	28,000
<u>Municipal Utilities</u> 1501 N. Miller Road	Conc./Block	6/79	4,760	<u>338,000</u>
TOTAL MAINTENANCE COMPLEX				<u>\$1,870,000</u>
Airport				
<u>Terminal</u> 7600 E. Butherus Drive	Conc./Block	1/68	4,240	\$ 450,000
<u>Service Hangar</u> 7600 E. Butherus Drive	Conc./Block	1/68	15,714	614,000
<u>"T" Hangars</u> 7600 E. Butherus Drive	Conc./Block	11/71	14,400	380,000
<u>F.A.A. Building</u> 7600 E. Butherus Drive	Conc./Block	7/72	5,930	<u>469,000</u>
TOTAL AIRPORT				<u>\$1,913,000</u>
Civic Center Complex				
<u>City Hall</u> 3939 Civic Center Plaza	Conc./Block	10/68	36,000	\$2,888,000
<u>Library</u> 3839 Civic Center Plaza	Conc./Block	10/68	39,000	3,122,000
<u>Public Service</u> 3739 Civic Center Plaza	Conc./Block	4/72	23,260	1,863,000
<u>Civic Center Pool</u> 3639 Civic Center Plaza	Conc./Block	6/66	1,200	47,610
<u>Mall Parking Facility</u> 7335 Civic Center Mall (446 spaces)	Conc./Block	12/74	140,000	2,005,000
<u>Civic Center Storage Bldg.</u> 3639 Civic Center Plaza	Conc./Block	1975	320	10,925

TABLE XVIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1981REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/81)</u>
Civic Center Complex (Cont'd)				
<u>Court Building</u> 3629 Civic Center Plaza	Conc./Block	9/75	7,500	\$ 476,100
<u>Center for the Arts</u> 7384 East Second Street	Conc./Block	9/75	88,000	7,729,000
<u>Senior Center I</u>	Conc./Block	9/76	5,200	381,000
<u>Senior Center II</u>	Conc./Block	11/77	5,145	365,000
<u>Senior Center III</u> 7375 East Second Street	Conc./Block	2/79	3,712	326,000
				<u>\$19,213,635</u>
	TOTAL CIVIC CENTER COMPLEX			
Fire Department				
<u>Fire Station #10</u> 2857 N. Miller Road	Conc./Block	8/68	8,424	\$ 436,000
<u>Fire Station #11</u> 7339 E. McDonald	Conc./Block	12/71	4,023	228,000
<u>Fire Station #12</u> 13665 N. Scottsdale Road	Conc./Block	12/71	2,120	110,000
				<u>\$ 774,000</u>
	TOTAL FIRE DEPARTMENT			
Miscellaneous				
<u>Warehouse</u> 7501 E. Second Street	Conc./Block	1972	17,200	372,500
<u>Police Annex</u> 3720 N. 75th St.	Block	1980	2,752	138,000
				<u>\$ 510,500</u>
	TOTAL MISCELLANEOUS			
	TOTAL REAL PROPERTY			<u>\$28,407,935</u>

TABLE XVII

CITY OF SCOTTSDALE
SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS
FOR FISCAL YEAR ENDED JUNE 30, 1981

<u>OFFICIAL TITLE</u>	<u>ANNUAL SALARY</u>		<u>BOND</u>
	<u>MINIMUM</u>	<u>MAXIMUM</u>	
Mayor		\$14,400	\$ 10,000
Councilmen (6)		7,200	10,000
City Manager/City Clerk	\$44,251	\$56,477	1,000,000
City Attorney	35,433	45,223	1,000,000
City Treasurer	35,433	45,223	1,000,000
City Magistrate	32,903	41,994	1,000,000

PUBLIC EMPLOYEES HONESTY AND FAITHFUL PERFORMANCE BOND

All City Employees	\$1,000,000 per employee
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