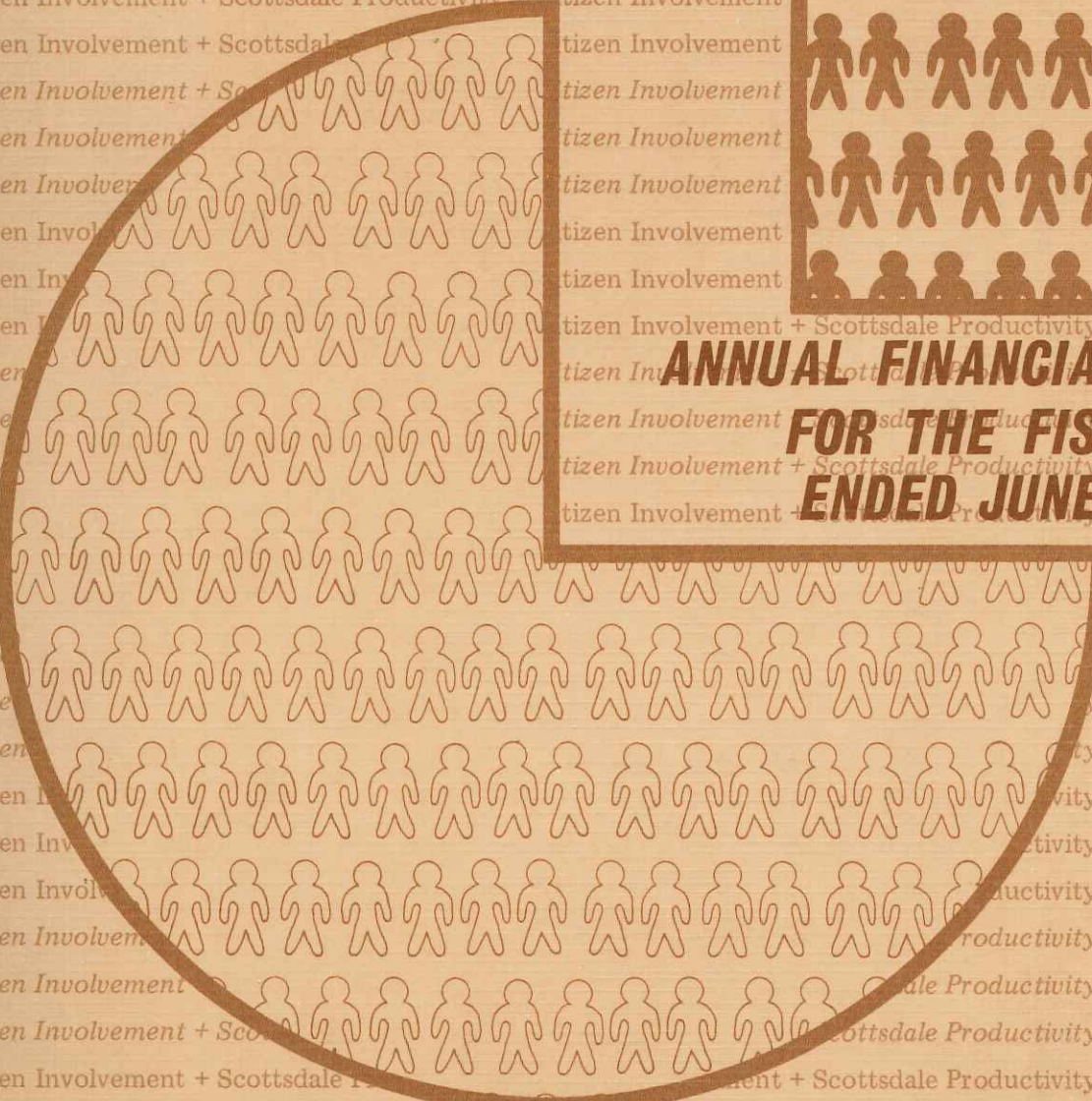
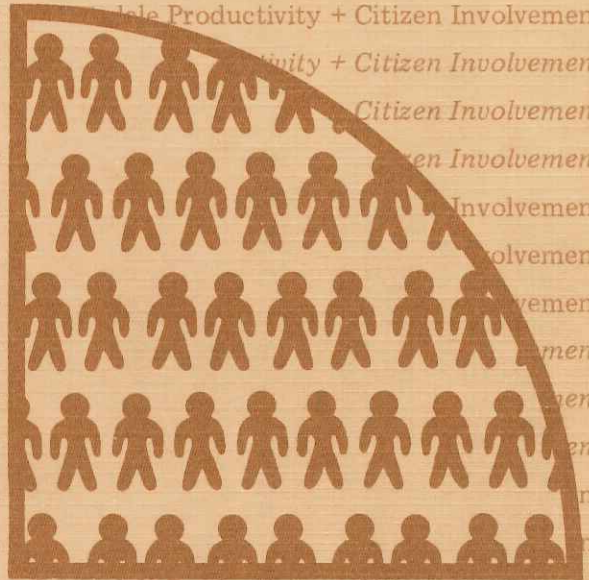


CITY OF SCOTTSDALE ARIZONA

**ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR
ENDED JUNE 30, 1982**





CITY OF SCOTTSDALE, ARIZONA
ANNUAL
FINANCIAL REPORT
FISCAL YEAR ENDED
JUNE 30, 1982

CITY COUNCIL

HERBERT R. DRINKWATER, MAYOR

JAMES D. BRUNER

DIANE D. CUSACK

BILLIE AXLINE GENTRY

JEAN L. BLACK

JEFF SCHUBERT

CHARLIE SMITH

ROY R. PEDERSON - CITY MANAGER

TOM DAVIS - ASSISTANT CITY MANAGER

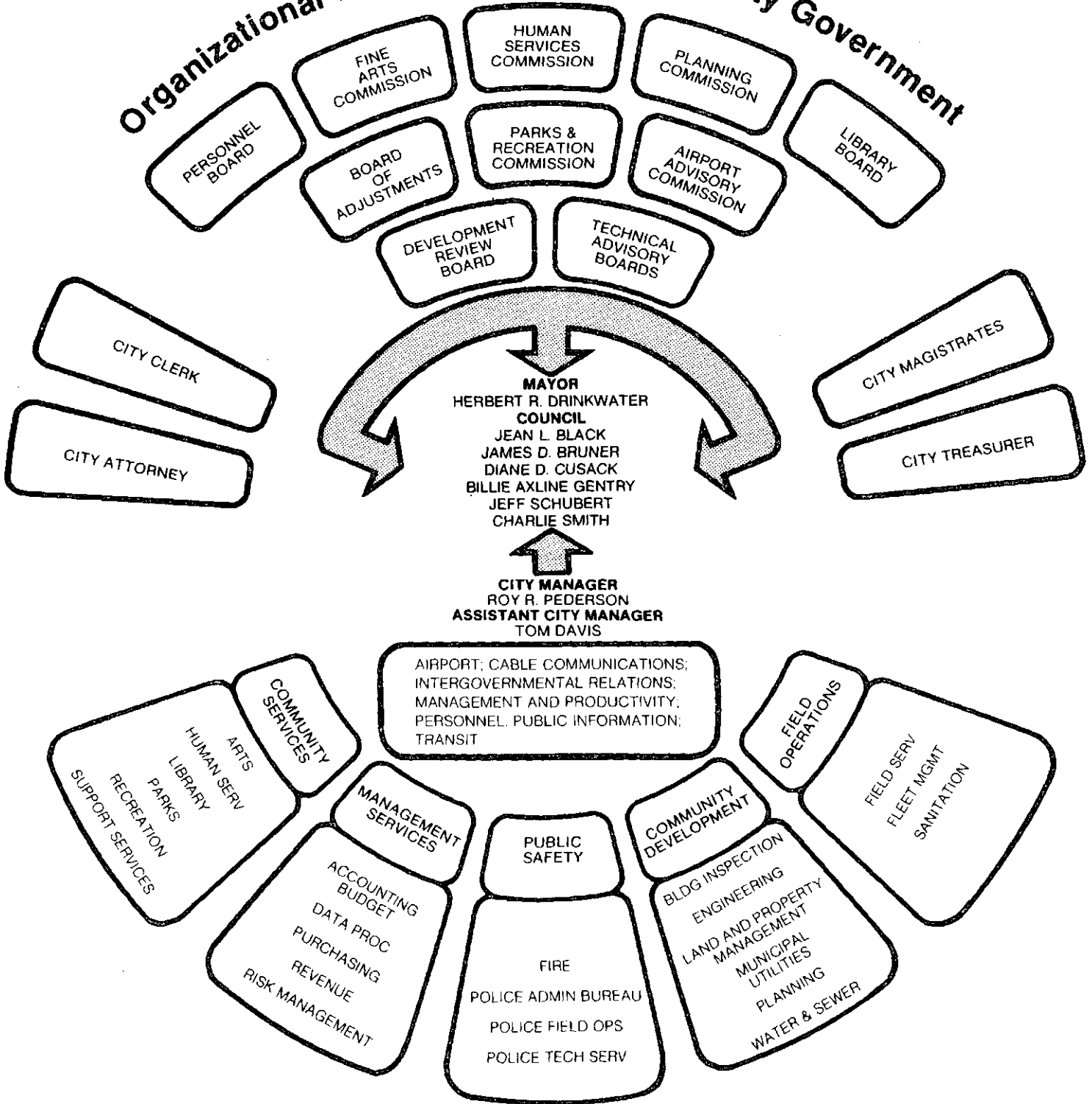
Prepared by

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, 1982

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**INTRODUCTORY
SECTION**



August 31, 1982

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, 1982, 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, 1981, 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 Funds are maintained on the accrual basis of accounting. The accrual basis of accounting recognizes revenue when it is earned and measurable and expenses when incurred, if measurable. The Governmental and Fiduciary Funds are maintained on the modified accrual basis of accounting. 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, 1982.

Financial Overview

A comparison of total fund balances for Governmental Funds reveals a substantial decrease over last year in the General Fund, Public Works Reserve and Capital Projects Funds. The decrease in the General Fund was anticipated and was caused by the tight economic situation necessitating expending funds accumulated in prior years. The decrease was anticipated in the Capital Projects Fund as the original storm sewer bond proceeds have been expended and the fund was closed out at June 30, 1982. The Public Works Reserve Fund was also closed out at June 30, 1982, with all capital improvements now a part of the fund they pertain to.

<u>Fund</u>	<u>FY 1981-82</u>	<u>FY 1980-81</u>	<u>Increase (Decrease)</u>
General	\$1,257,709	\$ 1,862,728	\$ (605,019)
Highway User	25,287	311,562	(286,275)
Public Works Reserve	-0-	2,373,410	(2,373,410)
Federal Revenue Sharing	207,200	139,459	67,741
Community Development	13,370	310	13,060
Grants	247,053	281,256	(34,203)
Debt Service	4,962,701	4,311,094	651,607
Capital Projects	-0-	1,090,877	(1,090,877)
Special Assessments	174,987	111,409	63,578
Trust and Agency	385,345	193,439	191,906
Total Fund Balances	<u>\$7,273,652</u>	<u>\$10,675,544</u>	<u>\$(3,401,892)</u>

A comparison of total retained earnings for Proprietary Funds reveals a substantial improvement over last year. Water and Sewer increased significantly over last year. This is desirable because extensive capital expenditures are necessary to keep pace with the City's growth.

<u>Fund</u>	<u>FY 1981-82</u>	<u>FY 1980-81</u>	<u>Increase (Decrease)</u>
Water and Sewer	\$17,192,316	\$13,590,443	\$3,601,873
Airport	(487,151)	(482,986)	(4,165)
Public Housing	(138,100)	(131,616)	(6,484)
Motor Pool	161,288	85,014	76,274
Self Insurance	1,076,644	1,034,645	41,999
Total Retained Earnings	<u>\$17,804,997</u>	<u>\$14,095,500</u>	<u>\$3,709,497</u>

Governmental and Fiduciary Funds Revenue

Revenue for governmental and fiduciary funds totaled \$38,733,897 in 1982, an increase of 7.0 percent over 1981. This is consistent with expectations; Taxes - Intergovernmental reflect the additional Highway User Fund Revenue from the new tax legislation and the City's share of the State Lottery proceeds which is also a new revenue source this year. Grant revenue is up indicating an increase in grant activity for the year. Use of Money and Property increase reflects the high interest rates available this past year. The decrease in Fines and Forfeitures reflects the additional use of diversion programs together with a reduced number of citations issued. The Miscellaneous category decreased due to nonrecurring capital improvement reimbursements received in the prior year. The amount of revenue from various sources and the increase or decrease over last year is shown in the following tabulation.

<u>Revenue Source</u>	<u>FY 1981-82</u>	<u>FY 1980-81</u>	<u>Increase (Decrease)</u>	<u>%</u>
Taxes - Local	\$17,266,878	\$15,655,414	\$ 1,611,464	10.3
Taxes - Intergovernmental	11,331,856	9,920,794	1,411,062	14.2
Grants	1,739,122	1,180,227	558,895	47.4
Licenses	363,398	331,019	32,379	9.8
Charges for Current Services	3,969,676	3,754,429	215,247	5.7
Fines and Forfeitures	459,034	578,808	(119,774)	(20.7)
Use of Money and Property	1,727,885	1,542,496	185,389	12.0
Miscellaneous	1,876,048	3,232,744	(1,356,696)	(42.0)
Total	<u>\$38,733,897</u>	<u>\$36,195,931</u>	<u>\$ 2,537,966</u>	<u>7.0</u>

Another interesting comparison is that of percentage contribution by revenue source. This comparison generally shows changes that are explained above.

<u>Revenue Source</u>	<u>FY 1981-82</u>	<u>FY 1980-81</u>	<u>Increase (Decrease)</u>
Taxes - Local	44.6%	43.3%	1.3%
Taxes - Intergovernmental	29.3	27.4	1.9
Grants	4.5	3.3	1.2
Licenses	.9	.9	-0-
Charges for Current Services	10.2	10.4	(.2)
Fines and Forfeitures	1.2	1.6	(.4)
Use of Money and Property	4.5	4.2	.3
Miscellaneous	4.8	8.9	(4.1)
Total	<u>100.0%</u>	<u>100.0%</u>	<u>-0-</u>

Governmental and Fiduciary Funds Expenditures

Expenditures of governmental and fiduciary funds increased by 10.6 percent or \$4,007,814 over 1981. A comparison by municipal department is shown in the following schedule.

<u>Department</u>	<u>FY 1981-82</u>	<u>FY 1980-81</u>	<u>Increase (Decrease)</u>	<u>%</u>
General Government	\$ 3,787,152	\$ 2,981,022	\$ 806,130	27.0
Public Safety	8,721,281	7,731,176	990,105	12.8
Management Services	2,520,130	2,556,277	(36,147)	(1.4)
Field Operations	7,658,942	7,091,973	566,969	8.0
Community Services	6,451,148	5,813,913	637,235	11.0
Community Development	4,571,909	4,151,823	420,086	10.1
Debt Service	1,591,632	1,532,127	59,505	3.9
Municipal Utilities	378,320	226,151	152,169	67.3
Capital Improvements	6,306,682	5,894,920	411,762	7.0
 Total	 <u>\$41,987,196</u>	 <u>\$37,979,382</u>	 <u>\$4,007,814</u>	 <u>10.6</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 14.4 percent on an average daily invested balance of \$17,800,000. Total interest earned on all funds provided \$3,166,242 investment income. Interest earnings on the governmental funds was \$1,670,883.

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 3.16 percent for 1981-82. 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 \$23,546,458 for 6% General Obligation Bonds and \$82,875,424 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, 1982, the general fixed assets of the City amounted to \$291,553,503. 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 \$3,601,873, up from \$2,971,372 or 21.2 percent over last year. The primary reason for the increase was the increase of \$813,706 in water service charges collected during the year. Water and sewer system revenue totaled \$8,466,963 for fiscal year 1981-82, up \$1,222,469 from last year.

Expenses have increased; for fiscal year 1981-82 expenses totaled \$4,865,090, up \$591,968 or 13.9 percent over last year. For the first time in eight years economic conditions have required a \$600,000 residual equity transfer from the Water and Sewer Fund to the General Fund.

Airport

The net loss for the airport decreased from \$30,796 last year to \$4,165 for fiscal year 1981-82. Operating revenue increased \$56,705 or 18.6 percent over last year, primarily from space rentals and commissions on sales by the Fixed Base Operators. Operating expenses increased \$30,860 or 9.1 percent 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 1981-82 was \$6,484 compared to a loss of \$6,940 for last year. Rental income increased \$14,633 from the prior year, due primarily from increases in rental rates. Operating costs were increased by \$15,620 with all of the increase occurring in maintenance and utility expenses.

Significant Events and Accomplishments for Fiscal Year 1981-82

- o The local economy registered a modest overall growth in 1981-82.

Local Privilege Tax receipts increased \$1,159,282 or 10.6 percent. Inflation as measured by the Phoenix Metro CPI increased 8.9 percent during the same period of time.

State Shared Sales Tax increased \$16,044, less than 1 percent. This was due in part to the elimination of state sales tax on food and to the sluggish economy statewide, particularly in the mine and timber sectors.

1,103 residential building unit permits were issued, down 803 permits from last year. Single family unit permits were down 306 and multi-family unit permits were down 497.

Residential and non-residential permit valuations totaled \$126.3 million for 1981-82, down \$22.5 million (15 percent) from last year's \$148.8 million total permitted valuation.

2,646 new dwelling units were approved by the Development Review Board, an increase of 956 units from last year's total of 1,690 units.

- o The combined property tax rate for 1982-83 is \$.81. The primary rate is \$.55 as compared to \$.59 last year. The secondary rate is \$.26 as compared to \$.30 last year. The tax levy for 1982-83 will be \$3,448,356, up \$142,288 from last year's levy of \$3,306,068.
- o \$17,705,000 was expended on capital improvements during the year. The major capital improvement projects completed during 1981-82 were:

Traffic Systems

Signal Intertie Phase I
Traffic Signals
 Seven New Signals
 Improvements to Eight Existing Signals
Downtown Parking Signs

Public Buildings

Civic Center Heating, Ventilation, Air Conditioning Controllers
Land Improvements for Fire Station at 108th and Via Linda
Mezzanine Remodeling at City Hall

Improvement Districts

Indian Plaza - 75th Street South of Camelback
Paradise Valley Plaza - Shea and Scottsdale Road

Significant Events and Accomplishments for Fiscal Year 1981-82 (Continued)

o Major Capital Improvements Projects (Continued)

Major Streets

Street Overlay Program
64th/Shea Intersection
McDonald at Fire Station East of Scottsdale Road
Scottsdale/Lincoln Intersection
Pima, North of Central Arizona Project
Hayden, Camelback to McDonald

Neighborhood Improvements

Pima Channel Landscaping Study
Indian School Road Landscaping

Recreation

Chaparral Parking Lot
Mountain View Park Facilities Phase I
Golf Course Study
Chaparral Park Ramada

Motor Pool

Natural Gas Conversion for City Vehicles

Water and Sewer

Central Arizona Project Sewer Crossing
Airport Water Line
Cactus/Raintree/Pima Transmission
Trunk Sewer Participation
Fire Line Loop at Corporation Yard
91st Avenue System Improvement
Chlorination Process
Pinnacle Peak Water Company Acquisition

Airport

Airport Maintenance Shop
Land Acquisition for Runway Extension

Significant Events and Accomplishments for Fiscal Year 1981-82 (Continued)

- o Water production for the year totaled 5,154,980,310 gallons, an increase of 2.5 percent over last year.
- o Sewage treated during FY 1981-82 at the Multi-City Wastewater Facility totaled 2.96 billion gallons. This is an average of over 8.0 million gallons per day, an increase of 1.7 percent over the previous year.
- o 11 miles of water lines and 10 miles of sewer lines were added to serve our expanding population.
- o 10,766,868 square yards of City streets were resurfaced in FY 1981-82.
- o The fourth year of our Self-Insurance program has been completed successfully; the program objectives have been exceeded.

City employee vehicle accident rate declined 31 percent.

City employee industrial injuries declined 30 percent.

The Fund assets now total \$2,080,928.

- o City of Scottsdale and United Cable Television of Scottsdale signed a 15-year, non-exclusive cable television license agreement for United to provide cable television service to the residents of Scottsdale. By June 30, 1982, United had installed 19.9 miles of underground cable plant.
- o Completed installation of the Energy Monitoring and Control System on the heating, ventilating and cooling systems in City Hall, Library and SCA buildings.
- o Controlled electricity consumption for City facilities to an increase of only .2 percent despite the hottest summer (1981) in history.
- o The Office of Management Productivity has initiated productivity studies within the Police Department, the Arts Center and Fleet Management. In addition, Work Management Systems are being maintained in Water and Sewer, Parks Maintenance, Airport and the Arts Center. To date, the Work Management Systems have accumulated \$341,000 in savings.
- o An intensive 12-month Scottsdale Town Enrichment Program was conducted involving as many as 240 citizen participants. Following thousands of volunteer hours, 12 subcommittees submitted 96 specific recommendations to the City Council. Their attained goal was to offer the City a useful guide in ensuring a high quality of life for the residents of our community as we approach the year 2000.
- o The City instituted a controlled system of voting by predetermined district in preference to the previous practice of voting at large. The City also entered into a formal agreement with the Maricopa County Department of Elections to provide equipment, logistical and advisory support.
- o Use of leisure facilities and programs increased 8.7 percent for a total of 3,051,082 citizen contacts during fiscal year 1981-82.

Significant Events and Accomplishments for Fiscal Year 1981-82 (Continued)

- o An increase of 16.5 percent in library materials circulated was realized in fiscal year 1981-82 for a total of 857,405.
- o The following fees have been approved for increases during the 1982-83 year:
 - Arts Center Fees
 - Court Fees
 - Water Service Fees
 - Sewer Service Fees
 - Refuse Service Fees
- o Approximate user fee increases during FY 1981-82 are as follows:
 - Commercial Sewer Service Fee - Interim and flat rates generally offset the original rate increases.
 - Commercial Refuse Service Fee - 20 percent
- o The Human Services Mobility Program, a demand responsive program providing low cost transportation to vital services for seniors and the handicapped, had its 1,000th registrant for the program. Cost to the City remained below \$3.00 per ride for FY 1981-82.
- o The Office of Policy and Programs was established to coordinate and administer all employee training, to administer the Employee Suggestion Program and to assist with the development of non-management performance measurement and incentive pay plans.
- o A computerized court system was installed which monitors and controls all the citations and court cases, including the scheduling of all the court events for the judge, prosecutor, defendant, witness, police officer and court room space.
- o Installed an alternative fuel system, compressed natural gas, on 88 gasoline vehicles in the Motor Pool Fleet.
- o Motor Pool fleet vehicles used 3 percent less fuel in FY 1981-82 as a result of Project Tread, driver awareness, emphasized preventive maintenance, operator accountability and computerized fuel control.

Future Outlook

The 1982-83 budget provides for an operating expenditure level of \$50 million, up 14 percent from last year. In addition, a contingency program of \$15 million was approved of which \$9 million is designated for capital improvements. The capital improvements projects will be authorized periodically if sufficient revenue is received to fund the projects. This insures that the operating programs can be funded before capital programs should the actual economic situation be less favorable than anticipated at budget preparation time.

Future Outlook (Continued)

The budget for 1982-83 estimates current revenue at \$10 million more than budgeted for 1981-82. This is a 21 percent increase with the significant revenue increases being: (1) Highway User Tax increase of \$3 million due to the state law changes applicable to gas and vehicle taxes and the enactment of a State lottery. (2) Capital Improvement Reimbursements increase \$3 million as the City anticipates an increased participation by other agencies in our capital program for the new year. (3) Privilege Tax increase of \$2 million reflecting a predicted overall increase of 11 percent, of which 3 percent represents growth and 8 percent inflation. (4) User rate increases of \$1 million in Water, Sewer and Sanitation Service Fees, Court Fees and Arts Center Fees.

The fiscal year 1982-83 is the first year for the statewide, voter approved expenditure limitation. In February, 1982, the voters of Scottsdale approved a capital improvement exclusion to the original expenditure limitation plan. The budget as adopted for 1982-83 is within the maximum expenditure limitations set forth in the new law.

The budget for 1982-83 reflects an anticipated modest economic upturn as compared to 1981-82.

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, 1981.

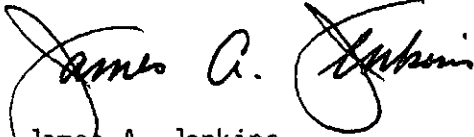
In order to be awarded a Certificate of Conformance, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable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

A handwritten signature in black ink, appearing to read "James A. Jenkins". The signature is written in a cursive style with a large initial "J".

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, 1981

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.



[Signature]
President

[Signature]
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, 1982 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, 1982 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, 1982 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 31, 1982

CITY OF SCOTTSDALE
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1982
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1981

EXHIBIT A-1

	GOVERNMENTAL FUND TYPES				FIDUCIARY	PROPRIETARY FUND TYPES		ACCOUNT GROUPS		TOTALS		
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	SPECIAL ASSESSMENTS	TRUST AND AGENCY	ENTERPRISE	INTERNAL SERVICE	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	(MEMORANDUM ONLY) JUNE 30, 1982	JUNE 30, 1981
ASSETS AND OTHER DEBITS												
Cash and short-term investments	\$ 790,063	\$ 298,577	\$	\$	\$ 818,241	\$1,801,886	\$ 5,856,093	\$2,227,869	\$	\$	\$ 11,792,729	\$ 14,866,907
Cash with fiscal agents			5,575,345		120,257	319,268					6,014,870	5,309,893
Investments	754,436										754,436	1,070,684
Accrued interest receivable	559,439										559,439	618,084
Receivables												
Property taxes	181,367										181,367	175,679
State shared sales tax	405,974										405,974	228,770
Auto lieu tax	67,619										67,619	62,361
Gas tax		265,498									265,498	120,432
Federal revenue sharing		309,669									309,669	293,204
Grants		37,152									37,152	120,045
Special assessments					2,739,786						2,739,786	2,671,480
Accounts	410,737						1,220,414	2,252			1,633,403	1,500,073
Miscellaneous	68,608	86,228					330,448				485,284	1,455,568
Inventory of supplies	208,771										208,771	
Prepaid expense	2,000										2,000	
Restricted cash, investments and receivables							3,545,865				3,545,865	4,489,191
Assets held in trust for retirement of refunded debt							3,081,169				3,081,169	3,199,838
Property, plant and equipment - less applicable accumulated depreciation and amortization							58,323,512	2,807,653	291,553,503		352,684,668	299,890,741
Excess purchase price over fair market value of water system assets acquired							1,014,659				1,014,659	1,079,693
Amount available in Debt Service Fund										4,962,701	4,962,701	4,311,094
Amount to be provided for retirement of long-term debt										13,230,746	13,230,746	14,964,735
Total Assets and Other Debits	\$3,449,014	\$ 997,124	\$5,575,345	\$-0-	\$3,678,284	\$2,121,154	\$73,372,160	\$5,037,774	\$291,553,503	\$18,193,447	\$403,977,805	\$356,428,472

See notes to financial statements.

CITY OF SCOTTSDALE
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1982
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1981

EXHIBIT A-1

LIABILITIES AND FUND EQUITY	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, 1982	JUNE 30, 1981
Liabilities												
Cash overdraft	\$	\$ 261,005	\$	\$	\$	\$	\$ 198,923	\$	\$	\$	\$ 459,928	\$ 181,610
Claims payable	428,520	228,427				550	830,667	329,888			1,818,052	973,167
Accrued payroll	198,391	14,782					11,714	10,626			235,513	148,072
Accrued payroll withholdings	1,173,725										1,173,725	1,121,711
Accrued interest payable							42,072				42,072	-0-
Guaranty and other deposits						1,735,259					1,735,259	1,479,231
Deferred revenue												
Property taxes	185,169										185,169	77,689
Special assessments interest					83,150						83,150	
Bonds interest payable			302,644		120,257						687,963	702,015
Bonds payable - current			310,000					690,000			960,000	890,000
Contracts payable - current								997,641			997,641	150,763
Other deposits												1,879
Long-term debt (less current portion)					3,299,890		13,272,924			18,193,447	34,766,261	33,427,784
Other	205,500						110,740				316,240	450,107
Refunded debt to be retired by assets held in trust							3,451,252				3,451,252	3,609,225
Total Liabilities	<u>2,191,305</u>	<u>504,214</u>	<u>612,644</u>		<u>3,503,297</u>	<u>1,735,809</u>	<u>19,830,995</u>	<u>340,514</u>		<u>18,193,447</u>	<u>46,912,225</u>	<u>43,213,253</u>
Fund Equity												
Contributed capital							36,974,100	3,459,328			40,433,428	37,234,955
Investment in general fixed assets									291,553,503		291,553,503	251,209,220
Retained earnings												
Reserved for												
Revenue bond retirement							1,231,743				1,231,743	1,089,214
Water and sewer system replacement								532,336			532,336	388,416
Debt Service								16,582			16,582	24,301
Unreserved							14,786,404	1,237,932			16,024,336	12,593,569
Fund Balances												
Reserved for												
Encumbrances	1,038,163	538,239				1,785					1,578,187	3,478,810
Inventory of supplies	208,771										208,771	
Debt service			4,962,701		35,412						4,998,113	4,422,503
Street light districts					139,575						139,575	
Unreserved	10,775	(45,329)				383,560					349,006	2,774,231
Total Retained Earnings/ Fund Balance	<u>1,257,709</u>	<u>492,910</u>	<u>4,962,701</u>		<u>174,987</u>	<u>385,345</u>	<u>16,567,065</u>	<u>1,237,932</u>			<u>25,078,649</u>	<u>24,771,044</u>
Total Fund Equity	<u>1,257,709</u>	<u>492,910</u>	<u>4,962,701</u>		<u>174,987</u>	<u>385,345</u>	<u>53,541,165</u>	<u>4,697,260</u>	<u>291,553,503</u>		<u>357,065,580</u>	<u>313,215,219</u>
Total Liabilities and Fund Equity	<u>\$3,449,014</u>	<u>\$ 997,124</u>	<u>\$5,575,345</u>	<u>\$-0-</u>	<u>\$3,678,284</u>	<u>\$2,121,154</u>	<u>\$73,372,160</u>	<u>\$5,037,774</u>	<u>\$291,553,503</u>	<u>\$18,193,447</u>	<u>\$403,977,805</u>	<u>\$356,428,472</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, 1982
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1981

EXHIBIT A-2

	GOVERNMENTAL FUND TYPES					FIDUCIARY	TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	SPECIAL ASSESSMENTS	FUND TYPE TRUST AND AGENCY	(MEMORANDUM ONLY) JUNE 30, 1982	JUNE 30, 1981
Revenue								
Taxes - Local	\$9,736,785	\$6,084,421	\$1,445,672	\$	\$	\$	\$17,266,878	\$15,655,414
Taxes - Intergovernmental	7,611,252	3,720,604					11,331,856	9,920,794
Grants		1,739,122					1,739,122	1,180,227
Licenses	363,398						363,398	331,019
Charges for Current Services	3,969,676						3,969,676	3,754,429
Fines and Forfeitures	459,034						459,034	578,808
Use of Money and Property	1,118,036	153,983	356,072	99,794			1,727,885	1,542,496
Miscellaneous	265,493	431,347		14,521	801,548	363,139	1,876,048	3,232,744
Total Revenue	<u>23,523,674</u>	<u>12,129,477</u>	<u>1,801,744</u>	<u>114,315</u>	<u>801,548</u>	<u>363,139</u>	<u>38,733,897</u>	<u>36,195,931</u>
Expenditures								
Current								
General Government	3,067,491	177,848					3,245,339	2,508,933
Public Safety	7,481,148	1,240,133					8,721,281	7,731,176
Management Services	2,520,130						2,520,130	2,556,277
Field Operations	4,001,431	3,657,511					7,658,942	7,091,973
Community Services	6,100,779	350,369					6,451,148	5,813,913
Community Development	2,568	4,569,341					4,571,909	4,151,823
Municipal Utilities	378,320						378,320	226,151
Street Light Districts					315,080		315,080	234,536
Trust and Agency						171,233	171,233	87,553
Provision for Litigation	55,500						55,500	150,000
Debt Service								
Principal Retirement	125,184		454,612				579,796	374,331
Interest and Fiscal Charges	316,311		695,525				1,011,836	957,796
Capital Improvements		4,651,905		1,131,887	522,890		6,306,682	5,894,920
Total Expenditures	<u>24,048,862</u>	<u>14,647,107</u>	<u>1,150,137</u>	<u>1,131,887</u>	<u>837,970</u>	<u>171,233</u>	<u>41,987,196</u>	<u>37,979,382</u>
Excess (Deficiency) of Revenue over Expenditures	(525,188)	(2,517,630)	651,607	(1,017,572)	(36,422)	191,906	(3,253,299)	(1,783,451)
Other Sources (Uses)								
Operating Transfers In		1,335,000					1,335,000	2,500,000
Operating Transfers (Out)	(1,335,000)						(1,335,000)	(2,500,000)
Excess (Deficiency) of Revenue and Other Sources over Expenditures and Other Uses	(1,860,188)	(1,182,630)	651,607	(1,017,572)	(36,422)	191,906	(3,253,299)	(1,783,451)
Fund Balances July 1	1,862,728	3,105,997	4,311,094	1,090,877	111,409	193,439	10,675,544	13,875,012
Reserve for Inventory	208,771						208,771	
Residual Equity Transfers In	1,714,030				100,000		1,814,030	
Residual Equity Transfers (Out)	(667,632)	(1,430,457)		(73,305)			(2,171,394)	(1,416,017)
Fund Balances June 30	<u>\$1,257,709</u>	<u>\$ 492,910</u>	<u>\$4,962,701</u>	<u>\$ -0-</u>	<u>\$174,987</u>	<u>\$385,345</u>	<u>\$ 7,273,652</u>	<u>\$10,675,544</u>

See notes to financial statements.

ANNUAL FINANCIAL REPORT

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, 1982

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	\$16,252,000	\$17,593,945	\$1,341,945	\$8,850,201	\$9,736,785	\$ 886,584	\$5,954,900	\$6,411,488	\$ 456,588	\$1,446,899	\$1,445,672	\$(1,227)
Taxes - Intergovernmental	10,471,000	11,331,856	860,856	7,790,000	7,611,252	(178,748)	2,681,000	3,720,604	1,039,604			
Licenses	345,000	363,398	18,398	345,000	363,398	18,398						
Charges for Current Services	4,055,000	3,969,676	(85,324)	4,055,000	3,969,676	(85,324)						
Fines and Forfeitures	616,000	459,034	(156,966)	616,000	459,034	(156,966)						
Use of Money and Property	902,000	1,272,019	370,019	580,000	1,118,036	538,036	322,000	153,983	(168,017)			
Miscellaneous	1,100,000	696,840	(403,160)	300,000	265,493	(34,507)	800,000	431,347	(368,653)			
Total Revenue	<u>33,741,000</u>	<u>35,686,768</u>	<u>1,945,768</u>	<u>22,536,201</u>	<u>23,523,674</u>	<u>987,473</u>	<u>9,757,900</u>	<u>10,717,422</u>	<u>959,522</u>	<u>1,446,899</u>	<u>1,445,672</u>	<u>(1,227)</u>
Expenditures												
Current												
General Government	2,990,823	3,007,398	(16,575)	2,990,823	3,007,398	(16,575)						
Public Safety	8,888,971	8,826,877	62,094	7,715,971	7,650,916	65,055	1,173,000	1,175,961	(2,961)			
Management Services	2,562,644	2,515,483	47,161	2,562,644	2,515,483	47,161						
Field Operations	7,623,500	7,568,552	54,948	4,006,671	3,999,704	6,967	3,616,829	3,568,848	47,981			
Community Services	6,031,890	6,080,723	(48,833)	6,031,890	6,080,723	(48,833)						
Community Development	3,527,443	3,517,718	9,725				3,527,443	3,517,718	9,725			
Municipal Utilities	307,011	332,860	(25,849)	307,011	332,860	(25,849)						
Contingency	369,597	-0-	369,597	369,597	-0-	369,597						
Debt Service												
Principal Retirement	364,906	354,796	10,110	135,294	125,184	10,110				229,612	229,612	-0-
Interest and Fiscal Charges	1,039,203	1,011,836	27,367	341,916	316,311	25,605				697,287	695,525	1,762
Sinking Fund Deposits	520,000	520,535	(535)							520,000	520,535	(535)
Capital Improvements	5,652,187	4,407,174	1,245,013				5,652,187	4,407,174	1,245,013			
Total Expenditures	<u>39,878,175</u>	<u>38,143,952</u>	<u>1,734,223</u>	<u>24,461,817</u>	<u>24,028,579</u>	<u>433,238</u>	<u>13,969,459</u>	<u>12,669,701</u>	<u>1,299,758</u>	<u>1,446,899</u>	<u>1,445,672</u>	<u>1,227</u>
Excess (Deficiency) of Revenue over Expenditures	(6,137,175)	(2,457,184)	3,679,991	(1,925,616)	(504,905)	1,420,711	(4,211,559)	(1,952,279)	2,259,280	-0-	-0-	-0-
Other Sources (Uses)												
Operating Transfers In	5,622,778	1,335,000	(4,287,778)	1,432,674	-0-	(1,432,674)	4,190,104	1,335,000	(2,855,104)			
Operating Transfers (Out)	-0-	(1,335,000)	(1,335,000)	-0-	(1,335,000)	(1,335,000)						
Excess (Deficiency) of Revenue and Other Sources over Expenditures and Other Uses	(514,397)	(2,457,184)	(1,942,787)	(492,942)	(1,839,905)	(1,346,963)	121,455	(617,279)	(595,824)	-0-	-0-	-0-
Encumbrances Cancelled	-0-	1,062,103	1,062,103	-0-	266,492	266,492	-0-	795,611	795,611			
Fund Balances July 1, 1981	854,397	1,963,865	1,109,468	832,942	1,579,779	746,837	21,455	384,086	362,631	-0-	-0-	-0-
Residual Equity Transfers In	-0-	1,172,612	1,172,612	-0-	1,172,612	1,172,612						
Residual Equity Transfers (Out)	(340,000)	(1,017,451)	(677,451)	(340,000)	(667,632)	(327,632)	-0-	(349,819)	(349,819)			
Fund Balances June 30, 1982	<u>\$ -0-</u>	<u>\$ 723,945</u>	<u>\$ 723,945</u>	<u>\$ -0-</u>	<u>\$ 511,346</u>	<u>\$ 511,346</u>	<u>\$ -0-</u>	<u>\$ 212,599</u>	<u>\$ 212,599</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</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 TYPES

FOR THE FISCAL YEAR ENDED JUNE 30, 1982

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

	ENTERPRISE	INTERNAL SERVICE	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 1982	JUNE 30, 1981
Operating Revenue				
Water service charges	\$ 3,865,294	\$	\$ 3,865,294	\$ 3,051,588
Water connection fees	127,154		127,154	150,121
Water development fees	580,242		580,242	644,371
Sewer service fees	2,165,344		2,165,344	1,978,594
Sewer connection fees				180,679
Sewer development fees	389,219		389,219	55,283
Tie downs and rentals	207,797		207,797	188,472
Commissions on sales	153,355		153,355	115,975
Property rentals	67,467		67,467	52,834
Billings to user programs		3,709,277	3,709,277	3,658,657
Other	69,140	234,595	303,735	205,229
Total Operating Revenue	<u>7,625,012</u>	<u>3,943,872</u>	<u>11,568,884</u>	<u>10,281,803</u>
Operating Expenses				
Water operations	1,780,284		1,780,284	1,474,163
Sewer operations	816,190		816,190	764,734
Customer collection	222,335		222,335	194,531
Airport operations	264,247		264,247	232,943
Public housing operations	66,636		66,636	50,935
Motor pool operations		2,690,994	2,690,994	2,561,261
Self-insurance operations		477,159	477,159	482,024
Depreciation and amortization	1,510,216	657,446	2,167,662	1,828,872
Total Operating Expenses	<u>4,659,908</u>	<u>3,825,599</u>	<u>8,485,507</u>	<u>7,589,463</u>
Operating Income	2,965,104	118,273	3,083,377	2,692,340
Non-Operating Revenue (Expenses)				
Interest earnings	1,285,953		1,285,953	1,144,274
Interest expense	(659,833)		(659,833)	(757,048)
Total Non-Operating Revenue (Expenses)	626,120		626,120	387,226
Net Income	3,591,224	118,273	3,709,497	3,079,566
Retained Earnings July 1	<u>12,975,841</u>	<u>1,119,659</u>	<u>14,095,500</u>	<u>11,015,934</u>
Retained Earnings June 30	<u>\$16,567,065</u>	<u>\$1,237,932</u>	<u>\$17,804,997</u>	<u>\$14,095,500</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, 1982
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1981

	ENTERPRISE	INTERNAL SERVICE	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 1982	JUNE 30, 1981
Sources of Funds				
From operations				
Net income	\$ 3,591,224	\$ 118,273	\$ 3,709,497	\$ 3,079,566
Noncash charge - depreci- ation and amortization	<u>1,510,216</u>	<u>657,446</u>	<u>2,167,662</u>	<u>1,828,872</u>
Total from operations	<u>5,101,440</u>	<u>775,719</u>	<u>5,877,159</u>	<u>4,908,438</u>
Contributions				
Water/sewer assets from subdividers	1,456,719		1,456,719	2,476,145
From government units	1,406,188		1,406,188	2,090,494
From municipality	363,503	474,680	838,183	1,605,922
Increase in				
Current liabilities	1,643,685	114,971	1,758,656	38,982
Long-term debt	3,230,799		3,230,799	
Decrease in				
Receivables	358,707	4,908	363,615	169,297
Net assets held for refunded debt	118,669		118,669	112,300
Restricted cash and investments	943,326		943,326	475,587
Construction in process				129,658
	<u>14,623,036</u>	<u>1,370,278</u>	<u>15,993,314</u>	<u>12,006,823</u>
Uses of Funds				
Contribution of water/sewer assets from subdividers	1,456,719		1,456,719	2,476,145
Purchase of other property, equipment and construction in process	11,921,535	1,174,018	13,095,553	6,547,647
Increase in receivables	274,033	81	274,114	693,469
Decrease in				
Refunded debt	157,973		157,973	147,757
Contributions from municipality	502,617		502,617	
Other liabilities	191,283		191,283	35,628
Long-term debt	701,146		701,146	740,315
Current liabilities		401	401	392,285
	<u>15,205,306</u>	<u>1,174,500</u>	<u>16,379,806</u>	<u>11,033,246</u>
Increase (Decrease) in Cash and Short-term Investments	(582,270)	195,778	(386,492)	973,577
Cash and Short-term Investments				
July 1	6,438,363	2,032,091	8,470,454	7,496,877
June 30	<u>\$ 5,856,093</u>	<u>\$ 2,227,869</u>	<u>\$ 8,083,962</u>	<u>\$ 8,470,454</u>

See notes to financial statements.

CITY OF SCOTTSDALE
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1982

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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, revenue is 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 revenue, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of this revenue. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenue is 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 revenue at the time of receipt or earlier if they meet the available criterion.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Accounting (Continued)

Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenue (except investment earnings) are recorded as revenue 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 revenue in the year the assessments are levied, even if payments are made in annual installments.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 \$208,520 have been committed by the proprietary funds.

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 included on the balance sheet of the General Fund. Inventories aggregated \$208,771 at June 30, 1982 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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	\$220,542,678
Land	4,664,000
Traffic signal equipment	606,000
Water and Sewer Utility Fund:	
Water system and sewer system	\$ 26,202,548

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 \$1,229,897 at June 30, 1982.

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 \$1,611,523 at June 30, 1982.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

N. Funds Servicing Long-Term Debt

The Debt Service Fund is specifically established to account for and service the general long-term debt 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 bonds and contracts payable which benefit that fund.

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	\$ 1,257,709	\$232,487	\$4,962,701
Reserved encumbrances at June 30, 1982 but recognized as expenditures for budget purposes	(1,038,163)	(33,155)	
Reserved for inventory of supplies but recognized as expenditures for budget purposes	(208,771)		
Accrued payroll at June 30, 1982 not recognized as an expenditure for budget purposes	198,391	13,267	
Provision for litigation at June 30, 1982 not recognized as an expenditure for budget purposes	205,500		
Capital improvement transfers not recog- nized as an expenditure for budget purposes	96,680		
Fund balance from sinking fund not recognized for budget purposes			(4,962,701)
Budget Basis	<u>\$ 511,346</u>	<u>\$212,599</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 for the year on a 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	\$(1,860,188)	\$(1,206,487)	\$ 651,607
Expenditures of amounts encumbered during year ended June 30, 1981	213,457	1,491,159	
Reserved encumbrances during year ended June 30, 1982 recognized as expenditures for budget purposes	(407,955)	(426,468)	
Accrued payroll not recognized as an expenditure for budget purposes	62,601	18,338	
Provision for litigation not recognized as an expenditure for budget purposes	55,500		
Capital improvement transfers recognized as expenditures for budget purposes		(820,888)	
Capital improvement transfers not recognized as expenditures for budget purposes	96,680		
Capital improvement transfers recognized as revenue for budget purposes		327,067	
Sinking fund interest earnings not recognized as revenue for budget purposes			(356,072)
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			(520,535)
Budget Basis	<u>\$(1,839,905)</u>	<u>\$ (617,279)</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, 1982 consist of the following:

Cash in savings account	\$ 116,484
Cash in checking accounts	(903,948)
Certificate of deposit	600,000
Treasury bills	3,127,396
Treasury notes	1,996,005
Federal Agencies	7,396,521
Improvement district bonds	294,000
Repurchase agreements	2,075,000
	<u>\$14,701,458</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, 1982 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

Grants and miscellaneous receivables include:

- \$263,519 Due from the Federal Aviation Administration for reimbursement of expenses for runway construction at the Scottsdale Airport. This receivable is accounted for in the Airport Enterprise Fund.
- \$ 21,968 Reimbursement from the Federal Highway Administration for expenses incurred in the installation of pavement markers. This receivable is accounted for in the Special Revenue Funds.
- \$ 15,100 Due from various local government agencies for tuition for courses offered by the Local Government Regional Training Center. This receivable is accounted for in the Special Revenue Funds.
- \$ 14,521 Due from the Maricopa County Flood Control District which is the latest billing in connection with the construction of the Indian Bend Wash Project. This receivable is accounted for in the General Fund.

NOTE 6 - FIXED ASSETS

A summary of changes in General Fixed Assets follows:

	<u>BALANCE</u> <u>6/30/81</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>6/30/82</u>
Land	\$ 6,635,279	\$ 67,660	\$	\$ 6,702,939
Buildings and Improvements	23,323,339	2,225,920		25,549,259
Streets and Storm Drains	212,912,470	36,834,889		249,747,359
Machinery and Equipment	2,246,685	499,286	2,816	2,743,155
Construction in Process	6,091,447	6,868,876	6,149,532	6,810,791
	<u>\$251,209,220</u>	<u>\$46,496,631</u>	<u>\$6,152,348</u>	<u>\$291,553,503</u>

NOTE 6 - FIXED ASSETS (Continued)

A summary of Proprietary Fund Types Fixed Assets at June 30, 1982 follows:

	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>
Land	\$ 4,498,379	\$ 67,904
Water System	29,561,132	
Sewer System	26,592,537	
Buildings and Improvements	1,601,863	436,374
Motor Vehicles		3,898,252
Machinery and Equipment		686,509
Furniture and Fixtures	201,028	16,291
Construction in Process	5,771,804	852,358
	<u>68,226,743</u>	<u>5,957,688</u>
Accumulated Depreciation	<u>(9,903,231)</u>	<u>(3,150,035)</u>
	<u>\$58,323,512</u>	<u>\$2,807,653</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	\$86,788,194	6% constitutional limit	\$26,036,458
Net such general obligation bonds outstanding	<u>3,912,770</u>	Net such general obligation bonds outstanding	<u>2,490,000</u>
Available 20% limitation borrowing capacity	<u>\$82,875,424</u>	Available 6% limitation borrowing capacity	<u>\$23,546,458</u>

At June 30, 1982 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.

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

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	\$ 6,149,655	100.0	\$ 6,149,655
State of Arizona	-0-	-0-	-0-
Maricopa County	85,205,000	7.23	6,160,320
Maricopa County C.C.D.	-0-	-0-	-0-
Phoenix Union H.S.D. No. 210	-0-	-0-	-0-
S.D. No. 31 (Balsz)	-0-	-0-	-0-
Scottsdale Unified S. D. No. 48	2,422,217	61.20	1,482,342
S.D. No. 69 (Paradise Valley)	52,444,804	7.59	<u>3,980,560</u>
Total Direct and Overlapping Debt			<u>\$17,772,877</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, 1981	\$11,525,000	\$7,201,305	\$49,524	\$300,000	\$19,075,829
Removal of Provision for Litigation				300,000	300,000
Debt Retired		256,305	16,077		272,382
Debt to be Retired July 1, 1982	<u>310,000</u>				<u>310,000</u>
Balance June 30, 1982*	<u>\$11,215,000</u>	<u>\$6,945,000</u>	<u>\$33,447</u>	<u>\$ -0-</u>	<u>\$18,193,447</u>

*This does not include the 1961 General Obligation Sewer Serial Bonds in the amount of \$150,000. These bonds are serviced by and recorded in the Water and Sewer Enterprise Fund.

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, 1982:

	GENERAL OBLIGATION	REVENUE	SPECIAL ASSESSMENT	TOTAL
Bonds payable at June 30, 1981	\$12,080,000	\$10,750,000	\$3,408,684	\$26,238,684
New Debt Issued				
Improvement District 81			294,211	294,211
Improvement District 82			228,679	228,679
Debt Retired				
Serial Bonds (Paid 7/1/81)	(130,000)	(535,000)		(665,000)
Term Bonds (Paid 7/1/81)	(225,000)			(225,000)
Serial Bonds (Paid 1/1/82)			(631,684)	(631,684)
Total Bonds Payable at June 30, 1982	<u>11,725,000</u>	<u>10,215,000</u>	<u>3,299,890</u>	<u>25,239,890</u>
Current Portion	<u>(360,000)</u>	<u>(600,000)</u>	<u>-0-</u>	<u>(960,000)</u>
Long-Term Bonds Payable June 30, 1982	<u>\$11,365,000</u>	<u>\$ 9,615,000</u>	<u>\$3,299,890</u>	<u>\$24,279,890</u>

The following is a summary of debt service requirements to maturity, including contracts payable as of June 30, 1982. The interest portion of the total is \$12,815,260.

FISCAL YEAR	ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS				TOTAL
	GENERAL OBLIGATION BONDS	REVENUE BONDS	SPECIAL ASSESSMENT BONDS	OTHER DEBT	
1983	\$ 1,255,710	\$ 1,175,573	\$ 892,915	\$ 2,146,864	\$ 5,471,062
1984	1,247,885	1,653,537	752,111	2,031,770	5,685,303
1985	1,246,675	1,659,333	538,591	1,920,779	5,365,378
1986	1,209,865	1,271,822	463,001	1,806,307	4,750,995
1987	1,113,470	960,623	424,415	1,223,930	3,722,438
1988	1,061,365	962,560	397,432	678,530	3,099,887
1989	1,002,390	967,560	257,178	677,990	2,905,118
1990	948,230	964,835	175,813	681,410	2,770,288
1991	950,225	935,385	105,831	683,530	2,674,971
1992	940,225	909,885	96,993	683,420	2,630,523
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>\$12,381,090</u>	<u>\$12,441,208</u>	<u>\$4,165,227</u>	<u>\$16,073,190</u>	<u>\$45,060,715</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 \$1,764,079 at June 30, 1982.

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%. (Recorded in Water and Sewer Enterprise Fund.)	\$ 150,000
\$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%.	290,000
\$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%.	800,000
\$1,400,000 1968 Civic Center Improvement Serial Bonds due in annual installments of \$75,000 to \$250,000 beginning July 1, 1990 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 Sewer Series B Term Bonds due in three installments of \$225,000 each through July 1, 1983; interest at 5.20%.	225,000*
\$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*
	<u>\$11,365,000</u>

*Annual payments are made to the Sinking Fund and all bond retirements are paid from the Sinking Fund.

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%.	\$ 3,090,000
\$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%.	225,000
\$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%.	550,000

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

Revenue Bonds (Continued)

\$4,000,000 1977 Utility Revenue Series C Serial Bonds due in annual installments of \$400,000 to \$550,000 beginning July 1, 1985 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%	<u>1,750,000</u>
	<u>\$ 9,615,000</u>

Special Assessment Bonds

\$7,183,676 Special Assessment Bonds issued 5/17/72 through 1/25/82, maturity 1/1/82 through 1/1/95. Interest 6.00% to 10.0%. Annual installments of \$2,000 to \$174,000.	<u>\$ 3,299,890</u>
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NOTE 8 - CONTRACTS PAYABLE

Contracts payable at June 30, 1982 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.	\$6,945,000	\$	\$	\$ 6,945,000
Purchase contracts for acquisition of water companies 5.75% to 12.0%, due in annual installments through 1987.			3,103,271	3,103,271
Purchase contracts for acquisition of land for airport runway extension, 12.0% due in annual installments through 1986.		1,402,294		1,402,294
	<u>6,945,000</u>	<u>1,402,294</u>	<u>3,103,271</u>	<u>11,450,565</u>
Less current portion		350,573	647,068	997,641
	<u>\$6,945,000</u>	<u>\$1,051,721</u>	<u>\$2,456,203</u>	<u>\$10,452,924</u>

The purchase contracts for the acquisition of water companies are payable only from the operating revenue of the water and sewer utility system.

NOTE 8 - CONTRACTS PAYABLE (Continued)

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 revenue 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, 1982.

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

FISCAL YEAR ENDING JUNE 30,	DEBT SERVICE	WATER AND SEWER UTILITY	AIRPORT	TOTAL
1983	\$ 305	\$ 647	\$ 350	\$ 1,302
1984	320	647	351	1,318
1985	340	647	350	1,337
1986	355	647	351	1,353
1987	375	515		890
1988 - 1993	2,720			2,720
1993 - 1996	2,530			2,530
	<u>\$6,945</u>	<u>\$3,103</u>	<u>\$1,402</u>	<u>\$11,450</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, 1982, 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 two 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. Funding of the system is provided by (1) member contributions, amounting to 8 percent of compensation as set by State law, and, (2) employer contributions, as described below. The total employer pension expense for 1981-82 was \$387,381, which was paid to the system. This amount is computed as a level percent of payroll (11.8 percent for 1981-82) which includes current service costs and will amortize the unfunded accrued normal costs over a period of 37 years beginning July 1, 1981. Based upon the most recent actuarial valuation of the System (June 30, 1981), the actuarially computed value of vested benefits for the City of Scottsdale participants was less than the pension fund assets attributed to those participants, and the unfunded accrued normal costs for the City participants amounted to \$230,084.

The Arizona State Retirement Plan ("Plan") covers all new City employees hired 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"). The System covers all employees other than the City's policemen and those employees who transferred to the Plan. House Bill 2453 of the Arizona Legislature provided that effective July 1, 1981, all remaining non-retired members of the old retirement System were transferred to the Plan.

Funding of the Plan is provided by (1) member contributions, amounting to 7 percent of compensation as set by State law, and (2) employer contributions also at 7 percent as set by State law. The total employer pension expense for 1981-82 was \$910,954, which was paid to the System. This amount includes current service costs and will amortize the unfunded accrued normal costs over a period of 40 years beginning July 1, 1981.

NOTE 11 - RETIREMENT AND PENSION PLANS (Continued)

Based upon the most recent actuarial valuation of the Plan (June 30, 1981), the Plan's total unfunded accrued normal costs was \$363,996,000. Separate actuarial data for the City of Scottsdale's portion is not available. The City has 670 employee participants in the Plan, which has 143,601 participants in total.

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, 1982 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 the City. Accordingly, \$205,500 has been provided for in the General Fund.

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 \$198,000 including interest at approximately 5.1 percent for 50 years upon completion of the project, estimated to be in 1982-83.

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, 1982 for these services are as follows (in thousands of dollars):

	<u>TOTAL</u>	<u>WATER AND SEWER</u>	<u>AIRPORT</u>	<u>HOUSING</u>
Operating Revenue	\$ 7,625	\$ 7,196	\$ 361	\$ 68
Operating Expenses				
Depreciation	1,510	1,386	105	19
Other	3,150	2,819	265	66
	<u>4,660</u>	<u>4,205</u>	<u>370</u>	<u>85</u>
Operating Income (Loss)	<u>\$ 2,965</u>	<u>\$ 2,991</u>	<u>\$ (9)</u>	<u>\$(17)</u>
Net Income (Loss)	<u>\$ 3,591</u>	<u>\$ 3,602</u>	<u>\$ (4)</u>	<u>\$(7)</u>
Assets	<u>\$73,372</u>	<u>\$64,867</u>	<u>\$8,094</u>	<u>\$411</u>
Bonds Payable	<u>\$10,415</u>	<u>\$10,415</u>		
Fund Equity	<u>\$53,541</u>	<u>\$46,693</u>	<u>\$6,439</u>	<u>\$409</u>
Acquisition of Property, Plant and Equipment	<u>\$13,378</u>	<u>\$10,674</u>	<u>\$2,704</u>	

NOTE 14 - AIRPORT AND PUBLIC HOUSING ACCUMULATED DEFICIT

The Airport Fund and Public Housing Fund have accumulated fund deficits of \$487,151 and \$138,100 respectively. These deficits 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 \$6,438,998 and the Public Housing Fund \$409,322.

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

The General Debt Service Fund shows a \$375 excess of expenditures over appropriations. This resulted from higher than anticipated sinking fund deposit requirements. Revenue sufficient to provide for the excess expenditures was made available in the fund.

NOTE 16 - FEDERAL REVENUE SHARING FUND EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The Federal Revenue Sharing Fund shows a \$2,961 excess of expenditures over appropriations. This resulted from an encumbrance commitment at June 30, 1982. The unreserved fund balance available in this fund at June 30, 1982, is \$199,166.

NOTE 17 - CAPITALIZED INTEREST

During the fiscal year 1982, the Water and Sewer Fund incurred \$865,846 of interest of which \$206,013 was capitalized.

During the fiscal year 1982, the Airport Fund incurred \$43,672 of interest of which \$43,672 was capitalized.

The amount of interest capitalized was determined in accordance with the provisions of Statement of Financial Accounting Standards No. 34. Under Statement No. 34, the amount of interest cost to be capitalized is determined by applying a capitalization rate to the average amount of accumulated expenditures for qualifying assets during the period.

NOTE 18 - SUBSEQUENT EVENTS

On July 30, 1982 the City reached an agreement with Ironwood Water Company and Pulley Freight Lines, Inc. for the acquisition of the plant property, system, facilities and groundwater rights of Ironwood Water Company for \$1,787,402. The City has paid cash of \$893,701 with the unpaid balance due in two installments of \$446,850 on July 31, 1983 and July 31, 1984 with interest accruing at a rate of 14 percent per annum. Ironwood Water Company currently serves approximately 320 customers in an unincorporated section of Maricopa County located north of the City of Scottsdale.

NOTE 19 - 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 \$1,808,000.
- 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: 1982-83 \$205,496; 1983-84 \$103,348; 1984-85 \$54,354; 1985-86 \$52,956; 1986-87 \$29,682 and years thereafter \$21,924.
- 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 1981-82 the Self Insurance Fund was responsible for the first \$150,000 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 primarily in the Capital Projects Funds, Special Revenue Funds or Enterprise Funds.

CITY OF SCOTTSDALE

EXHIBIT B-1

GENERAL FUND

BALANCE SHEET

JUNE 30, 1982

ASSETS

Cash and short-term investments	\$ 790,063
Investments	754,436
Receivables	
Accrued interest	559,439
Property taxes	181,367
State-shared sales tax	405,974
Auto lieu tax	67,619
Accounts, including unbilled of \$177,257	410,737
Miscellaneous	68,608
Inventory of supplies	208,771
Prepaid expense	2,000
	<hr/>
Total Assets	<u>\$3,449,014</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Claims payable	\$ 428,520
Accrued payroll	198,391
Accrued payroll withholdings	1,173,725
Other	205,500
Deferred revenue - property taxes	185,169
	<hr/>
Total Liabilities	<u>2,191,305</u>
Commitments	
Fund Balance	
Reserved for	
Encumbrances	1,038,163
Inventory of supplies	208,771
Unreserved	10,775
	<hr/>
Total Fund Balance	<u>1,257,709</u>
Total Liabilities and Fund Balance	<u>\$3,449,014</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, 1982

	<u>ACTUAL</u>
Revenue	
Taxes - Local	\$ 9,736,785
Taxes - Intergovernmental	7,611,252
Licenses	363,398
Charges for Current Services	3,969,676
Fines and Forfeitures	459,034
Use of Money and Property	1,118,036
Miscellaneous	265,493
Total Revenue	<u>23,523,674</u>
Expenditures	
Current	
General Government	3,067,491
Public Safety	7,481,148
Management Services	2,520,130
Field Operations	4,001,431
Community Services	6,100,779
Community Development	2,568
Municipal Utilities	378,320
Provision for Litigation	55,500
Debt Service	
Principal Retirement	125,184
Interest and Fiscal Charges	316,311
Total Expenditures	<u>24,048,862</u>
Deficiency of Revenue over Expenditures	525,188
Other Uses	
Operating Transfers Out	<u>1,335,000</u>
Deficiency of Revenue over Expenditures and Other Uses	1,860,188
Fund Balance July 1, 1981	1,862,728
Reserve for Inventory	208,771
Residual Equity Transfers In	1,714,030
Residual Equity Transfers Out	<u>667,632</u>
Fund Balance June 30, 1982	<u>\$ 1,257,709</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, 1982

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
Revenue			
Taxes - Local	\$ 8,850,201	\$ 9,736,785	\$ 886,584
Taxes - Intergovernmental	7,790,000	7,611,252	(178,748)
Licenses	345,000	363,398	18,398
Charges for Current Services	4,055,000	3,969,676	(85,324)
Fines and Forfeitures	616,000	459,034	(156,966)
Use of Money and Property	580,000	1,118,036	538,036
Miscellaneous	300,000	265,493	(34,507)
Total Revenue	<u>22,536,201</u>	<u>23,523,674</u>	<u>987,473</u>
Expenditures			
Current			
General Government	2,990,823	3,007,398	(16,575)
Public Safety	7,715,971	7,650,916	65,055
Management Services	2,562,644	2,515,483	47,161
Field Operations	4,006,671	3,999,704	6,967
Community Services	6,031,890	6,080,723	(48,833)
Municipal Utilities	307,011	332,860	(25,849)
Contingency	369,597	-0-	369,597
Debt Service			
Principal Retirement	135,294	125,184	10,110
Interest and Fiscal Charges	341,916	316,311	25,605
Total Expenditures	<u>24,461,817</u>	<u>24,028,579</u>	<u>433,238</u>
Deficiency of Revenue over Expenditures	1,925,616	504,905	1,420,711
Other Uses			
Operating Transfers In (Out)	1,432,674	(1,335,000)	(2,767,674)
Deficiency of Revenue over Expenditures and Other Uses	492,942	1,839,905	(1,346,963)
Encumbrances Cancelled	-0-	266,492	266,492
Fund Balance July 1, 1981	832,942	1,579,779	746,837
Residual Equity Transfers In	-0-	1,172,612	1,172,612
Residual Equity Transfers Out	340,000	667,632	(327,632)
Fund Balance June 30, 1982	<u>\$ -0-</u>	<u>\$ 511,346</u>	<u>\$ 511,346</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, 1982

	<u>ESTIMATED</u>	<u>ACTUAL</u>	<u>ACTUAL OVER/(UNDER) ESTIMATED</u>
Taxes - Local			
Transaction privilege	\$ 7,280,201	\$ 8,095,360	\$ 815,159
Hotel/motel transient tax	700,000	807,725	107,725
Light and power franchise	870,000	805,769	(64,231)
Salt River Project in lieu		27,931	27,931
	<u>8,850,201</u>	<u>9,736,785</u>	<u>886,584</u>
Taxes - Intergovernmental			
State-shared sales tax	4,160,000	4,028,411	(131,589)
Automobile in lieu	773,000	724,611	(48,389)
State revenue sharing	2,857,000	2,858,230	1,230
	<u>7,790,000</u>	<u>7,611,252</u>	<u>(178,748)</u>
Licenses			
Business licenses	114,000	129,526	15,526
Liquor licenses	196,000	212,885	16,885
Application fees	5,000	17,646	12,646
Occupational registrations	30,000	3,341	(26,659)
	<u>345,000</u>	<u>363,398</u>	<u>18,398</u>
Charges for Current Services			
Refuse collection charges	2,316,000	2,256,460	(59,540)
Building and related permits	1,260,000	1,041,516	(218,484)
Other fees	190,000	296,178	106,178
Recreation fees	289,000	375,522	86,522
	<u>4,055,000</u>	<u>3,969,676</u>	<u>(85,324)</u>
Fines and Forfeitures			
Moving vehicles	460,000	284,475	(175,525)
Parking	43,000	47,351	4,351
Other court fees	65,000	59,034	(5,966)
Library	48,000	68,174	20,174
	<u>616,000</u>	<u>459,034</u>	<u>(156,966)</u>
Use of Money and Property			
Interest earnings	497,000	1,042,893	545,893
Property rental	83,000	75,143	(7,857)
	<u>580,000</u>	<u>1,118,036</u>	<u>538,036</u>
Miscellaneous	300,000	265,493	(34,507)
Total Revenue	<u>\$22,536,201</u>	<u>\$23,523,674</u>	<u>\$ 987,473</u>

CITY OF SCOTTSDALE

EXHIBIT B-5

GENERAL FUND

SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	<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	\$ 3,067,491	\$ 1,734,685	\$1,268,732	\$ 37,947	\$	\$ 26,127
Public Safety	7,481,148	5,554,293	1,785,261	90,100		51,494
Management Services	2,520,130	1,889,357	566,283	(3,632)		68,122
Field Operations	4,001,431	1,675,005	1,900,004	424,663		1,759
Community Services	6,100,779	3,996,290	1,449,337	387,212		267,940
Community Development	2,568		2,105	463		
Municipal Utilities	378,320	715	279,276	647		97,682
Provision for Litigation	55,500		55,500			
Debt Service						
Principal Retirement	125,184				125,184	
Interest and Fiscal Charges	316,311				316,311	
Total Expenditures	<u>\$24,048,862</u>	<u>\$14,850,345</u>	<u>\$7,306,498</u>	<u>\$937,400</u>	<u>\$441,495</u>	<u>\$513,124</u>
Operating Transfer to:						
Highway User Fund	<u>\$ 1,335,000</u>					
Residual Equity Transfer to:						
Street Lights	\$ 100,000					
Self Insurance Fund	240,000					
Airport Fund	327,632					
	<u>\$ 667,632</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 was closed at June 30, 1982.

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, 1982

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	\$298,577	\$	\$	\$	\$	\$298,577
Receivables						
Gas tax	265,498	265,498				
Federal revenue sharing	309,669			309,669		
Grants	37,152					37,152
Miscellaneous	<u>86,228</u>	<u>5,268</u>		<u>2,960</u>	<u>78,000</u>	
Total Assets	<u>\$997,124</u>	<u>\$270,766</u>	<u>\$ -0-</u>	<u>\$312,629</u>	<u>\$ 78,000</u>	<u>\$335,729</u>
 <u>LIABILITIES AND FUND BALANCES</u>						
Liabilities						
Cash overdraft	\$261,005	\$123,317	\$	\$102,229	\$ 35,459	\$
Claims payable	228,427	108,895		3,200	27,656	88,676
Accrued payroll	<u>14,782</u>	<u>13,267</u>			<u>1,515</u>	
Total Liabilities	<u>504,214</u>	<u>245,479</u>		<u>105,429</u>	<u>64,630</u>	<u>88,676</u>
Fund Balances						
Reserved for encumbrances	538,239	25,120		8,035	498,198	6,886
Unreserved	<u>(45,329)</u>	<u>167</u>		<u>199,165</u>	<u>(484,828)</u>	<u>240,167</u>
Total Fund Balances	<u>492,910</u>	<u>25,287</u>		<u>207,200</u>	<u>13,370</u>	<u>247,053</u>
Total Liabilities and Fund Balances	<u>\$997,124</u>	<u>\$270,766</u>	<u>\$ -0-</u>	<u>\$312,629</u>	<u>\$ 78,000</u>	<u>\$335,729</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, 1982

	TOTAL ALL FUNDS	HIGHWAY USERS FUEL TAX	PUBLIC WORKS RESERVE	FEDERAL REVENUE SHARING	COMMUNITY DEVELOPMENT	GRANTS
Revenue						
Taxes - Local	\$ 6,084,421	\$	\$6,084,421	\$	\$	\$
Taxes - Intergovernmental	3,720,604	2,498,392		1,222,212		
Grants	1,739,122				1,119,174	619,948
Use of Money and Property	153,983	4,314	136,213	13,456		
Miscellaneous	431,347	62,764	368,583			
Total Revenue	<u>12,129,477</u>	<u>2,565,470</u>	<u>6,589,217</u>	<u>1,235,668</u>	<u>1,119,174</u>	<u>619,948</u>
Expenditures						
Current						
General Government	177,848					177,848
Public Safety	1,240,133			1,167,927		72,206
Field Operations	3,657,511	3,657,511				
Community Services	350,369					350,369
Community Development	4,569,341	529,234	2,925,265		1,106,114	8,728
Capital Improvements	4,651,905		4,651,905			
Total Expenditures	<u>14,647,107</u>	<u>4,186,745</u>	<u>7,577,170</u>	<u>1,167,927</u>	<u>1,106,114</u>	<u>609,151</u>
Excess (Deficiency) of Revenue over Expenditures	(2,517,630)	(1,621,275)	(987,953)	(67,741)	13,060	10,797
Other Sources						
Operating Transfers In	<u>1,335,000</u>	<u>1,335,000</u>				
Excess (Deficiency) of Revenue and Other Sources over Expenditures	(1,182,630)	(286,275)	(987,953)	67,741	13,060	10,797
Fund Balances July 1, 1981	3,105,997	311,562	2,373,410	139,459	310	281,256
Residual Equity Transfers Out	<u>1,430,457</u>		<u>1,385,457</u>			<u>45,000</u>
Fund Balances June 30, 1982	<u>\$ 492,910</u>	<u>\$ 25,287</u>	<u>\$ -0-</u>	<u>\$ 207,200</u>	<u>\$ 13,370</u>	<u>\$247,053</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, 1982

EXHIBIT C-3

	TOTALS			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	\$ 5,954,900	\$ 6,411,488	\$ 456,588	\$	\$	\$	\$ 5,954,900	\$ 6,411,488	\$ 456,588	\$	\$	\$
Taxes - Intergovernmental	2,681,000	3,720,604	1,039,604	1,508,000	2,498,392	990,392				1,173,000	1,222,212	49,212
Use of Money and Property	322,000	153,983	(168,017)	-0-	4,314	4,314	322,000	136,213	(185,787)	-0-	13,456	13,456
Miscellaneous	800,000	431,347	(368,653)	-0-	62,764	62,764	800,000	368,583	(431,417)			
Total Revenue	<u>9,757,900</u>	<u>10,717,422</u>	<u>959,522</u>	<u>1,508,000</u>	<u>2,565,470</u>	<u>1,057,470</u>	<u>7,076,900</u>	<u>6,916,284</u>	<u>(160,616)</u>	<u>1,173,000</u>	<u>1,235,668</u>	<u>62,668</u>
Expenditures												
Current												
Public Safety	1,173,000	1,175,961	(2,961)							1,173,000	1,175,961	(2,961)
Field Operations	3,616,829	3,568,848	47,981	3,616,829	3,568,848	47,981						
Community Development	3,527,443	3,517,718	9,725	521,888	534,927	(13,039)	3,005,555	2,982,791	22,764			
Capital Improvements	5,652,187	4,407,174	1,245,013				5,652,187	4,407,174	1,245,013			
Total Expenditures	<u>13,969,459</u>	<u>12,669,701</u>	<u>1,299,758</u>	<u>4,138,717</u>	<u>4,103,775</u>	<u>34,942</u>	<u>8,657,742</u>	<u>7,389,965</u>	<u>1,267,777</u>	<u>1,173,000</u>	<u>1,175,961</u>	<u>(2,961)</u>
Excess (Deficiency) of Revenue over Expenditures	(4,211,559)	(1,952,279)	2,259,280	(2,630,717)	(1,538,305)	1,092,412	(1,580,842)	(473,681)	1,107,161	-0-	59,707	59,707
Other Sources (Uses)												
Operating Transfers In	<u>4,190,104</u>	<u>1,335,000</u>	<u>(2,855,104)</u>	<u>2,630,717</u>	<u>1,335,000</u>	<u>(1,295,717)</u>	<u>1,559,387</u>	<u>-0-</u>	<u>(1,559,387)</u>			
Excess (Deficiency) of Revenue and Other Sources over Expendi- tures	(21,455)	(617,279)	(595,824)	-0-	(203,305)	(203,305)	(21,455)	(473,681)	(452,226)	-0-	59,707	59,707
Encumbrances Cancelled	-0-	795,611	795,611	-0-	-0-	-0-	-0-	795,611	795,611			
Fund Balances July 1, 1981	21,455	384,086	362,631	-0-	216,738	216,738	21,455	27,889	6,434	-0-	139,459	139,459
Residual Equity Transfers Out	-0-	349,819	(349,819)				-0-	349,819	(349,819)			
Fund Balances June 30, 1982	<u>\$ -0-</u>	<u>\$ 212,599</u>	<u>\$ 212,599</u>	<u>\$ -0-</u>	<u>\$ 13,433</u>	<u>\$ 13,433</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 199,166</u>	<u>\$ 199,166</u>

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, 1982

EXHIBIT C-4

	<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>
Taxes - Local						
Property tax	\$ 2,282,173	\$	\$2,282,173	\$	\$	\$
Privilege tax	3,774,317		3,774,317			
Salt River Project in lieu	27,931		27,931			
	<u>6,084,421</u>		<u>6,084,421</u>			
Taxes - Intergovernmental						
Gas tax	2,498,392	2,498,392				
Federal revenue sharing	1,222,212			1,222,212		
	<u>3,720,604</u>	<u>2,498,392</u>		<u>1,222,212</u>		
- 37 - Use of Money and Property						
Interest earnings	<u>153,983</u>	<u>4,314</u>	<u>136,213</u>	<u>13,456</u>		
Grants						
Federal	1,192,066				1,119,174	72,892 ^e
State	153,480					153,480
Miscellaneous	393,576					393,576 ^e
	<u>1,739,122</u>				<u>1,119,174</u>	<u>619,948</u>
Miscellaneous	<u>431,347</u>	<u>62,764</u>	<u>368,583</u>			
Other Sources						
Operating transfers in	<u>1,335,000</u>	<u>1,335,000</u>				
Total	<u>\$13,464,477</u>	<u>\$3,900,470</u>	<u>\$6,589,217</u>	<u>\$1,235,668</u>	<u>\$1,119,174</u>	<u>\$ 619,948</u>

CITY OF SCOTTSDALE
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUE AND OTHER SOURCES - ESTIMATED AND ACTUAL - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

EXHIBIT C-5

	TOTALS			HIGHWAY USERS FUEL TAX			PUBLIC WORKS RESERVE			FEDERAL REVENUE SHARING		
	ESTIMATED	ACTUAL	ACTUAL	ESTIMATED	ACTUAL	ACTUAL	ESTIMATED	ACTUAL	ACTUAL	ESTIMATED	ACTUAL	
			OVER/(UNDER)			OVER/(UNDER)			OVER/(UNDER)			
Taxes - Local												
Property tax	\$ 2,069,595	\$ 2,282,173	\$ 212,578	\$	\$	\$	\$2,069,595	\$2,282,173	\$ 212,578	\$	\$	\$
Privilege tax	3,885,305	4,101,384	216,079				3,885,305	4,101,384	216,079			
Salt River Project in lieu		27,931	27,931					27,931	27,931			
	<u>5,954,900</u>	<u>6,411,488</u>	<u>456,588</u>				<u>5,954,900</u>	<u>6,411,488</u>	<u>456,588</u>			
Taxes - Intergovernmental												
Gas tax	1,508,000	2,498,392	990,392	1,508,000	2,498,392	990,392						
Federal revenue sharing	1,173,000	1,222,212	49,212							1,173,000	1,222,212	49,212
	<u>2,681,000</u>	<u>3,720,604</u>	<u>1,039,604</u>	<u>1,508,000</u>	<u>2,498,392</u>	<u>990,392</u>				<u>1,173,000</u>	<u>1,222,212</u>	<u>49,212</u>
Use of Money and Property												
Interest earnings	322,000	153,983	(168,017)		4,314	4,314	322,000	136,213	(185,787)		13,456	13,456
Miscellaneous	800,000	431,347	(368,653)		62,764	62,764	800,000	368,583	(431,417)			
Total Revenue	<u>9,757,900</u>	<u>10,717,422</u>	<u>959,522</u>	<u>1,508,000</u>	<u>2,565,470</u>	<u>1,057,470</u>	<u>7,076,900</u>	<u>6,916,284</u>	<u>(160,616)</u>	<u>1,173,000</u>	<u>1,235,668</u>	<u>62,668</u>
Other Sources												
Operating transfers in	2,649,597	1,335,000	(1,314,597)	2,649,597	1,335,000	(1,314,597)						
Total Revenue and Other Sources	<u>\$12,407,497</u>	<u>\$12,052,422</u>	<u>\$ (355,075)</u>	<u>\$4,157,597</u>	<u>\$3,900,470</u>	<u>\$ (257,127)</u>	<u>\$7,076,900</u>	<u>\$6,916,284</u>	<u>\$ (160,616)</u>	<u>\$1,173,000</u>	<u>\$1,235,668</u>	<u>\$ 62,668</u>

CITY OF SCOTTSDALE

EXHIBIT C-6

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	<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	\$ 3,657,511	\$ 983,124	\$1,526,402	\$1,135,048	\$ 12,937
Community Development	529,234	251,687	271,166	2,591	3,790
	<u>4,186,745</u>	<u>1,234,811</u>	<u>1,797,568</u>	<u>1,137,639</u>	<u>16,727</u>
<u>PUBLIC WORKS RESERVE</u>					
Current					
Community Development	2,925,265	2,267,091	540,912	60,891	56,371
Capital Improvements	4,651,905	553,869	149,919	50,271	3,897,846
	<u>7,577,170</u>	<u>2,820,960</u>	<u>690,831</u>	<u>111,162</u>	<u>3,954,217</u>
<u>FEDERAL REVENUE SHARING</u>					
Current					
Public Safety	<u>1,167,927</u>		<u>1,167,927</u>		
<u>COMMUNITY DEVELOPMENT</u>					
Current					
Community Development	<u>1,106,114</u> ^e	<u>172,206</u>	<u>150,446</u>	<u>2,933</u>	<u>780,529</u>
<u>GRANTS</u>					
Current					
General Government	177,848	38,316	57,507	4,584	77,441
Community Services	350,369	24	179,446	929	169,970
Public Safety	72,206	-0-	53,681	-0-	18,525
Community Development	8,728	3,739	4,989	-0-	-0-
	<u>609,151</u> ^v	<u>42,079</u>	<u>295,623</u>	<u>5,513</u>	<u>265,936</u>
TOTAL EXPENDITURES	<u>\$14,647,107</u>	<u>\$4,270,056</u>	<u>\$4,102,395</u>	<u>\$1,257,247</u>	<u>\$5,017,409</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:

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, 1982

EXHIBIT D-1

	<u>GENERAL DEBT SERVICE</u>
<u>ASSETS</u>	
Cash with fiscal agents	<u>\$5,575,345</u>
Total Assets	<u>\$5,575,345</u>
<u>LIABILITIES AND FUND BALANCE</u>	
Liabilities	
Bonds interest payable	\$ 302,644
Bonds payable	<u>310,000</u>
Total Liabilities	<u>612,644</u>
Fund balance	
Reserved for sinking fund requirements	<u>4,962,701</u>
Total Liabilities and Fund Balance	<u>\$5,575,345</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, 1982

	<u>TOTAL ALL FUNDS</u>	<u>GENERAL DEBT SERVICE</u>	<u>EXCISE DEBT SERVICE</u>
Revenue			
Taxes - local			
Property	\$1,212,780	\$1,212,780	\$
Transaction privilege	232,892		232,892
Interest earnings	<u>356,072</u>	<u>356,072</u>	
Total Revenue	<u>1,801,744</u>	<u>1,568,852</u>	<u>232,892</u>
Expenditures			
Payment to fiscal agents			
Principal	229,612	85,000	144,612
Interest	691,478	605,285	86,193
Fiscal agents' fees	4,047	1,960	2,087
Principal retired from sinking fund	<u>225,000</u>	<u>225,000</u>	
Total Expenditures	<u>1,150,137</u>	<u>917,245</u>	<u>232,892</u>
Excess of Revenue over Expenditures	651,607	651,607	-0-
Reserved Fund Balances July 1, 1981	<u>4,311,094</u>	<u>4,311,094</u>	-0-
Reserved Fund Balances June 30, 1982	<u>\$4,962,701</u>	<u>\$4,962,701</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, 1982

	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	\$1,212,405	\$1,212,780	\$ 375	\$1,212,405	\$1,212,780	\$ 375	\$	\$	\$
Transaction privilege	234,494	232,892	(1,602)				234,494	232,892	(1,602)
Total Revenue	<u>1,446,899</u>	<u>1,445,672</u>	<u>(1,227)</u>	<u>1,212,405</u>	<u>1,212,780</u>	<u>375</u>	<u>234,494</u>	<u>232,892</u>	<u>(1,602)</u>
Expenditures									
Payment to fiscal agents									
Principal	229,612	229,612	-0-	85,000	85,000	-0-	144,612	144,612	-0-
Interest	693,027	691,478	1,549	605,285	605,285	-0-	87,742	86,193	1,549
Fiscal agents' fees	4,260	4,047	213	2,120	1,960	160	2,140	2,087	53
Sinking fund deposit	520,000	520,535	(535)	520,000	520,535	(535)			
Total Expenditures	<u>1,446,899</u>	<u>1,445,672</u>	<u>1,227</u>	<u>1,212,405</u>	<u>1,212,780</u>	<u>(375)</u>	<u>234,494</u>	<u>232,892</u>	<u>1,602</u>
Excess of Revenue over Expenditures	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Reserved Fund Balances July 1, 1981	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Reserved Fund Balances June 30, 1982	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</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 Storm Sewer Construction Fund is the only one in existence during FY 1981-82 and it was closed out at June 30, 1982.

CITY OF SCOTTSDALE
 CAPITAL PROJECTS FUND
 BALANCE SHEET
 JUNE 30, 1982

EXHIBIT E-1

STORM
 SEWER
CONSTRUCTION

ASSETS

Cash and short-term investments

\$ -0-

Total Assets

\$ -0-

LIABILITIES AND FUND BALANCEFund Balance
 Unreserved

\$ -0-

Total Liabilities and Fund Balance

\$ -0-

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, 1982

	<u>STORM SEWER CONSTRUCTION</u>
Revenue	
Interest earnings	\$ 99,794
Aid from other government units	<u>14,521</u>
Total Revenue	<u>114,315</u>
Expenditures	
Capital improvements	<u>1,131,887</u>
Total Expenditures	<u>1,131,887</u>
Deficiency of Revenue over Expenditures	1,017,572
Fund Balance July 1, 1981	1,090,877
Residual equity transfer out	<u>73,305</u>
Fund Balance June 30, 1982	<u>\$ -0-</u>

See notes to financial statements.

CITY OF SCOTTSDALE

CAPITAL PROJECTS FUND

SCHEDULE OF EXPENDITURES BY OBJECT

FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>CAPITAL OUTLAY</u>
Storm Sewer Construction Fund					
Capital Improvements	\$1,131,887	\$29,063	\$ 183	\$ 6	\$1,102,635
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$1,131,887</u>	<u>\$29,063</u>	<u>\$ 183</u>	<u>\$ 6</u>	<u>\$1,102,635</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, 1982

EXHIBIT F-1

ASSETS

Cash and short-term investments	\$ 818,241
Cash with fiscal agents	120,257
Special assessments receivable	<u>2,739,786</u>
Total Assets	<u>\$3,678,284</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Bonds interest payable	\$ 120,257
Bonds payable	3,299,890
Deferred special assessment interest	<u>83,150</u>
Total Liabilities	<u>3,503,297</u>
Fund Balance	
Reserved for	
Bond interest and redemption	35,412
Street light districts	<u>139,575</u>
Total Fund Balance	<u>174,987</u>
Total Liabilities and Fund Balance	<u>\$3,678,284</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, 1982

Revenue	
Penalty income	\$ 6,586
Street light districts	272,072
Assessments levied	<u>522,890</u>
Total Revenue	<u>\$801,548</u>
Expenditures	
Current	
Street light districts	\$315,080
Capital improvements	<u>522,890</u>
Total Expenditures	837,970
Deficiency of Revenue over Expenditures	36,422
Fund Balance July 1, 1981	111,409
Residual Equity Transfers In	<u>100,000</u>
Fund Balance June 30, 1982	<u>\$174,987</u>

See notes to financial statements.

CITY OF SCOTTSDALE
 SPECIAL ASSESSMENTS FUND
 SCHEDULE OF EXPENDITURES BY OBJECT
 FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	<u>TOTAL</u>	<u>PERSONAL SERVICES</u>	<u>OTHER SERVICES</u>	<u>SUPPLIES</u>	<u>CAPITAL OUTLAY</u>
Special Assessments Fund					
Current					
Street light districts	\$315,080		\$315,080		\$
Capital Improvements	<u>522,890</u>				<u>522,890</u>
Total Expenditures	<u>\$837,970</u>		<u>\$315,080</u>		<u>\$522,890</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, 1982

EXHIBIT G-1

ASSETS

Cash and short-term investments	\$1,801,886
Cash with fiscal agents	<u>319,268</u>
Total Assets	<u>\$2,121,154</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Claims payable	\$ 550
Guaranty and other deposits	<u>1,735,259</u>
Total Liabilities	<u>1,735,809</u>
Fund Balance	
Reserved for encumbrances	1,785
Unreserved	<u>383,560</u>
Total Fund Balance	<u>385,345</u>
Total Liabilities and Fund Balance	<u>\$2,121,154</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, 1982

Revenue	\$363,139
Expenditures - Current	<u>171,233</u>
Excess of Revenue over Expenditures	191,906
Fund Balance July 1, 1981	<u>193,439</u>
Fund Balance June 30, 1982	<u><u>\$385,345</u></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, 1982

	<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>\$171,233</u>	<u>\$8,261</u>	<u>\$125,966</u>	<u>\$15,621</u>	<u>\$21,385</u>
Total Expenditures	<u>\$171,233</u>	<u>\$8,261</u>	<u>\$125,966</u>	<u>\$15,621</u>	<u>\$21,385</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, 1982

	<u>TOTAL ALL FUNDS</u>	<u>WATER AND SEWER UTILITY</u>	<u>AIRPORT</u>	<u>PUBLIC HOUSING</u>
<u>ASSETS</u>				
Current Assets				
Cash and short-term investments	\$ 5,856,093	\$ 5,829,326	\$	\$ 26,767
Accounts receivable, including unbilled of \$749,425.	1,220,414	1,189,078	30,952	384
Miscellaneous receivables	330,448	66,929	263,519	
Total Current Assets	<u>7,406,955</u>	<u>7,085,333</u>	<u>294,471</u>	<u>27,151</u>
Restricted Cash, Investments & Receivables				
Cash with fiscal agents	931,644	931,644		
Revenue bond reserves	1,231,743	1,231,743		
Acquisition and construction - bond proceeds	850,142	850,142		
Water and sewer replacement	532,336	532,336		
	<u>3,545,865</u>	<u>3,545,865</u>		
Assets Held in Trust for Retirement of Refunded Debt				
Cash	236,252	236,252		
Investments	2,844,917	2,844,917		
	<u>3,081,169</u>	<u>3,081,169</u>		
Property, Plant and Equipment				
Land	4,498,379	328,059	4,170,320	
Water system	29,561,132	29,561,132		
Sewer system	26,592,537	26,592,537		
Buildings and improvements	1,601,863		1,054,573	547,290
Furniture, fixtures and equipment	201,028	177,374	23,654	
Construction in process	5,771,804	2,314,822	3,456,982	
	<u>68,226,743</u>	<u>58,973,924</u>	<u>8,705,529</u>	<u>547,290</u>
Accumulated depreciation and amortization				
	<u>(9,903,231)</u>	<u>(8,834,348)</u>	<u>(905,744)</u>	<u>(163,139)</u>
	58,323,512	50,139,576	7,799,785	384,151
Excess purchase price over fair market value of water system assets acquired, net of accumulated amortization of \$1,415,191.				
	<u>1,014,659</u>	<u>1,014,659</u>		
Total Assets	<u>\$73,372,160</u>	<u>\$64,866,602</u>	<u>\$8,094,256</u>	<u>\$411,302</u>

See notes to financial statements.

	TOTAL ALL FUNDS	WATER AND SEWER UTILITY	AIRPORT	PUBLIC HOUSING
<u>LIABILITIES AND FUND EQUITY</u>				
Current Liabilities				
Cash overdraft	\$ 198,923	\$	\$ 198,923	
Claims payable	830,667	819,961	10,642	\$ 64
Accrued payroll	11,714	10,387	1,327	
Accrued interest payable	42,072		42,072	
Current portion of contracts payable	997,641	647,068	350,573	
Total Current Liabilities	<u>2,081,017</u>	<u>1,477,416</u>	<u>603,537</u>	<u>64</u>
Current Liabilities (payable from restricted assets)				
Bonds interest payable	265,062	265,062		
Current portion of bonds payable	650,000	650,000		
Total Current Liabilities (payable from restricted assets)	<u>915,062</u>	<u>915,062</u>		
Total Current Liabilities	<u>2,996,079</u>	<u>2,392,478</u>	603,537	64
Long-Term Debt (less current portion)				
Bonds payable	9,765,000	9,765,000		
Contracts payable	3,507,924	2,456,203	1,051,721	
	<u>13,272,924</u>	<u>12,221,203</u>	<u>1,051,721</u>	
Other Liabilities				
Customer advances and deposits	110,740	108,824		1,916
Refunded Debt to be Retired by Assets Held in Trust				
Bonds interest payable	71,252	71,252		
Bonds payable				
Current portion	165,000	165,000		
Long-term portion	3,215,000	3,215,000		
	<u>3,451,252</u>	<u>3,451,252</u>		
Fund Equity				
Contributed capital	36,974,100	29,500,529	6,926,149	547,422
Retained earnings (accumulated deficit)				
Reserved for				
Revenue bond retirement	1,231,743	1,231,743		
Water & sewer system replacement	532,336	532,336		
Debt service	16,582	16,582		
Unreserved	14,786,404	15,411,655	(487,151)	(138,100)
Total Retained Earnings (Accumulated Deficit)	<u>16,567,065</u>	<u>17,192,316</u>	<u>(487,151)</u>	<u>(138,100)</u>
Total Fund Equity	<u>53,541,165</u>	<u>46,692,845</u>	<u>6,438,998</u>	<u>409,322</u>
Total Liabilities & Fund Equity	<u>\$73,372,160</u>	<u>\$64,866,602</u>	<u>\$8,094,256</u>	<u>\$411,302</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, 1982

	TOTAL ALL FUNDS	WATER AND SEWER UTILITY	AIRPORT	PUBLIC HOUSING
Operating Revenue				
Water service charges	\$ 3,865,294	\$ 3,865,294	\$	\$
Water connection fees	127,154	127,154		
Water development fees	580,242	580,242		
Sewer service fees	2,165,344	2,165,344		
Sewer development fees	389,219	389,219		
Tie downs and rentals	207,797		207,797	
Commissions on sales	153,355		153,355	
Property rentals	67,467			67,467
Other	69,140	69,140		
Total Operating Revenue	<u>7,625,012</u>	<u>7,196,393</u>	<u>361,152</u>	<u>67,467</u>
Operating Expenses				
Water operations	1,780,284	1,780,284		
Sewer operations	816,190	816,190		
Customer collection	222,335	222,335		
Airport operations	264,247		264,247	
Utilities	24,910			24,910
Maintenance	41,726			41,726
Depreciation and amortization	1,510,216	1,386,448	105,362	18,406
Total Operating Expenses	<u>4,659,908</u>	<u>4,205,257</u>	<u>369,609</u>	<u>85,042</u>
Operating Income (Loss)	<u>2,965,104</u>	<u>2,991,136</u>	<u>(8,457)</u>	<u>(17,575)</u>
Non-Operating Revenue (Expenses)				
Interest earnings	1,285,953	1,270,570	4,292	11,091
Interest expense	(659,833)	(659,833)		
Total Non-Operating Revenue (Expenses)	<u>626,120</u>	<u>610,737</u>	<u>4,292</u>	<u>11,091</u>
Net Income (Loss)	3,591,224	3,601,873	(4,165)	(6,484)
Retained Earnings July 1, 1981	<u>12,975,841</u>	<u>13,590,443</u>	<u>(482,986)</u>	<u>(131,616)</u>
Retained Earnings June 30, 1982	<u>\$16,567,065</u>	<u>\$17,192,316</u>	<u>\$(487,151)</u>	<u>\$(138,100)</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, 1982

	TOTAL ALL FUNDS	WATER AND SEWER UTILITY	AIRPORT	PUBLIC HOUSING
Sources of Funds				
From operations				
Net income (loss)	\$ 3,591,224	\$ 3,601,873	\$ (4,165)	\$ (6,484)
Noncash charge - depreciation and amortization	1,510,216	1,386,448	105,362	18,406
Total from operations	<u>5,101,440</u>	<u>4,988,321</u>	<u>101,197</u>	<u>11,922</u>
Contributions				
Water/sewer assets from subdividers	1,456,719	1,456,719		
From government units	1,406,188	543,571	862,617	
From municipality	363,503		363,503	
Increase in				
Current liabilities	1,643,685	1,077,427	566,157	101
Long-term debt	3,230,799	1,477,932	1,752,867	
Decrease in				
Receivables	358,707	358,707		
Net assets held for refunded debt	118,669	118,669		
Restricted cash and investments	943,326	943,326		
	<u>14,623,036</u>	<u>10,964,672</u>	<u>3,646,341</u>	<u>12,023</u>
Uses of Funds				
Contribution of water/sewer assets from subdividers	1,456,719	1,456,719		
Purchase of other property equipment, and construction in process	11,921,535	9,216,976	2,704,559	
Increase in receivables	274,033		273,649	384
Decrease in				
Refunded debt	157,973	157,973		
Contributions from municipality	502,617	398,528		104,089
Other liabilities	191,283	191,283		
Long-term debt	701,146		701,146	
	<u>15,205,306</u>	<u>11,421,479</u>	<u>3,679,354</u>	<u>104,473</u>
Decrease in Cash and				
Short-term Investments	582,270	456,807	33,013	92,450
Cash and Short-term Investments				
July 1, 1981	6,438,363	6,286,133	33,013	119,217
June 30, 1982	<u>\$ 5,856,093</u>	<u>\$ 5,829,326</u>	<u>\$ -0-</u>	<u>\$ 26,767</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 charges to user programs.

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, 1982

EXHIBIT I-1

	TOTAL ALL FUNDS	MOTOR POOL	SELF INSURANCE
Current Assets			
Cash and short-term investments	\$2,227,869	\$ 147,022	\$2,080,847
Accounts receivable	2,252	2,171	81
Total Current Assets	<u>2,230,121</u>	<u>149,193</u>	<u>2,080,928</u>
Property, plant and equipment			
Land	67,904	67,904	
Buildings and improvements	436,374	436,374	
Motor vehicles	3,898,252	3,898,252	
Machinery and equipment	686,509	686,509	
Furniture, fixtures and office equipment	16,291	16,291	
Construction in process	852,358	852,358	
	<u>5,957,688</u>	<u>5,957,688</u>	
Accumulated depreciation	<u>(3,150,035)</u>	<u>(3,150,035)</u>	
	<u>2,807,653</u>	<u>2,807,653</u>	
Total Assets	<u><u>\$5,037,774</u></u>	<u><u>\$2,956,846</u></u>	<u><u>\$2,080,928</u></u>
<u>LIABILITIES AND FUND EQUITY</u>			
Current Liabilities			
Claims payable	\$ 329,888	\$ 70,533	\$ 259,355
Accrued payroll	10,626	10,032	594
	<u>340,514</u>	<u>80,565</u>	<u>259,949</u>
Fund Equity			
Contributed capital	3,459,328	2,714,993	744,335
Retained earnings - unreserved	<u>1,237,932</u>	<u>161,288</u>	<u>1,076,644</u>
Total Fund Equity	<u>4,697,260</u>	<u>2,876,281</u>	<u>1,820,979</u>
Total Liabilities and Fund Equity	<u><u>\$5,037,774</u></u>	<u><u>\$2,956,846</u></u>	<u><u>\$2,080,928</u></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, 1982

	<u>TOTAL ALL FUNDS</u>	<u>MOTOR POOL</u>	<u>SELF INSURANCE</u>
Operating Revenue			
Billings to user programs	\$3,709,277	\$3,386,628	\$ 322,649
Other	<u>234,595</u>	<u>38,086</u>	<u>196,509</u>
Total Operating Revenue	<u>3,943,872</u>	<u>3,424,714</u>	<u>519,158</u>
Operating Expenses			
Salaries and wages	1,034,307	1,034,307	
Materials purchased	779,151	779,151	
Gas, oil and lubricants	575,558	575,558	
Depreciation	657,446	657,446	
Other shop expenses	92,559	92,559	
General and administrative	150,652	16,176	134,476
Outside services	193,243	193,243	
Insurance premiums	77,137		77,137
Claims paid	<u>265,546</u>		<u>265,546</u>
Total Operating Expenses	<u>3,825,599</u>	<u>3,348,440</u>	<u>477,159</u>
Net Gain From Operations	118,273	76,274	41,999
Retained Earnings July 1, 1981	<u>1,119,659</u>	<u>85,014</u>	<u>1,034,645</u>
Retained Earnings June 30, 1982	<u>\$1,237,932</u>	<u>\$ 161,288</u>	<u>\$1,076,644</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, 1982

	TOTAL ALL FUNDS	MOTOR POOL	SELF INSURANCE
Sources of Funds			
From operations			
Net gain (loss)	\$ 118,273	\$ 76,274	\$ 41,999
Noncash charge - depreciation	<u>657,446</u>	<u>657,446</u>	<u> </u>
Total from operations	775,719	733,720	41,999
Decrease in accounts receivable	4,908	4,908	
Contributions from municipality	474,680	234,680	240,000
Increase in current liabilities	<u>114,971</u>	<u> </u>	<u>114,971</u>
	<u>1,370,278</u>	<u>973,308</u>	<u>396,970</u>
Uses of Funds			
Purchase of motor vehicles	560,150	560,150	
Increase in construction in progress	606,886	606,886	
Increase in buildings and equipment	6,982	6,982	
Increase in accounts receivable	81		81
Decrease in current liabilities	<u>401</u>	<u>401</u>	<u> </u>
	<u>1,174,500</u>	<u>1,174,419</u>	<u>81</u>
Increase in Cash and Short-term investments	195,778	(201,111)	396,889
Cash and Short-term Investments			
July 1, 1981	<u>2,032,091</u>	<u>348,133</u>	<u>1,683,958</u>
June 30, 1982	<u>\$2,227,869</u>	<u>\$ 147,022</u>	<u>\$2,080,847</u>

See notes to financial statements.

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is established for controlling the City's sizeable investment in fixed assets which are tangible assets of significant value having a utility which extends beyond a year. This control also allows establishing custodial responsibility for the assets. No depreciation is provided on such assets.

The investments in fixed assets of proprietary fund types are accounted for in their respective funds.

CITY OF SCOTTSDALE

EXHIBIT J-1

STATEMENT OF GENERAL FIXED ASSETS BY SOURCE

JUNE 30, 1982

Property and Equipment

Land	\$ 6,702,939
Buildings and improvements	25,549,259
Streets and storm drains	249,747,359
Machinery and equipment	2,743,155
Construction in process	<u>6,810,791</u>
Total General Fixed Assets	<u>\$291,553,503</u>

Investment in General Fixed Assets from

General fund	\$ 20,789,935
Special revenue funds	12,927,598
Capital projects funds	29,213,485
Contributions	220,878,456
Improvement districts	<u>7,744,029</u>
Total Investment in General Fixed Assets	<u>\$291,553,503</u>

See notes to financial statements.

EXHIBIT J-2

CITY OF SCOTTSDALE
 SCHEDULE OF GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 YEAR ENDED JUNE 30, 1982

	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS AND IMPROVEMENTS</u>	<u>STREETS AND STORM DRAINS</u>	<u>MACHINERY AND EQUIPMENT</u>
General Government	\$ 9,517,470	\$1,200,209	\$ 7,727,444	\$	\$ 589,817
Public Safety	2,054,190	40,855	1,445,106		568,229
Management Services	598,275		266,992		331,283
Field Operations	253,989,928	2,809,077	1,226,845	249,747,359	206,647
Community Services	11,829,097	2,366,482	8,726,307		736,308
Community Development	<u>6,753,752</u>	<u>286,316</u>	<u>6,156,565</u>		<u>310,871</u>
Total General Fixed Assets Allocated to Functions	\$284,742,712	<u>\$6,702,939</u>	<u>\$25,549,259</u>	<u>\$249,747,359</u>	<u>\$2,743,155</u>
Construction in Progress	<u>6,810,791</u>				
Total General Fixed Assets	<u>\$291,553,503</u>				

See notes to financial statements.

EXHIBIT J-3

CITY OF SCOTTSDALE
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 YEAR ENDED JUNE 30, 1982

	<u>7/1/81</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/82</u>
General Government	\$ 9,279,833	\$ 237,890	\$ 253	\$ 9,517,470
Public Safety	1,936,468	117,722		2,054,190
Management Services	400,200	200,223	2,148	598,275
Field Operations	216,169,395	37,820,948	415	253,989,928
Community Services	11,075,429	753,668		11,829,097
Community Development	6,256,448	497,304		6,753,752
Construction in Process	<u>6,091,447</u>	<u>6,868,876</u>	<u>6,149,532</u>	<u>6,810,791</u>
	<u>\$251,209,220</u>	<u>\$46,496,631</u>	<u>\$6,152,348</u>	<u>\$291,553,503</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

FISCAL YEAR	TOTAL	GENERAL GOVERNMENT	PUBLIC SAFETY	MANAGEMENT SERVICES	FIELD OPERATIONS	COMMUNITY SERVICES	COMMUNITY DEVELOPMENT	MUNICIPAL UTILITIES	DEBT SERVICES	CAPITAL IMPROVEMENTS
*1982	\$39,846,106	\$3,300,839	\$8,721,281	\$2,520,130	\$7,658,942	\$6,451,148	\$4,571,909	\$378,320	\$1,591,632	\$4,651,905
*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	

*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

<u>FISCAL YEAR</u>	<u>TOTAL</u>	<u>TAXES</u>	<u>LICENSES & PERMITS</u>	<u>INTER-GOVERNMENT REVENUE</u>	<u>CHARGES FOR SERVICES</u>	<u>FORFEITS</u>	<u>USES OF MONEY & PROPERTY</u>	<u>MISCELLANEOUS</u>
1982	\$37,454,895	\$17,266,878	\$1,404,914	\$13,070,978	\$2,928,160	\$459,034	\$1,628,091	\$ 696,840
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
1975	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

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

TABLE III

<u>FISCAL YEAR</u>	<u>TOTAL TAXES</u>	<u>PRIVILEGE TAXES</u>	<u>GENERAL PROPERTY TAX</u>	<u>FRANCHISE</u>	<u>IN-LIEU PROPERTY</u>
1982	\$17,266,878	\$12,910,294	\$3,494,953	\$805,769	\$55,862
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

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 COLLEC- TIONS % OF CURRENT LEVY	OUTSTANDING DELINQUENT TAXES	OUTSTANDING DELINQUENT AS % OF CURRENT LEVY
1982	\$3,306,068	\$3,381,094	102.27	\$113,858	\$89,076	\$3,584,028	108.41	\$ 96,093	2.91
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

TABLE V

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

COMPARATIVE ASSESSED VALUATION CLASSIFICATION

	REAL ESTATE	IMPROVEMENTS	SECURED PERSONAL	UNSECURED PERSONAL	UTILITIES RAILS, WIRES	GROSS VALUATION	EXEMPTIONS	NET TAXABLE VALUATION	ESTIMATED ACTUAL VALUATION (\$000)
1981-82 P	NOTE	\$293,254,155	\$4,816,520	\$22,475,660	\$29,581,930	\$350,128,265	\$388,617	\$349,739,648	\$2,431,972
S	\$78,168,180	299,115,465	4,816,520	22,481,685	29,581,930	434,163,780	222,812	433,940,968	3,129,428
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	2,164,592
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

NOTE: Real estate and improvements combined in primary valuation.

ASSESSED VALUATION HISTORIES

YEAR	CITY OF SCOTTSDALE	MARICOPA COUNTY	STATE OF ARIZONA
1981-82 P	\$349,739,648	\$4,537,736,695	\$8,884,731,595
S	433,940,968	5,999,244,436	9,953,647,817
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	3,635,000,000

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.

TABLE VI

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

TAX RATES FISCAL YEAR	SCHOOL DISTRICTS							TOTAL
	CITY OF SCOTTSDALE	SCOTTSDALE UNIFIED	COMMUNITY COLLEGE	MARICOPA COUNTY	STATE OF ARIZONA	FLOOD DISTRICT	CENTRAL ARIZONA PROJECT	
1982-83 Primary	\$.55	\$3.98	\$.80	\$1.57	\$.75	\$	\$	\$ 7.65
Secondary	.26	.21		.16		.50	.03	1.16
Total	\$.81	\$4.19	\$.80	\$1.73	\$.75	\$.50	\$.03	\$8.81
1981-82 Primary	\$.59	\$4.11	\$.78	\$1.60	\$.95	\$	\$	\$ 8.03
Secondary	.30	.29	.05	.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

TAX LEVIES

1982-83 Primary	\$2,188,451	\$22,663,965	\$42,157,952	\$82,722,892	\$39,432,461	\$	\$	\$189,165,701
Secondary	1,259,905	1,441,572		9,655,311		22,348,935	1,810,371	36,516,094
Total	\$3,448,356	\$24,105,537	\$42,157,952	\$92,378,203	\$39,432,461	\$22,348,935	\$1,810,371	\$225,681,795
1981-82 Primary	\$2,035,753	\$20,619,199	\$35,382,235	\$72,719,050	\$43,109,179	\$	\$	\$173,865,416
Secondary	1,270,315	1,806,942	1,502,500	9,605,781		13,500,000	1,599,438	29,284,976
Total	\$3,306,068	\$22,426,141	\$36,884,735	\$82,324,831	\$43,109,179	\$13,500,000	\$1,599,438	\$203,150,392
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	74,182,056	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

*For Scottsdale residents residing within the Phoenix Union High School District and the Balsz Elementary District the 1982-83 tax rate total is \$8.98. For those residing within the Paradise Valley Unified School District the 1982-83 tax rate total is \$11.68.

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
1981-82	\$ 738,597	\$ 731,731	99.0%	\$ 6,866
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

*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 OBLIGATION BONDED DEBT TO ASSESSED VALUE
 AND NET BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS

FISCAL YEAR	POPULATION*	ASSESSED VALUE	GROSS BONDED DEBT	LESS DEBT SERVICE FUNDS	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
1981-82	95,000	\$433,940,968	\$11,725,000	\$5,575,345	\$ 6,149,655	1.4%	\$ 64.73
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

*Source: City Planning Staff.

TABLE IX

CITY OF SCOTTSDALE
COMPUTATION OF LEGAL DEBT MARGINS
JUNE 30, 1982

Assessed Value		\$433,940,968
Debt Limit 6% of Assessed Value		<u>26,036,458</u>
Amount of Debt Applicable to Debt Limit		
Total Bonded Debt	\$21,940,000	
Other Debt		
Excise Tax Debt	\$ 6,945,000	
Water Purchase Debt	3,103,271	
Airport Land Purchase Debt	<u>1,402,294</u>	<u>11,450,565</u>
		<u>33,390,565</u>
Less:		
Cash in Debt Service Funds	85,000	
Revenue Bonds	10,215,000	
Excise Tax Debt	6,945,000	
Water Purchase Debt	3,103,271	
Airport Land Purchase Debt	1,402,294	
20% General Obligation Bonds	<u>9,150,000</u>	<u>30,900,565</u>
Total Debt Applicable to Debt Limit		<u>2,490,000</u>
Legal Debt Margin		<u>\$23,546,458</u>
Debt Limit 20% of Assessed Value		\$86,788,194
Amount of Debt Applicable to Debt Limit		
Total Bonded Debt	\$21,940,000	
Other Debt		
Excise Tax Debt	\$ 6,945,000	
Water Purchase Debt	3,103,271	
Airport Land Purchase Debt	<u>1,402,294</u>	<u>11,450,565</u>
		<u>33,390,565</u>
Less:		
Cash in Debt Service Funds	5,237,230	
Revenue Bonds	10,215,000	
Excise Tax Debt	6,945,000	
Water Purchase Debt	3,103,271	
Airport Land Purchase Debt	1,402,294	
6% General Obligation Bonds	<u>2,575,000</u>	<u>29,477,795</u>
Total Debt Applicable to Debt Limit		<u>3,912,770</u>
Legal Debt Margin		<u>\$82,875,424</u>

TABLE X

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

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>DEBT SERVICE</u>	<u>TOTAL EXPENDITURES</u>	<u>RATIO OF DEBT SERVICE TO TOTAL EXPENDITURES</u>
*1982	655,000	\$605,285	\$1,260,285	\$39,846,106	3.16%
*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

*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

FISCAL YEAR	GROSS REVENUE	OPERATING & MAINTENANCE EXPENSES	NET REVENUE AVAILABLE FOR DEBT SERVICES	PRINCIPAL	INTEREST	TOTAL	COVERAGE	REQUIRED COVERAGE
1982	\$8,466,963	\$4,205,257	\$4,261,706	\$600,000	\$522,323	\$1,122,323	3.80	1.20
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

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

FISCAL YEAR	POPULATION (1)	PER CAPITA INCOME (2)	MEDIAN AGE (2)	EDUC. LEVEL IN YEARS OF SCHOOLING (2)	SCHOOL ENROLLMENT (3)	UNEMPLOYMENT RATE (4)
1982	95,000	10,013	39.2	13.3	20,855	6.3
1981	92,200	11,116	34.6	14.7	22,060	3.9
1980	87,900	8,968	34.3	14.4	23,309	4.4
1979	87,400	8,397	33.3	14.5	24,440	3.4
1978	81,100	7,826	32.4	14.6	25,478	4.2
1977	78,300	6,786	31.4	14.1	26,264	5.8
1976	77,500	6,280	30.4	14.8	26,837	7.8
1975	77,400	6,250	29.4	14.8	27,653	10.5
1974	79,400	5,259	29.3	14.2	28,247	5.5
1973	76,300	5,357	29.1	14.8	28,563	N/A

Sources:

- (1) City Planning Staff.
- (2) Inside Phoenix (Republic and Gazette).
- (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
1982	2,278	\$62,902,183	1,103	\$ 63,345,423	\$7,888,962	\$702,699,595	\$2,429,906,884	\$107,081,672
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			

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

CITY OF SCOTTSDALE
MISCELLANEOUS STATISTICAL DATA
JUNE 30, 1982

TABLE XIV

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
1982 est. 6/30/82 - 95,000	1982 - 116.00
Miles of Streets and Alleys	
Streets	494.59
Alleys	152.54
Miles of Sewers	
Storm	15.06
Sanitary	378.86
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	196
Number of Traffic Citations (excluding parking)	20,013
Number of Vehicles	80
The City jail is a holding facility. All long-term prisoners are incarcerated in the County jail.	
Recreation	
Parks - Number of Acres	1,917
Number of Swimming Pools	3
Number of Other Recreation Facilities	35
These include schools and school playgrounds in cooperation with Scottsdale School District.	
Water Enterprise	
Number of Users (No. Units)	22,281
Annual Consumption (Gallons)	5,263,446,740
Plant Capacity (Gallons per Day)	25,900,000
Miles of Distribution Lines	298.2
Number of Street Lights	4,752
Employees as of June 30, 1982	
Full Time	771
Part Time	203
Grant Funded	4
Total	978
Elections	
Number of Registered Voters as of Last Regular Election February 1982	43,822
Number/% Voting in Last municipal Election	8,182/18.6%
Population	
Median Age of Residents	39.2
Median Household Income	\$29,000
Median Home Value - Single Family	\$88,500

TABLE XVa

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
GENERAL OBLIGATION BONDS AND EXCISE DEBT
AS OF JUNE 30, 1982

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	FUND (1) SINKING	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
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	\$2,490,000	\$964,590	\$3,454,590	\$150,000	\$5,240,000	\$3,536,500	\$8,926,500	\$7,880,000	\$4,501,090	\$12,381,090	\$6,945,000	\$3,392,270	\$10,337,270	\$14,825,000	\$7,893,360	\$22,718,360

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

TABLE XVb

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
SPECIAL ASSESSMENT BONDS
JUNE 30, 1982

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1983	\$ 681,890	\$211,025	\$ 892,915
1984	583,000	169,111	752,111
1985	403,000	135,591	538,591
1986	354,000	109,001	463,001
1987	340,000	84,415	424,415
1988	337,000	60,432	397,432
1989	217,000	40,178	257,178
1990	150,000	25,813	175,813
1991	90,000	15,831	105,831
1992	89,000	7,993	96,993
1993	20,000	3,360	23,360
1994	18,000	1,950	19,950
1995	17,000	637	17,637
	<u>\$3,299,890</u>	<u>\$865,337</u>	<u>\$4,165,227</u>

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
REVENUE BONDS AND LONG-TERM CONTRACTS
ENTERPRISE FUNDS
JUNE 30, 1982

FISCAL YEAR	WATER AND SEWER UTILITY REVENUE BONDS		
	PRINCIPAL	INTEREST	TOTAL
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>\$9,615,000</u>	<u>\$2,826,208</u>	<u>\$12,441,208</u>

FISCAL YEAR	AIRPORT LONG-TERM CONTRACTS		
	PRINCIPAL	INTEREST	TOTAL
1983	\$ 350,573	\$ 157,757	\$ 508,330
1984	350,573	115,688	466,261
1985	350,573	73,620	424,193
1986	350,575	31,551	382,126
	<u>\$1,402,294</u>	<u>\$ 378,616</u>	<u>\$ 1,780,910</u>

TABLE XVc

WATER AND SEWER UTILITY LONG-TERM CONTRACTS			WATER AND SEWER UTILITY TOTAL REQUIREMENTS		
PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
\$ 647,068	\$ 309,796	\$ 956,864	\$ 1,332,068	\$ 800,369	\$ 2,132,437
647,068	240,071	887,139	1,847,068	693,608	2,540,676
647,068	170,348	817,416	1,917,068	559,681	2,476,749
647,067	100,624	747,691	1,597,067	422,446	2,019,513
515,000	30,900	545,900	1,205,000	301,523	1,506,523
			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>\$3,103,271</u>	<u>\$ 851,739</u>	<u>\$3,955,010</u>	<u>\$12,718,271</u>	<u>\$3,677,947</u>	<u>\$16,396,218</u>

TABLE XVI

CITY OF SCOTTSDALE
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1982

<u>CARRIER</u>	<u>POLICY DESCRIPTION</u>	<u>AMOUNT OF COVERAGE</u>
Insurance of North America 7/1/80 to 6/30/83	Property Insurance - Repair or replace, fire, extended coverage, vandalism and malicious mischief. \$25,000 deductible	\$42,598,563 \$100,000 - Stop Loss
Integrity/Planet 7/1/82 to 6/30/83	Excess Liability Coverage \$100,000 retention	\$ 9,900,000
Integrity/Planet 7/1/82 to 6/30/83	Excess Liability Coverage Second Excess Layer	\$25,000,000
Associated Aviation Underwriters 7/1/82 to 6/30/83	Airport and Hangarkeepers Coverage \$5,000 retention	\$25,000,000
Mission 7/1/82 to 6/30/83	Excess Workers Compensation Coverage \$150,000 retention	Unlimited
Aetna 7/1/82 to 6/30/83	Workers Compensation Guaranty Bond (Value of bond \$100,000)	

TABLE XVIa

CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1982

REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/82)</u>
<u>Parks</u>				
<u>Agua Linda Park Bldg.</u> 8732 E. McDonald	Conc./Block	4/75	1,300	\$ 82,000
<u>Chaparral Park</u> 5401 N. Hayden Road Recreation Center	Conc./Block Conc./Block	10/74 10/81	4,650 2,000	218,000 150,000
<u>Chesnut Park</u> 4565 N. Granite Reef Senior Citizen Center Ramadas	Adobe Conc./Block	8/65 7/69	950 693	50,000 16,800
<u>Cholla Park</u> 14501 N. Hayden Road Control Building	Conc./Block	12/71	1,904	96,500
<u>Eldorado Park</u> Recreation Center 2311 N. Miller Road Pool/Bath House 2301 N. Miller Road Restrooms 2301 N. Miller Road South Control Bldg. 1909 N. Miller Road Concession Stand 2301 N. Miller Road	Conc./Block Conc./Block Conc./Block Conc./Block Conc./Block Conc./Block	10/68 6/68 7/70 7/70 1970	10,000 3,515 350 1,944 210	458,000 163,000 16,000 100,000 5,000
<u>Paiute Park</u> 6535 E. Osborn Control Building Maintenance Compound	Conc./Block Conc./Block	-- --	500 720	42,500 30,000
<u>Pima Park</u> 8600 E. Thomas Road	Conc./Block	--	500	43,000
<u>Baseball Stadium</u> 7408 E. Osborn	Wood Frame	--	12,000	365,000
<u>Vista Del Camino</u> 7700 E. Roosevelt	Conc./Block	8/73	8,753	748,000

TABLE XVIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1982REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/82)</u>
Parks (Continued)				
<u>McCormick Park</u>				
7303 E. Indian Bend				
Bldg./N. Branch Library	Adobe	12/67	3,108	\$ 180,000
Storage Building	Adobe	12/67	616	25,000
Railroad Train Shed	Steel	12/71	6,400	207,000
Train Depot	Wood Frame	4/75	504	20,000
Peoria Building	Wood Frame	4/75	1,008	37,000
Machine Shop Museum	Wood Frame	1974	180	5,800
North Star - Train Car	Steel	--	750	204,000
<u>Indian School Park</u>				
4289 N. Hayden Road				
Sports Control Bldg.	Conc./Block	2/80	2,265	164,500
Visitor Center	Conc./Block	2/80	3,918	290,000
Shower and Lockers	Conc./Block	2/80	3,600	300,000
TOTAL PARKS				<u>\$ 4,017,100</u>
Neighborhood Development				
<u>Apartments</u>				
7548 East Osborn				
	Conc./Block	7/74	4,896	\$ 242,000
<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 St. "A"				
	Conc./Block	10/75	6,150	256,000
1200 N. 77th St. "B"				
	Conc./Block	10/75	3,600	154,000
"A" 8 units, "B" 3 units				
TOTAL NEIGHBORHOOD DEVELOPMENT				<u>\$ 768,000</u>
Maintenance Complex				
<u>Street Maintenance</u>				
Storage Building				
	Conc./Block	8/71	8,479	\$ 462,500
1327 E. McKellips				
	Metal	7/66	600	10,000
<u>Sanitation Center</u>				
1325 E. McKellips				
	Conc./Block	7/66	3,640	230,000
<u>Fleet Maintenance</u>				
1323 E. McKellips				
	Conc./Block	11/64	20,646	632,500

TABLE XVIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1982REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/82)</u>
Maintenance Complex (Continued)				
<u>P/M Building</u> 1323 E. McKellips	Conc./Block	2/69	1,600	\$ 63,000
<u>Auto Parts Building</u> 1323 E. McKellips	Sheet Metal	11/74	1,600	37,000
<u>Facilities Maintenance Shop</u> 1601 E. McKellips	Sheet Metal	11/74	1,600	37,000
<u>Facilities Maintenance Bldg.</u> 1601 E. McKellips	Conc./Block	2/75	5,400	250,000
<u>Mower Shop</u> 1323 E. McKellips	Conc./Block	9/67	780	32,200
<u>Municipal Utilities</u> 1501 N. Miller	Conc./Block	6/79	4,760	<u>389,000</u>
TOTAL MAINTENANCE COMPLEX				<u>\$ 2,143,200</u>
Airport				
<u>Terminal</u> 7600 E. Butherus Drive	Conc./Block	1/68	4,240	\$ 518,000
<u>Service Hangar</u> 7600 E. Butherus Drive	Conc./Block	1/68	15,714	706,000
<u>"T" Hangars</u> 7600 E. Butherus Drive	Conc./Block	11/71	14,400	437,000
<u>F.A.A. Building</u> 7600 E. Butherus Drive	Conc./Block	7/72	5,930	<u>539,000</u>
TOTAL AIRPORT				<u>\$ 2,200,000</u>
Civic Center Complex				
<u>City Hall</u> 3939 Civic Center Plaza	Conc./Block	10/68	36,000	\$ 2,888,340
<u>Library</u> 3839 Civic Center Plaza	Conc./Block	10/68	39,000	3,122,940

TABLE XVIa
(Continued)CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1982REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/82)</u>
Civic Center Complex (Continued)				
<u>Public Service</u> 3739 Civic Center Plaza	Conc./Block	4/71	23,260	\$ 2,142,000
<u>Civic Center Pool</u> 3639 Civic Center Plaza	Conc./Block	6/66	1,200	54,750
<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
<u>Court Building</u> 3629 Civic Center Plaza	Conc./Block	9/75	7,500	548,000
<u>Center for the Arts</u> 7384 East Second Street	Conc./Block	9/75	88,000	8,888,522
<u>Senior Center I</u>	Conc./Block	9/76	5,200	438,000
<u>Senior Center II</u>	Conc./Block	11/77	5,145	420,000
<u>Senior Center III</u> 7375 East Second Street	Conc./Block	2/79	3,712	375,000
TOTAL CIVIC CENTER COMPLEX				<u>\$20,893,477</u>
Fire Department				
<u>Fire Station #10</u> 2857 N. Miller Road	Conc./Block	8/68	8,424	\$ 502,000
<u>Fire Station #11</u> 7339 E. McDonald	Conc./Block	12/71	4,023	262,000
<u>Fire Station #12</u> 13665 N. Scottsdale Road	Conc./Block	12/71	2,120	126,000
TOTAL FIRE DEPARTMENT				<u>\$ 890,000</u>
Miscellaneous				
<u>Warehouse</u> 7501 E. Second Street	Conc./Block	1972	17,200	\$ 677,000
<u>Police Annex</u> 3720 N. 75th Street	Block	1980	2,752	159,000
TOTAL MISCELLANEOUS				<u>\$ 836,000</u>
TOTAL REAL PROPERTY				<u><u>\$31,747,777</u></u>

TABLE XVII

CITY OF SCOTTSDALE
SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS
FOR FISCAL YEAR ENDED JUNE 30, 1982

<u>OFFICIAL TITLE</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>	<u>BOND</u>
Mayor		\$14,400	\$ 10,000
Councilmen (6)		7,200	10,000
City Manager/City Clerk		63,500	1,000,000
City Attorney		52,744	1,000,000
City Treasurer	32,900	54,000	1,000,000
City Magistrate I		45,304	1,000,000
City Magistrate II		43,717	1,000,000

PUBLIC EMPLOYEES HONESTY AND FAITHFUL PERFORMANCE BOND

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