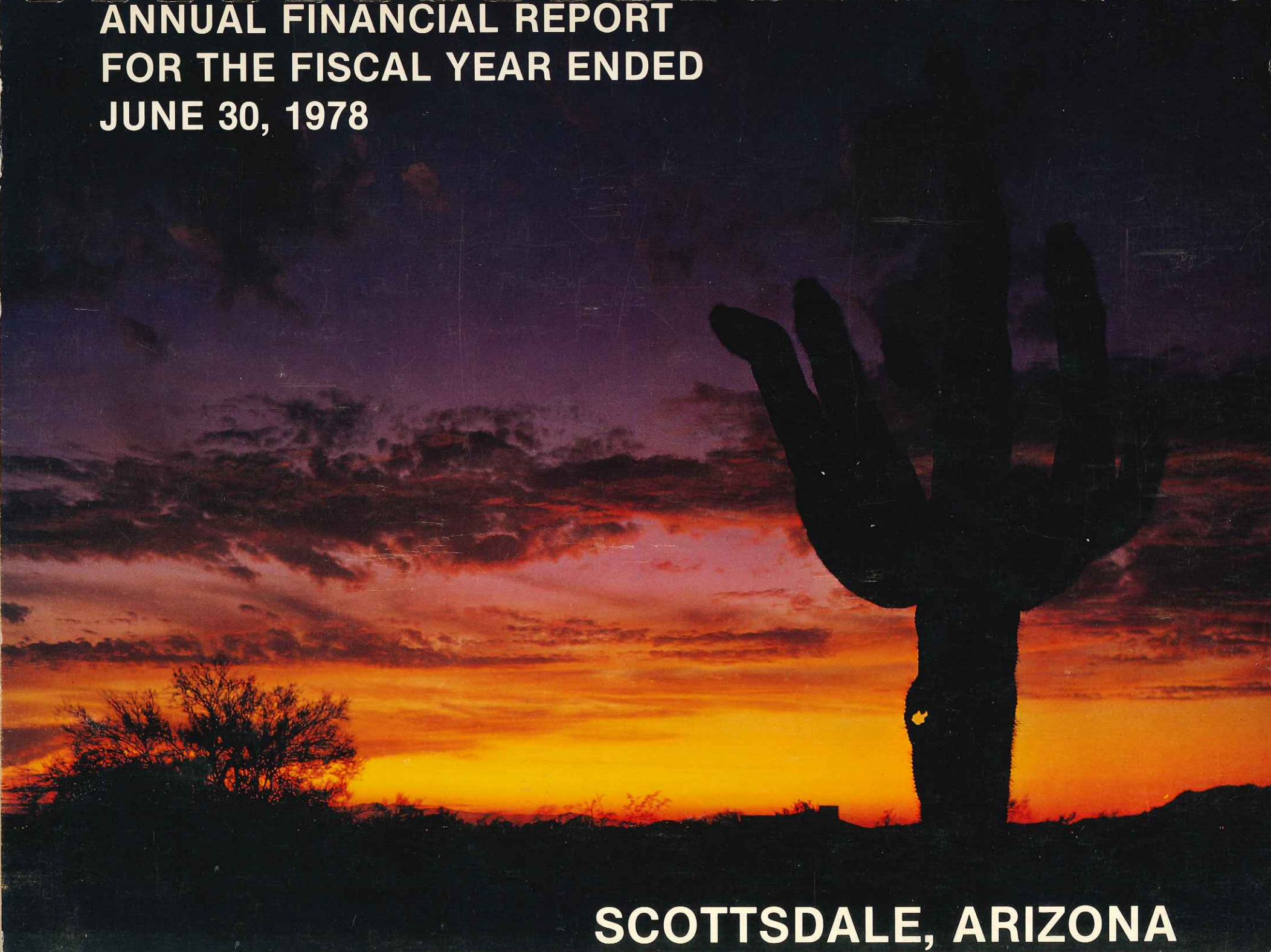


**ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 1978**



SCOTTSDALE, ARIZONA

**COVER: A SENTINEL-LIKE SAGUARO SILHOUETTED
AGAINST THE RAW BEAUTY OF SCOTTSDALE'S
WESTERN SKY. (Bob Petley photo courtesy of Petley
Studios, Inc., Phoenix)**



CITY OF SCOTTSDALE, ARIZONA

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 1978

CITY COUNCIL

WILLIAM C. JENKINS, MAYOR

RICHARD CAMPANA

MRS. DIANE CUSACK

MRS. BILLIE GENTRY

DR. HEINZ HINK

JEFF SCHUBERT

CHARLES SMITH

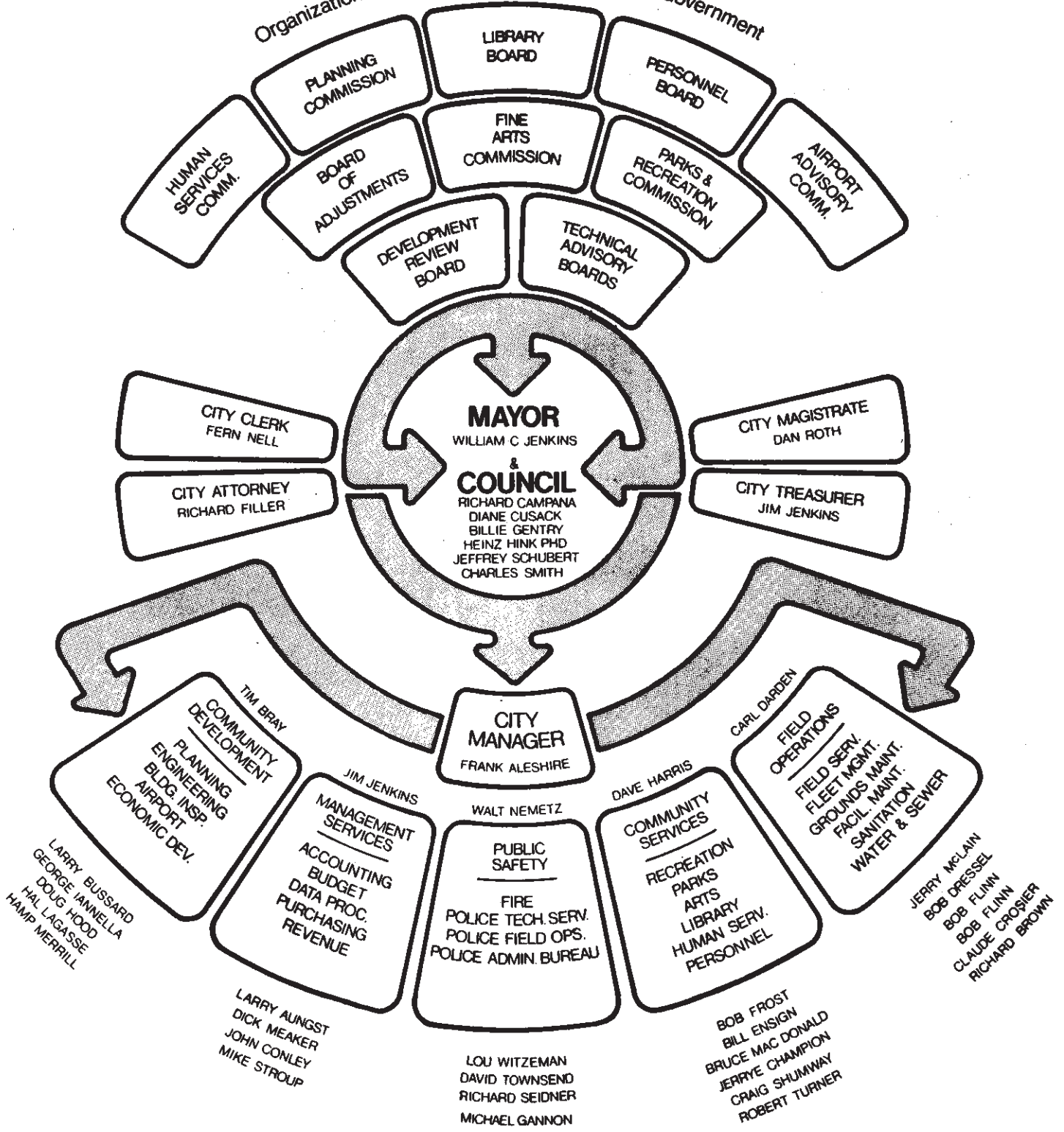
FRANK D. ALESHIRE
CITY MANAGER

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, 1978

Table of Contents

		<u>Page</u>
PART I - INTRODUCTORY SECTION		
Letter of Transmittal - Management Services		
Department Head/City Treasurer		I- V
Certificate of Conformance		VI
Report of Independent Public Accountants		VII
PART II - FINANCIAL SECTION		
COMBINED FINANCIAL STATEMENTS		
Exhibit I	Explanatory Comments	1
Statement 1	Combined Balance Sheet - All Funds and Account Groups	2- 3
Statement 2	Combined Statement of Revenue and Expenses	4
Statement 3	Combined Statement of Changes in Financial Position	5
Statement 4	Combined Statement of Revenue and Expenditures	6- 7
Statement 5	Combined Statement of Changes in Fund Balances/ Retained Earnings - All Funds	8- 9
Statement 6	Combined Statement of Revenue - Estimated and Actual, General, Special Revenue and Debt Service Funds	10
Statement 7	Combined Statement of Expenditures and Encumbrances Compared With Appropriations - General, Special Revenue and Debt Service Funds	11
FUND STATEMENTS AND SCHEDULES		
GENERAL FUND		
Exhibit II	Explanatory Comments	12
Statement 8	Balance Sheet	13
Statement 9	Statement of Revenue - Estimated and Actual	14
Statement 10	Statement of Expenditures, Encumbrances and Contributions Compared With Appropriations	15
Statement 11	Analysis of Changes in Fund Balance	16
SPECIAL REVENUE FUNDS		
Exhibit III	Explanatory Comments	17
Statement 12	Balance Sheet	18
Statement 13	Statement of Revenue and Contributions - Estimated and Actual	19
Statement 14	Statement of Expenditures and Encumbrances Compared With Appropriations	20
Statement 15	Analysis of Changes in Fund Balances	21

City of Scottsdale

ANNUAL FINANCIAL REPORT

JUNE 30, 1978

Table of Contents

PART II - FINANCIAL SECTION (CONTINUED)

		<u>Page</u>
<u>DEBT SERVICE FUNDS</u>		
Exhibit IV	Explanatory Comments	22
Statement 16	Balance Sheet	23
Statement 17	Statement of Revenue, Expenditures and Fund Balances	24
<u>CAPITAL PROJECTS FUNDS</u>		
Exhibit V	Explanatory Comments	25
Statement 18	Balance Sheet	26
Statement 19	Statement of Revenue, Expenditures and Fund Balances	27
<u>ENTERPRISE FUNDS</u>		
Exhibit VI	Explanatory Comments	28
Statement 20	Balance Sheet	29-30
Statement 21	Statement of Revenue and Expenses	31
Statement 22	Statement of Changes in Financial Position	32
Statement 23	Analysis of Changes in Contributions and Retained Earnings (Accumulated Deficit)	33
<u>INTRAGOVERNMENTAL SERVICE FUND</u>		
Exhibit VII	Explanatory Comments	34
Statement 24	Balance Sheet	35
Statement 25	Statement of Revenue and Expenses	36
Statement 26	Statement of Changes in Financial Position	37
Statement 27	Analysis of Changes in Contributions and Accumulated Deficit	38
<u>TRUST AND AGENCY FUNDS</u>		
Exhibit VIII	Explanatory Comments	39
Statement 28	Balance Sheet	40
Statement 29	Statement of Cash Receipts and Disbursements	41
Statement 30	Statement of Revenue, Expenditures and Fund Balances	42
<u>SPECIAL ASSESSMENTS FUNDS</u>		
Exhibit IX	Explanatory Comments	43
Statement 31	Balance Sheet	44
Statement 32	Statement of Cash Receipts and Disbursements	45
Statement 33	Statement of Revenue, Expenditures and Fund Balances	46

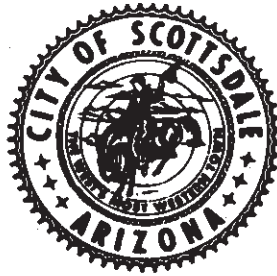
City of Scottsdale
ANNUAL FINANCIAL REPORT
JUNE 30, 1978

Table of Contents

PART II - FINANCIAL SECTION (CONTINUED)

		<u>Page</u>
	<u>GENERAL FIXED ASSETS GROUP OF ACCOUNTS</u>	
Exhibit X	Explanatory Comments	47
Statement 34	Statement of General Fixed Assets	48
	<u>GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS</u>	
Exhibit XI	Explanatory Comments	49
Statement 35	Statement of General Long-Term Debt	50
	NOTES TO FINANCIAL STATEMENTS	51-56
	SUPPLEMENTARY FINANCIAL INFORMATION	
	Independent Public Accountant's Opinion of Supplementary Financial Information	57
Schedule 1	Combined Schedule of Bonds Payable - All Funds	58-59
Schedule 2	Combined Schedule of Cash Receipts and Disbursements - All Funds	60
Schedule 3	Statement of Changes in General Fixed Assets - by Source	61
	PART III - STATISTICAL SECTION	
Table I	Independent Public Accountant's Disclaimer	62
	General Governmental Expenditures by Major Program - Last Ten Fiscal Years	63
Table II	General Revenue by Source - Last Ten Fiscal Years	63
Table III	Tax Revenue by Source - Last Ten Fiscal Years	63
Table IV	Property Tax Levies and Collections	64
Table V	Assessed Valuation Classifications and Histories - Last Five Years and Last Ten Years	65
Table VI	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures - Last Ten Fiscal Years	65
Table VII	Property Tax Rates and Tax Levies - All Overlapping Governments - Last Ten Fiscal Years	66
Table VIII	Special Assessment Collections - Last Ten Fiscal Years	67
Table IX	Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita - Last Ten Fiscal Years	68
Table X	Property Tax Rates - All Overlapping Governments	69
Table XI	Computation of Direct and Overlapping Debt	69
Table XII	Computation of Legal Debt Margins	70
Table XIII	Schedule of Water and Sewer Utility Revenue Bond Coverage	71
Table XIV	Debt Service Requirements to Maturity - General Obligation Bonds and Excise Debt, Revenue Bonds and Long-Term Contracts, and Special Assessment Bonds	72-75
Table XV	Summary of Debt Service Requirements to Maturity	76
Table XVI	Schedule of Insurance in Force	77-80
Table XVII	Salaries and Surety Bonds of Principal Officials	81
Table XVIII	Miscellaneous Statistical Data	82-83

INTRODUCTORY SECTION



September 8, 1978

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, 1978, is submitted in accordance with Article 6, Section 14 of the City Charter.

This report consists of three sections: 1) the Introductory Section contains this letter of transmittal which highlights the financial affairs of the City for the fiscal year, the supplemental Certificate of Conformance in Financial Reporting issued to the City for its June 30, 1976, annual financial report and the opinion of the independent certified public accountants based upon their audit as required by City Charter and State Law; 2) the Financial Section has three distinct levels of financial reports. The combined financial statements (statements 1-7) provide an overview and broad perspective of the financial position and results of operations as a whole ahead of the more detailed financial statements presented by fund type and account group (statements 8-35) and supplementary financial information (schedules 1-3); 3) 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.

All funds of the City are maintained on the accrual basis of accounting, except for the budgetary funds (General, Special Revenue and Debt Service Funds) which 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 earned and available. Expenditures and encumbrances are recognized when liabilities and commitments, respectively, are incurred. The accrual basis of accounting recognizes revenues when earned and expenses when incurred.

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. This is in accordance with recommendations by the National Committee on Governmental Accounting and the Committee on Governmental Accounting and Auditing of the American Institute of Certified Public Accountants.

Certificate of Conformance

On March 24, 1977 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 for its Annual Financial Report for the fiscal year ended June 30, 1976.

In order to be awarded a Certificate of Conformance, a governmental unit must publish a comprehensive Annual Financial Report, whose contents include its basic financial statements prepared in substantial conformance with generally accepted accounting principles, an appropriate letter of transmittal and extensive statistical section and whose representations are organized into an efficiently communicative format.

A Certificate of Conformance is valid for a period of three years subject to two Annual Reviews. Our Annual Financial Report for the fiscal year ended June 30, 1977 has successfully passed its required Annual Review. We believe that our current Annual Financial Report continues to conform to Certificate of Conformance Program requirements. In order to maintain the validity of our certificate, we are submitting this report to MFOA for another required Annual Review.

Financial Overview

A comparison of General Governmental Fund Balances reveals a substantial improvement over last year.

<u>Fund</u>	<u>FY 1977-78</u>	<u>FY 1976-77</u>	<u>Increase (Decrease)</u>
General	\$3,553,709	\$2,682,907	\$ 870,802
Highway User	134,777	3,624	131,153
Public Works Reserve	39,178	274,276	(235,098)
Federal Revenue Sharing	130,504	66,040	64,464
Debt Service	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
Total Fund Balances	<u>\$3,858,168</u>	<u>\$3,026,847</u>	<u>\$ 831,321</u>

This improvement is also reflected in the Total Retained Earnings of the Enterprise and Intragovernmental Service Funds.

<u>Fund</u>	<u>FY 1977-78</u>	<u>FY 1976-77</u>	<u>Increase (Decrease)</u>
Water and Sewer	\$4,470,709	\$2,015,560	\$2,455,149
Airport	(363,078)	(306,054)	(57,024)
Motor Pool	(407,784)	(160,231)	(247,553)
Public Housing	<u>(96,908)</u>	<u>(67,919)</u>	<u>(28,989)</u>
Total Retained Earnings	<u>\$3,602,939</u>	<u>\$1,481,356</u>	<u>\$2,121,583</u>

The remaining funds also reflect increases in fund balances over the prior year.

<u>Fund</u>	<u>FY 1977-78</u>	<u>FY 1976-77</u>	<u>Increase (Decrease)</u>
Capital Projects	\$4,438,763	\$4,115,160	\$ 323,603
Trust & Agency	349,467	24,910	324,557
Special Assessments	<u>84,396</u>	<u>74,733</u>	<u>9,663</u>
Total Fund Balances	<u>\$4,872,626</u>	<u>\$4,214,803</u>	<u>\$ 657,823</u>

General Governmental Revenue

Revenue for general governmental functions totaled \$23,769,172 in 1978, an increase of 23.2% over 1977. The amount of revenue from various sources and the increase or decrease over last year are shown in the following tabulation.

<u>Revenue Source</u>	<u>FY 1977-78</u>	<u>FY 1976-77</u>	<u>Increase (Decrease)</u>	<u>%</u>
Property Taxes	\$ 3,412,532	\$ 2,905,835	\$ 506,697	17.4%
Privilege Taxes	8,210,529	6,557,710	1,652,819	25.2
Licenses and Permits	1,318,170	665,819	652,351	98.0
Fines and Forfeitures	485,337	338,246	147,091	43.5
State-Shared Revenues	6,346,874	5,723,338	623,536	10.9
Federal-Shared Revenues	833,028	692,221	140,807	20.3
Charges for Services	1,812,947	1,523,559	289,388	19.0
Use of Money and Property	731,343	427,322	304,021	71.1
Miscellaneous	618,412	458,207	160,205	35.0
Total	<u>\$23,769,172</u>	<u>\$19,292,257</u>	<u>\$4,476,915</u>	23.2%

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

<u>Revenue</u>	<u>FY 1977-78</u>	<u>FY 1976-77</u>	<u>Increase (Decrease)</u>
Property Taxes	14.4%	15.1%	(.7)%
Privilege Taxes	34.5	34.0	.5
Licenses and Permits	5.6	3.4	2.2
Fines and Forfeitures	2.0	1.7	.3
State-Shared Revenues	26.7	29.7	(3.0)
Federal-Shared Revenues	3.5	3.6	(.1)
Charges for Services	7.6	7.9	(.3)
Use of Money and Property	3.1	2.2	.9
Miscellaneous	2.6	2.4	.2
Total	<u>100.0%</u>	<u>100.0%</u>	<u>- 0 -</u>

This comparison shows the change occurring in the contribution percentage from last year. This is consistent with expectations in that privilege taxes, licenses and permits, and use of money & property which are closely related to the current high level of economic prosperity provide for the largest increases in the current year revenues.

General Government Expenditures

Expenditures for general governmental purposes increased by \$3,270,167 or 17.8% over the 1976-77 fiscal year. A comparison in expenditure levels for major functions of the City are shown in the following schedule.

<u>Function</u>	<u>FY 1977-78</u>	<u>FY 1976-77</u>	<u>Increase (Decrease)</u>
General Government	\$ 4,745,911	\$ 3,648,165	\$1,097,746
Public Safety	5,440,878	4,521,225	919,653
Health and Sanitation	1,818,186	1,759,774	58,412
Transportation	2,052,289	1,555,828	496,461
Culture and Recreation	3,095,054	2,957,806	137,248
Community Development	2,362,831	1,869,818	493,013
Debt Service	<u>2,170,692</u>	<u>2,103,058</u>	<u>67,634</u>
Total	<u>\$21,685,841</u>	<u>\$18,415,674</u>	<u>\$3,270,167</u>

Treasury Management

Temporarily idle cash was invested during the year in time certificates of deposit, treasury bills, savings accounts, and government agency securities. Total interest earned on idle funds provided \$1,506,163 in investment income. Interest earnings on general governmental funds was \$513,868 and was equivalent to a property tax levy of 21.0¢ per hundred dollars of assessed valuation, had it been necessary to levy property tax to provide these funds.

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 has reached 6.8% for 1977-78, up from a low of 2.6% for 1970-71 but a reduction from last year's 8.1%. More detailed information about bonded debt can be found on pages 58 - 59.

The City of Scottsdale presently has the following bond ratings. General Obligation Bonds - Moody's Investor Service Aa, 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 \$6,970,517 for 4% General Obligation Bonds and \$29,304,282 for 15% 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 performance of general governmental functions and exclude the fixed assets of utilities and other enterprise activities. As of June 30, 1978, general fixed assets of the City amounted to \$155,155,954. This amount represents the original cost of assets or the appraised cost where the original cost was not calculable or where the asset was contributed by a developer or other party to the City. The values for land and for buildings and improvements for statement purposes are considerably less than their present value. Depreciation of general fixed assets is not recognized in the City's accounting system.

Water and Sewer System

The net income for the water and sewer system totaled \$2,455,149, up from \$862,280 last year. The primary reason for the increase was the rate increase for both water and sewer charges effective this fiscal year together with an increase in the number of customers resulting from the current housing boom.

Water and sewer system revenues totaled \$5,076,901 for fiscal year 1977-78, up \$1,834,435 or 57% over last year. Water development fees were \$666,809 for fiscal year 1977-78, with total collections from this source at \$1,484,724. The money from this revenue was held in a segregated fund until final settlement was made on a court suit which was filed against the City. The suit was settled in favor of the City and this money is now available to be appropriated for capital improvements.

Expenses have also increased. Fiscal year 1977-78 expenses totaled \$2,621,752 up \$241,566 or 10% over last year. The largest increases were for electricity necessary for pumping water, sewage treatment plant expenses and five additional staff members added during the year.

Airport

The net loss for the Airport increased from \$55,860 last year to \$57,024 for fiscal year 1977-78. During 1977-78 the City added a second fixed base operator at the Airport. Revenues increased \$21,048 or 15% over last year, primarily from commissions on sales. Expenses increased \$22,212 or 11% with the major increases in security costs, vehicle costs, utilities and depreciation.

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. After these families are relocated, the City plans to divest itself of these properties. The net loss for the Public Housing Fund for fiscal year 1977-78 was \$28,989 compared to a loss of \$14,744 for last year. Rental income decreased \$5,504 from the prior year, due in part to the sale of one single family home and increased depreciation of \$8,004 over last year.

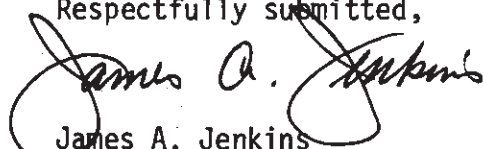
Outlook for the Future

Scottsdale ended its fiscal year in excellent financial condition. Revenue exceeded estimates and expenditures were within budget limitations, which provided a favorable position from which to begin 1978-79. A budget of \$37,296,000 was adopted for the new year, an increase of \$10,169,000 from the current year. Capital improvements and contingency account for \$6,671,000 of that increase and were made possible by the prosperous year just ended.

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 should also like to thank your office and members of the City Council for their interest and support in planning and conducting the financial affairs of the City in a responsible and progressive manner.

Respectfully submitted,



James A. Jenkins
Management Services Department Head
and City Treasurer

JAJ/am

SUPPLEMENTAL
Certificate
of
Conformance
in Financial
Reporting

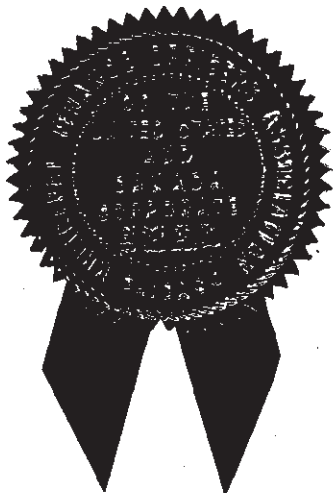
Presented to

City of Scottsdale, Arizona

For its Annual Financial Report
for the Fiscal Year Ended

June 30, 1976

A Certificate of Conformance in Financial Reporting is presented
by the Municipal Finance Officers Association of the United States and Canada
to governmental units whose annual financial reports are judged to
substantially conform to the financial reporting principles and
standards promulgated by the National Council on Governmental Accounting.



Linnar L. Mook

President

Charles W. Hart
Executive Director

Date March 24, 1977

Touche Ross & Co.

September 8, 1978

The Honorable Mayor and
Members of the City Council
City of Scottsdale, Arizona

We have examined the financial statements of the various funds and account groups, appearing on pages 1 through 56, of the City of Scottsdale, Arizona for the fiscal year ended June 30, 1978. 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 financial statements appearing on pages 1 through 56 present fairly the financial position of the various funds and account groups of the City of Scottsdale, Arizona at June 30, 1978, and the results of operations of such funds and the changes in financial position of the Enterprise Funds and Intragovernmental Service Fund for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

FINANCIAL SECTION

EXHIBIT I

COMBINED FINANCIAL STATEMENTS

The combined statements are intended to provide a financial overview of municipal operations. These reports are at a summary level and include that data needed to control and analyze current operations to determine compliance with legal and budgetary limitations, and to assist in the financial planning process. The following combined statements are presented:

Combined Balance Sheet - All Funds and Account Groups

Combined Statement of Revenue and Expenses

Combined Statement of Changes in Financial Position

Combined Statement of Revenue and Expenditures

Combined Statement of Changes in Fund Balances/
Retained Earnings - All Funds

Combined Statement of Revenue - Estimated and Actual,
General, Special Revenue and Debt Service Funds

Combined Statement of Expenditures and Encumbrances
Compared with Appropriations - General, Special
Revenue and Debt Service Funds

CITY OF SCOTTSDALE

COMBINED BALANCE SHEET

ALL FUNDS AND ACCOUNT GROUPS

JUNE 30, 1978

<u>ASSETS</u>	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>SPECIAL ASSESSMENTS FUNDS</u>
Cash, investments and receivables	\$5,523,547	\$815,391	\$3,416,240	\$4,552,177	\$4,170,729
Amount to be provided for retirement of debt					
Property and equipment - less applicable accumulated depreciation and amortization					
Excess purchase price over fair market value of water system assets acquired					
Restricted cash and investments					
Assets held in trust for retirement of refunded debt					
	<u>\$5,523,547</u>	<u>\$815,391</u>	<u>\$3,416,240</u>	<u>\$4,552,177</u>	<u>\$4,170,729</u>
 <u>LIABILITIES, RESERVES, AND FUND BALANCES/RETAINED EARNINGS</u>					
Current liabilities	\$ 921,516	\$143,162	\$ 801,396	\$ 113,414	\$ 155,005
Long-term debt					3,931,328
Other liabilities					
Refunded debt to be retired by assets held in trust					
Reserves	195,261				
Encumbrances outstanding	853,061	367,770			
Contributions to capital					
Investment in general fixed assets					
Fund balances - restricted and unrestricted	3,553,709	304,459	2,614,844	4,438,763	84,396
Retained earnings (accumulated deficits) - restricted and unrestricted					
	<u>\$5,523,547</u>	<u>\$815,391</u>	<u>\$3,416,240</u>	<u>\$4,552,177</u>	<u>\$4,170,729</u>

See notes to financial statements.

STATEMENT 1

ENTERPRISE FUNDS	INTRAGOVERN- MENTAL SERVICE FUND	TRUST AND AGENCY FUNDS	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY) (NOTE A)	
					JUNE 30, 1978	JUNE 30, 1977
\$ 3,924,211	\$ 377,723	\$1,281,576	\$	\$	\$ 24,061,594	\$ 22,427,771
				20,467,328	20,467,328	20,027,317
25,980,943	1,591,671		155,155,954		182,728,568	151,782,931
1,549,098					1,549,098	1,692,242
6,571,762					6,571,762	6,758,495
3,444,503					3,444,503	3,462,238
<u>\$41,470,517</u>	<u>\$1,969,394</u>	<u>\$1,281,576</u>	<u>\$155,155,954</u>	<u>\$20,467,328</u>	<u>\$238,822,853</u>	<u>\$206,150,994</u>
\$ 950,129	\$ 46,108	\$ 932,109	\$	\$	\$ 4,062,839	\$ 4,210,052
10,946,176				20,467,328	35,344,832	34,998,749
439,506					439,506	496,867
3,965,853					3,965,853	4,057,868
					195,261	222,792
					1,220,831	930,053
21,158,130	2,331,070				23,489,200	21,881,399
			155,155,954		155,155,954	128,606,852
		349,467			11,345,638	9,265,006
<u>4,010,723</u>	<u>(407,784)</u>				<u>3,602,939</u>	<u>1,481,356</u>
<u>\$41,470,517</u>	<u>\$1,969,394</u>	<u>\$1,281,576</u>	<u>\$155,155,954</u>	<u>\$20,467,328</u>	<u>\$238,822,853</u>	<u>\$206,150,994</u>

CITY OF SCOTTSDALE

STATEMENT 2

COMBINED STATEMENT OF REVENUE AND EXPENSES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	ENTERPRISE FUNDS	INTRAGOVERN- MENTAL SERVICE FUND	TOTAL (MEMORANDUM ONLY) (NOTE A)	
			JUNE 30, 1978	JUNE 30, 1977
Operating Revenue	\$4,516,736	\$1,869,090	\$6,385,826	\$4,678,380
Operating Expenses, exclusive of depreciation	<u>1,354,220</u>	<u>1,650,215</u>	<u>3,004,435</u>	<u>2,563,653</u>
Net Operating Income before Depreciation and Amortiza- tion	3,162,516	218,875	3,381,391	2,114,727
Depreciation and amortization	<u>790,891</u>	<u>466,428</u>	<u>1,257,319</u>	<u>1,186,041</u>
Net Operating Income (Loss)	<u>2,371,625</u>	<u>(247,553)</u>	<u>2,124,072</u>	<u>928,686</u>
Non-Operating Income	756,436		756,436	441,834
Non-Operating Expenses	<u>758,925</u>		<u>758,925</u>	<u>668,454</u>
Net Income (Loss)	<u>\$2,369,136</u>	<u>\$ (247,553)</u>	<u>\$2,121,583</u>	<u>\$ 702,066</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 3

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	ENTERPRISE FUNDS	INTRAGOVERN- MENTAL SERVICE FUND	TOTAL (MEMORANDUM ONLY) (NOTE A)	
			JUNE 30, 1978	JUNE 30, 1977
Sources of Funds				
From operations				
Net income (loss)	\$2,369,136	\$ (247,553)	\$2,121,583	\$ 702,066
Noncash charge - depre- ciation and amortization	<u>790,891</u>	<u>466,428</u>	<u>1,257,319</u>	<u>1,186,041</u>
Total from operations	3,160,027	218,875	3,378,902	1,888,107
Cash, property, and equip- ment contributed by subdividers	2,232,160		2,232,160	758,032
Increase in contributions to capital	1,554,916	968,514	2,523,430	414,157
Decrease in current assets	71,086	17,868	88,954	132,156
Decrease in assets held for refunded debt	17,735		17,735	32,053
Decrease in restricted cash and investments	186,733		186,733	
Increase in current liabilities	125,788	2,372	128,160	
Proceeds from sale of bonds				4,000,000
	<u>7,348,445</u>	<u>1,207,629</u>	<u>8,556,074</u>	<u>7,224,505</u>
Uses of Funds				
Purchase of equipment and construction in process	2,422,487	856,063	3,278,550	898,737
Assets contributed by subdividers	2,232,160		2,232,160	758,032
Payments on long-term debt	628,272		628,272	518,048
Decrease in current liabilities	48,400		48,400	188,289
Decrease in other liabilities	57,361		57,361	138,380
Increase in current assets	64,540		64,540	161,815
Increase in restricted cash and investments				4,417,090
	<u>5,453,220</u>	<u>856,063</u>	<u>6,309,283</u>	<u>7,080,391</u>
Increase in Cash and Short-term Investments	1,895,225	351,566	2,246,791	144,114
Cash and Short-term Investments July 1,	<u>1,221,598</u>	<u>9,426</u>	<u>1,231,024</u>	<u>1,086,910</u>
June 30,	<u>\$3,116,823</u>	<u>\$ 360,992</u>	<u>\$3,477,815</u>	<u>\$1,231,024</u>

See notes to financial statements.

CITY OF SCOTTSDALE

COMBINED STATEMENT OF REVENUE AND EXPENDITURES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>
Revenues and contributions	\$19,362,607	\$3,394,408	\$1,753,509	\$1,902,426
Expenditures and contributions	17,812,381	3,213,579	1,753,509	1,578,823
Encumbrances	704,522	227,431		
Encumbrances cancelled	<u>(25,098)</u>	<u>(7,121)</u>		
Total Expenditures and Encumbrances	<u>18,491,805</u>	<u>3,433,889</u>	<u>1,753,509</u>	<u>1,578,823</u>
Net Addition (Deduction) to Fund Balance	<u>\$ 870,802</u>	<u>\$ (39,481)</u>	<u>\$ - 0 -</u>	<u>\$ 323,603</u>

See notes to financial statements.

STATEMENT 4

SPECIAL ASSESSMENTS FUNDS	TRUST AND AGENCY FUNDS	TOTAL (MEMORANDUM ONLY) (NOTE A)	
		JUNE 30, 1978	JUNE 30, 1977
\$101,743	\$5,246,045	\$31,760,738	\$23,229,249
92,080	4,921,488	29,371,860	21,375,101
		931,953	930,053
		(32,219)	(561,636)
<u>92,080</u>	<u>4,921,488</u>	<u>30,271,594</u>	<u>21,743,518</u>
<u>\$ 9,663</u>	<u>\$ 324,557</u>	<u>\$ 1,489,144</u>	<u>\$ 1,485,731</u>

CITY OF SCOTTSDALE

COMBINED STATEMENT OF CHANGES IN FUND BALANCES/
RETAINED EARNINGS - ALL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>
Balances, July 1,	\$2,682,907	\$343,940	\$2,023,356	\$4,115,160
Add				
Excess of revenues over expenditures, encumbrances, encumbrances cancelled, and contributions	870,802			323,603
Net income				
Deposit to sinking fund			791,488	
Deduct				
Excess of expenditures, encum- brances, and encumbrances cancelled over revenues and contributions		39,481		
Net loss				
Principal retired from sink- ing fund			200,000	
Transfer to contributions to capital				
Balances, June 30,	<u>\$3,553,709</u>	<u>\$304,459</u>	<u>\$2,614,844</u>	<u>\$4,438,763</u>

See notes to financial statements.

STATEMENT 5

SPECIAL ASSESSMENTS FUNDS	ENTERPRISE FUNDS	INTRAGOVERN- MENTAL SERVICE FUND	TRUST AND AGENCY FUNDS	TOTAL (MEMORANDUM ONLY) (NOTE A)	
				JUNE 30, 1978	JUNE 30, 1977
\$74,733	\$1,641,587	\$(160,231)	\$ 24,910	\$10,746,362	\$ 8,378,587
9,663	2,369,136		324,557	1,528,625	2,078,621
				2,369,136	791,676
				791,488	700,409
				39,481	592,890
		247,553		247,553	89,610
				200,000	200,000
					320,431
<u>\$84,396</u>	<u>\$4,010,723</u>	<u>\$(407,784)</u>	<u>\$349,467</u>	<u>\$14,948,577</u>	<u>\$10,746,362</u>

CITY OF SCOTTSDALE

STATEMENT 6

COMBINED STATEMENT OF REVENUE - ESTIMATED AND ACTUAL

GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>ESTIMATED</u>	<u>ACTUAL</u>	<u>ACTUAL OVER/(UNDER) ESTIMATED</u>
Taxes - Local			
General	\$ 8,329,380	\$ 9,665,971	\$1,336,591
Special revenue	360,301	360,301	
Debt service	1,678,319	1,596,789	(81,530)
	<u>10,368,000</u>	<u>11,623,061</u>	<u>1,255,061</u>
Taxes - Intergovernmental			
General	4,675,000	4,973,540	298,540
Special revenue	2,017,000	2,206,362	189,362
	<u>6,692,000</u>	<u>7,179,902</u>	<u>487,902</u>
Licenses			
General	<u>247,000</u>	<u>269,650</u>	<u>22,650</u>
Charges for Current Services			
General	<u>1,735,000</u>	<u>2,861,467</u>	<u>1,126,467</u>
Fines and Forfeitures			
General	<u>325,000</u>	<u>485,337</u>	<u>160,337</u>
Use of Money and Property			
General	192,000	569,573	377,573
Special revenue	15,000	5,050	(9,950)
Debt service	207,000	156,720	156,720
	<u>207,000</u>	<u>731,343</u>	<u>524,343</u>
Miscellaneous Revenue			
General	257,000	537,069	280,069
Special revenue	257,000	81,343	81,343
	<u>257,000</u>	<u>618,412</u>	<u>361,412</u>
 Total Revenue	 <u>\$19,831,000</u>	 <u>\$23,769,172</u>	 <u>\$3,938,172</u>

See notes to financial statements.

STATEMENT 7

CITY OF SCOTTSDALE
 COMBINED STATEMENT OF EXPENDITURES AND ENCUMBRANCES
 COMPARED WITH APPROPRIATIONS - GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	ENCUMBRANCES JULY 1, 1977	EXPENDITURES 1976-1977	1976-1977 ENCUMBRANCES CANCELLED	PRIOR YEAR ENCUMBRANCES JUNE 30, 1978	BUDGET APPROPRIATIONS 1977-1978	EXPENDITURES 1977-1978	CURRENT YEAR ENCUMBRANCES JUNE 30, 1978	UNENCUMBERED APPROPRIATIONS 1977-1978
General government								
General	\$ 43,673	\$ 31,503	\$12,170	\$	\$ 4,710,875	\$ 4,644,918	\$100,993	\$(35,036)
Public safety								
General	4,864	4,572	292		4,789,742	4,631,918	33,877	123,947
Special revenue	28,792	17,668		11,124	826,654	772,021	3,062	51,571
	<u>33,656</u>	<u>22,240</u>	<u>292</u>	<u>11,124</u>	<u>5,616,396</u>	<u>5,403,939</u>	<u>36,939</u>	<u>175,518</u>
Health and sanitation								
General	3,809	3,808	1		1,826,245	1,807,200	10,986	8,059
Transportation								
General	167	130	37		32,831	46,480	639	(14,288)
Special revenue	15,569	8,448	7,121		2,026,352	1,983,464	21,706	21,182
	<u>15,736</u>	<u>8,578</u>	<u>7,158</u>		<u>2,059,183</u>	<u>2,029,944</u>	<u>22,345</u>	<u>6,894</u>
Culture and recreation								
General	44,221	34,447	9,774		3,159,481	3,049,510	45,544	64,427
Community development								
General	361,898	210,535	2,824	148,539	1,649,186	1,225,091	476,983	(52,888)
Special revenue	167,208	37,993		129,215	715,301	458,094	202,663	54,544
	<u>529,106</u>	<u>248,528</u>	<u>2,824</u>	<u>277,754</u>	<u>2,364,487</u>	<u>1,683,185</u>	<u>679,646</u>	<u>1,656</u>
Debt service								
General					436,227	381,683	35,500	19,044
Debt service					1,678,319	1,753,509		(75,190)
					<u>2,114,546</u>	<u>2,135,192</u>	<u>35,500</u>	<u>(56,146)</u>
Total	\$ 670,201	\$ 349,104	\$32,219	\$288,878	\$21,851,213	\$20,753,888	\$931,953	\$165,372

See notes to financial statements.

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 program and then by object of the expenditure.

General Fund expenditures are made primarily for current day-to-day operating expenses and operating equipment. Capital expenditures for large-scale public improvements, such as buildings, parks, or streets, are accounted for elsewhere in the Capital Projects Funds, Special Revenue Funds or Enterprise Funds.

CITY OF SCOTTSDALE

STATEMENT 8

GENERAL FUND

BALANCE SHEET

JUNE 30, 1978

ASSETS

Cash and short-term investments - Note B	\$1,632,398
Inventories of supplies	184,309
Property taxes receivable	43,315
State-shared sales tax receivable	271,887
Auto lieu tax receivable	65,369
Accounts receivable, including unbilled of \$44,514	188,472
Miscellaneous receivables	95,520
Due from other funds	37,277
Investments - Note B	<u>3,005,000</u>
	<u>\$5,523,547</u>

LIABILITIES, RESERVES AND FUND BALANCE

Claims payable	\$ 324,176
Payroll withholdings	392,557
Due to other funds	<u>204,783</u>
	<u>921,516</u>
Encumbrances outstanding	<u>853,061</u>
Reserve for inventories of supplies	184,309
Reserve for uncollected property taxes	<u>10,952</u>
	<u>195,261</u>
Commitments - Note H	
Fund balance	<u>3,553,709</u>
	<u>\$5,523,547</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 9

GENERAL FUND

STATEMENT OF REVENUE - ESTIMATED AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>ESTIMATED</u>	<u>ACTUAL</u>	<u>ACTUAL OVER(UNDER) ESTIMATED</u>
Taxes - Local			
Property	\$ 2,176,093	\$ 2,100,739	\$ (75,354)
Transaction privilege	5,485,287	6,797,427	1,312,140
Hotel/motel transient tax	328,000	389,328	61,328
Light and power franchise	280,000	320,135	40,135
Salt River Project in lieu	60,000	58,342	(1,658)
	<u>8,329,380</u>	<u>9,665,971</u>	<u>1,336,591</u>
Taxes - Intergovernmental			
State-shared sales tax	2,725,000	2,910,866	185,866
Automobile in lieu	470,000	586,549	116,549
State revenue sharing	1,480,000	1,476,125	(3,875)
	<u>4,675,000</u>	<u>4,973,540</u>	<u>298,540</u>
Licenses			
Business licenses	70,000	81,124	11,124
Liquor licenses	150,000	157,082	7,082
Application fees	9,000	7,256	(1,744)
Occupational registrations	18,000	24,188	6,188
	<u>247,000</u>	<u>269,650</u>	<u>22,650</u>
Charges for Current Services			
Refuse collection charges	1,220,000	1,434,757	214,757
Building and related permits	321,000	1,048,520	727,520
Other fees	41,000	167,486	126,486
Planning Commission fees	48,000	81,945	33,945
Recreation fees	105,000	128,759	23,759
	<u>1,735,000</u>	<u>2,861,467</u>	<u>1,126,467</u>
Fines and Forfeitures			
Moving vehicles	255,000	388,662	133,662
Parking	32,000	36,293	4,293
Other court fees	13,000	31,224	18,224
Library	25,000	29,158	4,158
	<u>325,000</u>	<u>485,337</u>	<u>160,337</u>
Use of Money and Property			
Interest earnings	60,000	352,098	292,098
Property rental	132,000	217,475	85,475
	<u>192,000</u>	<u>569,573</u>	<u>377,573</u>
Miscellaneous	<u>257,000</u>	<u>537,069</u>	<u>280,069</u>
Total Revenue	<u>\$15,760,380</u>	<u>\$19,362,607</u>	<u>\$3,602,227</u>

See notes to financial statements.

STATEMENT 10

CITY OF SCOTTSDALE
GENERAL FUND
STATEMENT OF EXPENDITURES, ENCUMBRANCES AND CONTRIBUTIONS COMPARED WITH APPROPRIATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 1978

PROGRAM	ENCUMBRANCES JULY 1, 1977	EXPENDITURES 1976-1977	1976-1977 ENCUMBRANCES CANCELLED	PRIOR YEAR ENCUMBRANCES JUNE 30, 1978	BUDGET APPROPRIATIONS 1977-1978	EXPENDITURES 1977-1978	CURRENT YEAR ENCUMBRANCES JUNE 30, 1978	UNENCUMBERED APPROPRIATIONS 1977-1978
General government	\$ 43,673	\$ 31,503	\$ 12,170	\$	\$ 4,710,875	\$ 4,644,918	\$100,993	\$(35,036)
Public safety	4,864	4,572	292		4,789,742	4,631,918	33,877	123,947
Transportation	167	130	37		32,831	46,480	639	(14,288)
Health and sanitation	3,809	3,808	1		1,826,245	1,807,200	10,986	8,059
Culture and recreation	44,221	34,447	9,774		3,159,481	3,049,510	45,544	64,427
Community development	361,898	210,535	2,824	148,539	1,649,186	1,225,091	476,983	(52,888)
Debt service					436,227	381,683	35,500	19,044
Total Expenditures	<u>\$458,632</u>	<u>\$284,995</u>	<u>\$25,098</u>	<u>\$148,539</u>	<u>\$16,604,587</u>	15,786,800	<u>\$704,522</u>	<u>\$113,265</u>
Contributions to Highway Users Fuel Tax Fund, Motor Pool, Housing Authority, and Airport Fund						2,025,581		
Total						<u>\$17,812,381</u>		

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 11

GENERAL FUND

ANALYSIS OF CHANGES IN FUND BALANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

Fund Balance, July 1, 1977		\$2,682,907
Excess of revenue over expenditures, encumbrances and encumbrances cancelled		
Revenue	\$19,362,607	
Expenditures	17,812,381	
Encumbrances	704,522	
Encumbrances cancelled	(25,098)	
	<u>18,491,805</u>	<u>870,802</u>
Fund Balance, June 30, 1978		<u>\$3,553,709</u>

See notes to financial statements.

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 revenues. Such funds are authorized by statutory or charter provisions to pay for certain activities with some form of continuing revenues.

Highway User Fuel Tax Fund

This fund receives and expends the City's allocation of the Highway User Revenue Fund. 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 revenues specifically appropriated for major capital outlay projects by action of the City Council. Appropriations are made from the fund annually. The fund will continue to exist indefinitely.

Federal Revenue Sharing Fund

This fund was established to receive and expend 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 revenues under applicable state and local law.

CITY OF SCOTTSDALE
 SPECIAL REVENUE FUNDS
 BALANCE SHEET
 JUNE 30, 1978

STATEMENT 12

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>HIGHWAY USER FUEL TAX</u>	<u>PUBLIC WORKS RESERVE</u>	<u>FEDERAL REVENUE SHARING</u>
Cash and short-term investments - Note B	\$470,445	\$ 80,870	\$389,575	\$
Accrued interest	2,454		2,454	
Gas tax receivable	119,788	119,788		
Federal revenue sharing receivable	208,291			208,291
Miscellaneous receivables	<u>14,413</u>	<u>7,251</u>		<u>7,162</u>
	<u>\$815,391</u>	<u>\$207,909</u>	<u>\$392,029</u>	<u>\$215,453</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
Cash overdraft	\$ 32,831	\$	\$	\$ 32,831
Claims payable	81,941	51,426	20,973	9,542
Due to other funds	<u>28,390</u>			<u>28,390</u>
	<u>143,162</u>	<u>51,426</u>	<u>20,973</u>	<u>70,763</u>
Encumbrances outstanding	<u>367,770</u>	<u>21,706</u>	<u>331,878</u>	<u>14,186</u>
Fund balances	<u>304,459</u>	<u>134,777</u>	<u>39,178</u>	<u>130,504</u>
	<u>\$815,391</u>	<u>\$207,909</u>	<u>\$392,029</u>	<u>\$215,453</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 13

SPECIAL REVENUE FUNDS

STATEMENT OF REVENUE AND CONTRIBUTIONS - ESTIMATED AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

<u>SOURCE AND FUND</u>	<u>ESTIMATED</u>	<u>ACTUAL</u>	<u>ACTUAL OVER (UNDER) ESTIMATED</u>
<u>Highway User Fuel Tax Fund</u>			
Gas tax	\$1,285,000	\$1,373,334	\$ 88,334
Interest earnings		83	83
Miscellaneous		<u>14,433</u>	<u>14,433</u>
Total Revenue	<u>1,285,000</u>	1,387,850	<u>102,850</u>
Contributions from General Fund		<u>741,352</u>	
Total		<u>2,129,202</u>	
<u>Public Works Reserve Fund</u>			
Privilege license tax	360,301	360,301	
Interest earnings	5,000	(1,552)	(6,552)
Miscellaneous		<u>66,910</u>	<u>66,910</u>
Total	<u>365,301</u>	<u>425,659</u>	<u>60,358</u>
<u>Federal Revenue Sharing Fund</u>			
Federal revenue sharing	732,000	833,028	101,028
Interest earnings	<u>10,000</u>	<u>6,519</u>	<u>(3,481)</u>
Total	<u>742,000</u>	<u>839,547</u>	<u>97,547</u>
Total Revenue	<u>\$2,392,301</u>	2,653,056	<u>\$260,755</u>
Total Contributions		<u>741,352</u>	
Total Revenue and Contributions		<u>\$3,394,408</u>	
<u>Recapitulation by Source</u>			
Taxes-intergovernmental	\$2,017,000	\$2,206,362	\$189,362
Taxes-local	360,301	360,301	
Use of money and property	15,000	5,050	(9,950)
Miscellaneous		<u>81,343</u>	<u>81,343</u>
Total Revenue	<u>\$2,392,301</u>	2,653,056	<u>\$260,755</u>
Contributions from General Fund		<u>741,352</u>	
Total Revenues and Contributions		<u>\$3,394,408</u>	

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 14

SPECIAL REVENUE FUNDS

STATEMENT OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	TOTAL ALL FUNDS	HIGHWAY USER FUEL TAX	PUBLIC WORKS RESERVE	FEDERAL REVENUE SHARING
Encumbrances, July 1, 1977	\$ 211,569	\$ 15,569	\$167,208	\$ 28,792
Expenditures, 1976-1977	64,109	8,448	37,993	17,668
Prior Year Encumbrances, June 30, 1978	<u>140,339</u>		<u>129,215</u>	<u>11,124</u>
Encumbrances cancelled, 1976-1977	<u>\$ 7,121</u>	<u>\$ 7,121</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Budget Appropriations, 1977-1978				
Public safety	\$ 826,654	\$	\$	\$826,654
Transportation	2,026,352	2,026,352		
Community development	715,301		715,301	
	<u>3,568,307</u>	<u>2,026,352</u>	<u>715,301</u>	<u>826,654</u>
Less: Expenditures, 1977-1978				
Public safety	772,021			772,021
Transportation	1,983,464	1,983,464		
Community development	458,094		458,094	
	<u>3,213,579</u>	<u>1,983,464</u>	<u>458,094</u>	<u>772,021</u>
Unexpended Balance	<u>354,728</u>	<u>42,888</u>	<u>257,207</u>	<u>54,633</u>
Less: Current Year Encumbrances, June 30, 1978				
Public safety	3,062			3,062
Transportation	21,706	21,706		
Community development	202,663		202,663	
	<u>227,431</u>	<u>21,706</u>	<u>202,663</u>	<u>3,062</u>
Unencumbered Appropriations, 1977-1978	<u>\$ 127,297</u>	<u>\$ 21,182</u>	<u>\$ 54,544</u>	<u>\$ 51,571</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 15

SPECIAL REVENUE FUNDS

ANALYSIS OF CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>TOTAL ALL FUNDS</u>	<u>HIGHWAY USER FUEL TAX</u>	<u>PUBLIC WORKS RESERVE</u>	<u>FEDERAL REVENUE SHARING</u>
Fund Balances, July 1, 1977	\$ 343,940	\$ 3,624	\$274,276	\$ 66,040
Excess of expenditures, encumbrances and encumbrances cancelled over revenue and contributions				
Expenditures	3,213,579	1,983,464	458,094	772,021
Encumbrances	227,431	21,706	202,663	3,062
Encumbrances cancelled	(7,121)	(7,121)		
	<u>3,433,889</u>	<u>1,998,049</u>	<u>660,757</u>	<u>775,083</u>
Revenue and contributions	<u>3,394,408</u>	<u>2,129,202</u>	<u>425,659</u>	<u>839,547</u>
Total Deductions (Additions)	<u>39,481</u>	<u>(131,153)</u>	<u>235,098</u>	<u>(64,464)</u>
Fund Balances, June 30, 1978	<u>\$ 304,459</u>	<u>\$ 134,777</u>	<u>\$ 39,178</u>	<u>\$130,504</u>

See notes to financial statements.

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 money sufficient to meet the general obligation debt and from the transaction privilege tax for the excise debt obligation.

General Obligation Bond Debt Service Funds presently established are as follows:

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

Excise Debt Service Funds presently established are as follows:

1974	Municipal Properties Corporation Refunding Bonds
1974	Municipal Properties Corporation Bonds

CITY OF SCOTTSDALE

STATEMENT 16

DEBT SERVICE FUNDS

BALANCE SHEET

JUNE 30, 1978

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>GENERAL DEBT SERVICE</u>	<u>EXCISE DEBT SERVICE</u>
Cash and short-term investments - Note B	\$ 20	\$ 20	\$
Cash with fiscal agents	3,243,049	3,243,049	
Amount to be provided for retirement of debt	<u>173,171</u>	<u> </u>	<u>173,171</u>
	<u>\$3,416,240</u>	<u>\$3,243,069</u>	<u>\$173,171</u>
 <u>LIABILITIES AND FUND BALANCES</u> 			
Claims payable	\$ 20	\$ 20	\$
Contracts payable - Note D	173,171		173,171
Bonds payable - Note C	315,000	315,000	
Interest payable	<u>313,205</u>	<u>313,205</u>	<u> </u>
	<u>801,396</u>	<u>628,225</u>	<u>173,171</u>
Fund balances - Restricted for sinking fund requirements	<u>2,614,844</u>	<u>2,614,844</u>	
	<u>\$3,416,240</u>	<u>\$3,243,069</u>	<u>\$173,171</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 17

DEBT SERVICE FUNDS

STATEMENT OF REVENUE, EXPENDITURES AND FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>TOTAL ALL FUNDS</u>	<u>GENERAL DEBT SERVICE</u>	<u>EXCISE DEBT SERVICE</u>
Revenue			
Taxes			
Property	\$1,311,793	\$1,311,793	\$
Transaction privilege	284,996		284,996
Interest earnings	<u>156,720</u>	<u>156,720</u>	<u> </u>
Total Revenue	<u>1,753,509</u>	<u>1,468,513</u>	<u>284,996</u>
Expenditures			
Payment to fiscal agents			
Principal	227,985	65,000	162,985
Interest	730,996	610,985	120,011
Fiscal agents' fees	3,040	1,040	2,000
Deposit to sinking fund	<u>791,488</u>	<u>791,488</u>	<u> </u>
Total Expenditures	<u>1,753,509</u>	<u>1,468,513</u>	<u>284,996</u>
Unrestricted Fund Balances, June 30, 1977 and 1978	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Restricted Fund Balance, July 1, 1977	\$2,023,356	\$2,023,356	
Deposit to Sinking Fund	791,488	791,488	
Principal Retired from Sinking Fund	<u>(200,000)</u>	<u>(200,000)</u>	
Restricted Fund Balance, June 30, 1978	<u>\$2,614,844</u>	<u>\$2,614,844</u>	

See notes to financial statements.

EXHIBIT V

CAPITAL PROJECTS FUNDS

Capital projects funds are 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.) These funds evolved from the need for special accounting for bond proceeds, grants and contributions for the acquisition of capital assets.

Capital projects funds provide a formal mechanism which enables administrators to ensure that revenue designated for certain purposes is properly used. Capital projects funds further enhance reporting to ensure that requirements regarding the use of the revenue were fully satisfied.

Bond construction funds are 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. Those presently in existence are as follows:

Parks Bond Construction Fund
Storm Sewer Construction Fund

CITY OF SCOTTSDALE

STATEMENT 18

CAPITAL PROJECTS FUNDS

BALANCE SHEET

JUNE 30, 1978

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>PARKS BOND CONSTRUCTION</u>	<u>STORM SEWER CONSTRUCTION</u>
Cash and short-term investments - Note B	\$3,179,855	\$25,200	\$3,154,655
Accrued interest	33,145	15	33,130
Bond sale proceeds receivable	987,932		987,932
Miscellaneous receivable	700		700
Due from other funds	214		214
Projects billings receivable - Maricopa County	<u>350,331</u>		<u>350,331</u>
	<u>\$4,552,177</u>	<u>\$25,215</u>	<u>\$4,526,962</u>
 <u>LIABILITIES AND FUND BALANCES</u> 			
Claims payable	\$ 113,414	\$	\$ 113,414
Fund balances	<u>4,438,763</u>	<u>25,215</u>	<u>4,413,548</u>
	<u>\$4,552,177</u>	<u>\$25,215</u>	<u>\$4,526,962</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 19

CAPITAL PROJECTS FUNDS

STATEMENT OF REVENUE, EXPENDITURES AND FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>TOTAL ALL FUNDS</u>	<u>PARKS BOND CONSTRUCTION</u>	<u>STORM SEWER CONSTRUCTION</u>
Fund Balances, July 1, 1977	\$4,115,160	\$27,400	\$4,087,760
Excess of revenue over expenditures			
Aid from other governmental units	658,045		658,045
Interest earnings	236,099	1,343	234,756
Bond sale proceeds	1,007,932		1,007,932
Other	<u>350</u>		<u>350</u>
Total Revenue	1,902,426	1,343	1,901,083
Expenditures	<u>1,578,823</u>	<u>3,528</u>	<u>1,575,295</u>
Total Additions (Deductions)	<u>323,603</u>	<u>(2,185)</u>	<u>325,788</u>
Fund Balances, June 30, 1978	<u>\$4,438,763</u>	<u>\$25,215</u>	<u>\$4,413,548</u>

See notes to financial statements.

EXHIBIT VI

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

BALANCE SHEET

JUNE 30, 1978

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>WATER AND SEWER UTILITY</u>	<u>AIRPORT</u>	<u>PUBLIC HOUSING</u>
Current Assets				
Cash and short-term investments - Note B	\$ 3,116,823	\$ 2,709,719	\$ 311,814	\$ 95,290
Accrued interest	104,779	104,779		
Accounts receivable, including unbilled of \$104,962	439,896	431,747	8,149	
Miscellaneous receivables	74,241	68,743	1,919	3,579
Due from other funds	188,472	188,472		
	<u>3,924,211</u>	<u>3,503,460</u>	<u>321,882</u>	<u>98,869</u>
Property and Equipment - Note E				
Land	1,924,137	69,837	1,854,300	
Water system	10,211,029	10,211,029		
Sewer system	16,676,823	16,676,823		
Buildings and improvements	1,289,719		721,591	568,128
Furniture, fixtures and equipment	86,893	76,217	10,676	
Construction in process	1,613,133	777,633	835,500	
	<u>31,801,734</u>	<u>27,811,539</u>	<u>3,422,067</u>	<u>568,128</u>
Accumulated depreciation and amortization	<u>(5,820,791)</u>	<u>(5,221,399)</u>	<u>(514,223)</u>	<u>(85,169)</u>
	<u>25,980,943</u>	<u>22,590,140</u>	<u>2,907,844</u>	<u>482,959</u>
Excess purchase price over fair market value of water system assets acquired, net of accumulated amortization of \$784,084	<u>1,549,098</u>	<u>1,549,098</u>		
Restricted Cash and Investments				
Cash with fiscal agents	614,064	614,064		
Revenue bond reserves - Note C	854,690	854,690		
Acquisition and construction	4,771,012	4,771,012		
Water and sewer replacement	331,996	331,996		
	<u>6,571,762</u>	<u>6,571,762</u>		
Assets Held in Trust for Retirement of Refunded Debt - Note F				
Cash	170,853	170,853		
Investments	3,273,650	3,273,650		
	<u>3,444,503</u>	<u>3,444,503</u>		
	<u>\$41,470,517</u>	<u>\$37,658,963</u>	<u>\$3,229,726</u>	<u>\$581,828</u>

See notes to financial statements.

STATEMENT 20

<u>LIABILITIES AND RETAINED EARNINGS</u>	<u>TOTAL ALL FUNDS</u>	<u>WATER AND SEWER UTILITY</u>	<u>AIRPORT</u>	<u>PUBLIC HOUSING</u>
Current Liabilities				
Claims payable	\$ 150,040	\$ 144,419	\$ 4,690	\$ 931
Bonds interest payable	258,243	258,243		
Current portion of bonds payable	345,000	345,000		
Current portion of contracts payable	191,258	109,429	81,829	
Relocation and other deposits	5,588			5,588
	<u>950,129</u>	<u>857,091</u>	<u>86,519</u>	<u>6,519</u>
Long-Term Debt, less current portion - Notes C and D				
Bonds payable	9,875,000	9,875,000		
Contracts payable	1,071,176	864,196	206,980	
	<u>10,946,176</u>	<u>10,739,196</u>	<u>206,980</u>	
Other Liabilities				
Customer advances and deposits	89,506	89,506		
Advance from municipality	350,000	350,000		
	<u>439,506</u>	<u>439,506</u>		
Refunded Debt to be Retired by Assets Held in Trust - Note F				
Bond interest payable	80,853	80,853		
Bonds payable				
Current portion	90,000	90,000		
Long-term portion	3,795,000	3,795,000		
	<u>3,965,853</u>	<u>3,965,853</u>		
Contributions to Capital	<u>21,158,130</u>	<u>17,186,608</u>	<u>3,299,305</u>	<u>672,217</u>
Retained Earnings (Accumulated Deficit)				
Restricted for				
Revenue bond reserves	854,690	854,690		
Acquisition and construction	1,484,724	1,484,724		
Water and sewer system replacement	331,996	331,996		
Retirement of refunded debt	(450,752)	(450,752)		
Unrestricted	1,790,065	2,250,051	(363,078)	(96,908)
	<u>4,010,723</u>	<u>4,470,709</u>	<u>(363,078)</u>	<u>(96,908)</u>
	<u>\$41,470,517</u>	<u>\$37,658,963</u>	<u>\$3,229,726</u>	<u>\$581,828</u>

CITY OF SCOTTSDALE

STATEMENT 21

ENTERPRISE FUNDS

STATEMENT OF REVENUE AND EXPENSES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>TOTAL ALL FUNDS</u>	<u>WATER AND SEWER UTILITY</u>	<u>AIRPORT</u>	<u>PUBLIC HOUSING</u>
Operating Revenue				
Water service charges	\$1,685,677	\$1,685,677	\$	\$
Water connection fees	215,724	215,724		
Water development fees	666,809	666,809		
Sewer service fees	1,533,158	1,533,158		
Sewer connection fees	162,855	162,855		
Tie downs and rentals	95,370		95,370	
Commissions on sales	65,838		65,838	
Permits	931		931	
Property rentals	32,489			32,489
Other	57,885	56,583		1,302
Total Operating Revenue	<u>4,516,736</u>	<u>4,320,806</u>	<u>162,139</u>	<u>33,791</u>
Operating Expenses, exclusive of depreciation				
Water operations	710,289	710,289		
Sewer operations	363,018	363,018		
Customer collection	114,304	114,304		
Airport operations	127,393		127,393	
Utilities	16,238			16,238
Maintenance	22,978			22,978
Total Operating Expenses	<u>1,354,220</u>	<u>1,187,611</u>	<u>127,393</u>	<u>39,216</u>
Net Operating Income (Loss) before Depreciation and Amortization	3,162,516	3,133,195	34,746	(5,425)
Depreciation and amortization	790,891	692,591	74,736	23,564
Net Operating Income (Loss)	<u>2,371,625</u>	<u>2,440,604</u>	<u>(39,990)</u>	<u>(28,989)</u>
Non-Operating Income				
Interest earnings	756,196	756,095	101	
Other	240		240	
Total Non-Operating Income	<u>756,436</u>	<u>756,095</u>	<u>341</u>	
Interest Expense	<u>758,925</u>	<u>741,550</u>	<u>17,375</u>	
Net Income (Loss)	<u>\$2,369,136</u>	<u>\$2,455,149</u>	<u>\$(57,024)</u>	<u>\$(28,989)</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 22

ENTERPRISE FUNDS

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>TOTAL ALL FUNDS</u>	<u>WATER AND SEWER UTILITY</u>	<u>AIRPORT</u>	<u>PUBLIC HOUSING</u>
Sources of Funds				
From operations				
Net income (loss)	\$2,369,136	\$2,455,149	\$(57,024)	\$(28,989)
Noncash charge - depreciation and amortization	790,891	692,591	74,736	23,564
Total from operations	<u>3,160,027</u>	<u>3,147,740</u>	<u>17,712</u>	<u>(5,425)</u>
Cash, property and equipment contributed by subdividers	2,232,160	2,232,160		
Contributions from improvement districts	436,678	436,678		
Contributions from municipality	540,211	50,084	386,038	104,089
Contributions from federal government	578,027		578,027	
Decrease in net assets held for refunded debt	17,735	17,735		
Decrease in amounts due from other funds	71,086	71,086		
Decrease in restricted cash and investments	186,733	186,733		
Increase in current liabilities	125,788	118,222	7,566	
	<u>7,348,445</u>	<u>6,260,438</u>	<u>989,343</u>	<u>98,664</u>
Uses of Funds				
Contribution of water/sewer assets from subdividers	2,232,160	2,232,160		
Purchase of other property, equip- ment, and construction in process	2,422,487	1,843,898	578,589	
Payments on long-term debt	628,272	546,443	81,829	
Decrease in amounts due to other funds	40,165	140	40,025	
Decrease in other liabilities	57,361	57,361		
Decrease in other current liabilities	8,235			8,235
Increase in receivables	64,540	59,462	3,117	1,961
	<u>5,453,220</u>	<u>4,739,464</u>	<u>703,560</u>	<u>10,196</u>
Increase in Cash and Short-term Investments	1,895,225	1,520,974	285,783	88,468
Cash and Short-term Investments July 1, 1977	<u>1,221,598</u>	<u>1,188,745</u>	<u>26,031</u>	<u>6,822</u>
June 30, 1978	<u>\$3,116,823</u>	<u>\$2,709,719</u>	<u>\$311,814</u>	<u>\$ 95,290</u>

See notes to financial statements.

- 32 -

CITY OF SCOTTSDALE

STATEMENT 23

ENTERPRISE FUNDS

ANALYSIS OF CHANGES IN CONTRIBUTIONS AND RETAINED EARNINGS (ACCUMULATED DEFICIT)

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	TOTAL ALL FUNDS	WATER AND SEWER UTILITY			AIRPORT	PUBLIC HOUSING
		TOTAL	RESTRICTED	UNRESTRICTED		
<u>Contributions to Capital</u>						
Balances, July 1, 1977	\$17,371,054	\$14,467,686		\$14,467,686	\$2,335,240	\$568,128
From subdividers	2,232,160	2,232,160		2,232,160		
From municipality	540,211	50,084		50,084	386,038	104,089
From federal government	578,027				578,027	
From improvement districts	436,678	436,678		436,678		
Balances, June 30, 1978	<u>\$21,158,130</u>	<u>\$17,186,608</u>		<u>\$17,186,608</u>	<u>\$3,299,305</u>	<u>\$672,217</u>
<u>Retained Earnings (Accumulated Deficit)</u>						
Balances, July 1, 1977	\$ 1,641,587	\$ 2,015,560	\$1,336,436	\$ 679,124	\$ (306,054)	\$(67,919)
Net income (loss)	2,369,136	2,455,149		2,455,149	(57,024)	(28,989)
Transfer of unrestricted income			884,222	(884,222)		
Balances, June 30, 1978	<u>\$ 4,010,723</u>	<u>\$ 4,470,709</u>	<u>\$2,220,658</u>	<u>\$ 2,250,051</u>	<u>\$ (363,078)</u>	<u>\$(96,908)</u>

See notes to financial statements.

INTRAGOVERNMENTAL SERVICE FUND

Intragovernmental service funds are established to finance and account for services and/or commodities furnished by a designated program to other programs within the City.

Motor Pool Fund

The Motor Pool Fund is responsible for the maintenance and operations of various automobiles and other equipment of the City. Revenue to this fund is derived from billings to user programs of the City.

CITY OF SCOTTSDALE

STATEMENT 24

INTRAGOVERNMENTAL SERVICE - MOTOR POOL FUND

BALANCE SHEET

JUNE 30, 1978

ASSETS

Cash and short-term investments - Note B	\$ 360,992
Accounts receivable	831
Due from other funds	<u>15,900</u>
	<u>377,723</u>
Property and equipment	
Land	67,904
Buildings and improvements	385,773
Motor vehicles	2,034,046
Machinery and equipment	506,640
Furniture, fixtures and office equipment	15,637
Construction in process	<u>410,339</u>
	<u>3,420,339</u>
Accumulated depreciation	<u>(1,828,668)</u>
	<u>1,591,671</u>
	<u>\$1,969,394</u>

LIABILITIES, CONTRIBUTIONS AND ACCUMULATED DEFICIT

Claims payable	\$ <u>46,108</u>
Contributions to capital	<u>2,331,070</u>
Accumulated deficit	<u>(407,784)</u>
	<u>\$1,969,394</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 25

INTRAGOVERNMENTAL SERVICE - MOTOR POOL FUND

STATEMENT OF REVENUE AND EXPENSES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

Operating Revenue

Billings to user programs	\$1,867,281
Other	<u>1,809</u>
Total Operating Revenue	<u>1,869,090</u>

Operating Expenses

Salaries and wages	623,384
Materials purchased	600,616
Gas, oil and lubricants	247,806
Depreciation	466,428
Other shop expenses	117,849
General and administrative	48,322
Outside services	<u>12,238</u>

Total Operating Expenses	<u>2,116,643</u>
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Net Loss From Operations	<u>\$ 247,553</u>
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See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 26

INTRAGOVERNMENTAL SERVICE - MOTOR POOL FUND

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

Sources of Funds

From operations

Net loss

\$ (247,553)

Noncash charge - depreciation

466,428

Total from operations

218,875

Contributions from municipality

968,514

Increase in current liabilities

2,372

Decrease in amounts due from other funds

10,540

Decrease in current receivables

7,3281,207,629

Uses of Funds

Purchase of motor vehicles

318,890

Increase in construction in process

257,085

Increase in buildings and equipment

280,088856,063

Increase in Cash and Short-term Investments

351,566

Cash and Short-term Investments

July 1, 1977

9,426

June 30, 1978

\$ 360,992

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 27

INTRAGOVERNMENTAL SERVICE - MOTOR POOL FUND

ANALYSIS OF CHANGES IN CONTRIBUTIONS AND ACCUMULATED DEFICIT

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>CONTRIBUTIONS FROM MUNICIPALITY</u>	<u>ACCUMULATED DEFICIT</u>
Balances, July 1, 1977	\$1,362,556	\$(160,231)
Net Loss from Operations		(247,553)
Contributions from General Fund	<u>968,514</u>	<u> </u>
Balances, June 30, 1978	<u>\$2,331,070</u>	<u>\$(407,784)</u>

See notes to financial statements.

TRUST AND AGENCY FUNDS

Trust and Agency Funds are 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

STATEMENT 28

TRUST AND AGENCY FUNDS

BALANCE SHEET

JUNE 30, 1978

<u>ASSETS</u>	<u>TOTAL ALL FUNDS</u>	<u>NEIGHBORHOOD DEVELOPMENT PROJECT</u>	<u>FEDERAL GRANTS</u>	<u>MISCELLANEOUS TRUST AND AGENCY</u>	<u>COMMUNITY DEVELOPMENT</u>
Cash and short-term investments - Note B	\$ 771,584	\$	\$118,558	\$543,558	\$109,468
Grants receivable	493,680		493,680		
Due from other funds	16,312		16,312		
	<u>\$1,281,576</u>	<u>\$ - 0 -</u>	<u>\$628,550</u>	<u>\$543,558</u>	<u>\$109,468</u>
 <u>LIABILITIES AND FUND BALANCES</u>					
Claims payable	\$ 460,542	\$	\$397,794	\$ 24,594	\$ 38,154
Guaranty and other deposits	446,566			446,566	
Due to other funds	25,001		15,156		9,845
	<u>932,109</u>		<u>412,950</u>	<u>471,160</u>	<u>47,999</u>
Fund balances	<u>349,467</u>		<u>215,600</u>	<u>72,398</u>	<u>61,469</u>
	<u>\$1,281,576</u>	<u>\$ - 0 -</u>	<u>\$628,550</u>	<u>\$543,558</u>	<u>\$109,468</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 29

TRUST AND AGENCY FUNDS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>TOTAL ALL FUNDS</u>	<u>NEIGHBORHOOD DEVELOPMENT PROJECT</u>	<u>FEDERAL GRANTS</u>	<u>MISCELLANEOUS TRUST AND AGENCY</u>	<u>COMMUNITY DEVELOPMENT</u>
Cash and Short-term Investments, July 1, 1977	\$ 500,039	\$ 3,791	\$ 139,659	\$329,037	\$ 27,552
Cash Receipts					
Federal and state aid	4,792,538		3,274,895		1,517,643
Operating revenue	230,000	230,000			
Security and other deposits	530,765			530,765	
Donations	196,676		50,000	146,676	
Transfers from other funds	674,519		430,235	186,978	57,306
Total Receipts	<u>6,424,498</u>	<u>230,000</u>	<u>3,755,130</u>	<u>864,419</u>	<u>1,574,949</u>
Cash Disbursements					
Payment of loans	215,700	215,700			
Deposit refunds	336,313			336,313	
Operating expenses	4,971,615	1,544	3,457,763	96,186	1,416,122
Transfers to other funds	629,325	16,547	318,468	217,399	76,911
Total Disbursements	<u>6,152,953</u>	<u>233,791</u>	<u>3,776,231</u>	<u>649,898</u>	<u>1,493,033</u>
Cash and Short-term Investments, June 30, 1978	<u>\$ 771,584</u>	<u>\$ -0-</u>	<u>\$ 118,558</u>	<u>\$543,558</u>	<u>\$ 109,468</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 30

TRUST AND AGENCY FUNDS

STATEMENT OF REVENUE, EXPENDITURES AND FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>TOTAL ALL FUNDS</u>	<u>FEDERAL GRANTS</u>	<u>MISCELLANEOUS TRUST AND AGENCY</u>	<u>COMMUNITY DEVELOPMENT</u>
Fund Balances, July 1, 1977	\$ 24,910	\$ 249,838	\$ 27,480	\$ (252,408)
Excess of revenue over expenditures				
Revenue	5,246,045	3,618,429	147,434	1,480,182
Expenditures	<u>4,921,488</u>	<u>3,652,667</u>	<u>102,516</u>	<u>1,166,305</u>
Total Additions (Deductions)	<u>324,557</u>	<u>(34,238)</u>	<u>44,918</u>	<u>313,877</u>
Fund Balances, June 30, 1978	<u>\$ 349,467</u>	<u>\$ 215,600</u>	<u>\$ 72,398</u>	<u>\$ 61,469</u>

See notes to financial statements.

EXHIBIT IX

SPECIAL ASSESSMENTS FUNDS

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 FUNDS
 BALANCE SHEET
 JUNE 30, 1978

STATEMENT 31

ASSETS

Cash and short-term investments - Note B	\$ 527,536
Cash with fiscal agents	88,438
Special assessments receivable - Note G	<u>3,554,755</u>
	<u>\$4,170,729</u>

LIABILITIES AND FUND BALANCES

Bond interest payable	\$ 88,438
Other liabilities	<u>66,567</u>
	<u>155,005</u>
Bonds payable - Note C	<u>3,931,328</u>
Fund balances - restricted for bond interest and redemption	<u>84,396</u>
	<u>\$4,170,729</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 32

SPECIAL ASSESSMENTS FUNDS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

Cash and Short-term Investments, July 1, 1977	\$ 497,129
Cash Receipts	
Assessments received	839,600
Penalty income	5,042
Overpayments	8,120
Street lighting tax revenue	96,701
Transfers from other funds	<u>170,036</u>
Total Receipts	<u>1,119,499</u>
Cash Disbursements	
Bond redemptions	620,000
Interest paid	193,823
Overpayments refunded	4,354
Street lighting operating expenses	93,466
Transfers to other funds	<u>177,449</u>
Total Disbursements	<u>1,089,092</u>
Cash and Short-term Investments, June 30, 1978	<u>\$ 527,536</u>

See notes to financial statements.

CITY OF SCOTTSDALE

STATEMENT 33

SPECIAL ASSESSMENTS FUNDS

STATEMENT OF REVENUE, EXPENDITURES AND FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

Fund Balances, July 1, 1977		\$74,733
Penalty income		5,042
Transfer of completed district fund balances to General Fund		(2,022)
Excess of street light district revenue over expenditures		
Revenue	\$96,701	
Expenditures	<u>90,058</u>	<u>6,643</u>
Fund Balances, June 30, 1978		<u>\$84,396</u>

See notes to financial statements.

EXHIBIT X

GENERAL FIXED ASSETS GROUP OF ACCOUNTS

The General Fixed Assets Group of Accounts are 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. No depreciation is provided on such assets. This control also allows establishing custodial responsibility for the assets.

The investment in fixed assets of enterprise operations are accounted for in their respective funds.

CITY OF SCOTTSDALE

STATEMENT 34

STATEMENT OF GENERAL FIXED ASSETS

JUNE 30, 1978

Property and Equipment - Notes D and E

Land	\$ 5,524,635
Buildings and improvements	17,895,660
Streets and storm drains	128,295,414
Machinery and equipment	1,351,696
Construction in process	<u>2,088,549</u>
	<u>\$155,155,954</u>

Investment in General Fixed Assets from

General fund	\$ 19,448,715
Special revenue funds	459,822
Capital projects funds	18,014,734
Contributions	110,233,177
Improvement districts	<u>6,999,506</u>
	<u>\$155,155,954</u>

See notes to financial statements.

EXHIBIT XI

GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS

The accounts in the General Long-Term Debt Group of Accounts represent the long-term liabilities of the City.

The long-term debt of enterprise operations are accounted for in their respective funds.

CITY OF SCOTTSDALE

STATEMENT 35

STATEMENT OF GENERAL LONG-TERM DEBT

JUNE 30, 1978

Amount to be Provided for Retirement of Debt	
Amount available in General Debt Service Fund	\$ 2,614,843
Amount to be provided for retirement of contracts payable	7,568,021
Amount to be provided for retirement of general long-term debt	<u>10,284,464</u>
	<u>\$20,467,328</u>
Long-term Debt - Notes C and D	
General long-term bonded debt payable	\$12,750,000
Special assessments payable on City-owned property	149,308
Contracts payable	<u>7,568,020</u>
	<u>\$20,467,328</u>

See notes to financial statements.

CITY OF SCOTTSDALE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1978

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING AND FINANCIAL POLICIES

The following briefly describes the significant accounting and financial policies of the City of Scottsdale, Arizona ("City") which have been followed in preparing the accompanying financial statements.

Bases of Accounting - All funds of the City, except for the budgetary funds (General, Special Revenue and Debt Service Funds), which are maintained on the modified accrual basis of accounting, are maintained on the 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 earned and available. Expenditures and encumbrances are recognized when liabilities and commitments, respectively, are incurred. The accrual basis of accounting recognizes revenues when earned and expenses when incurred.

Encumbrances - The encumbrance method of accounting for expenditures is used in the budgetary funds, reporting encumbrances incurred as expenditures and estimated liabilities.

Budgetary Data - The modified accrual basis of accounting is applied to all budgetary data presented. Such presented data are operating budget amounts.

Revenue Recognition - Revenue from transaction privilege tax, which is a self-imposed tax is recorded on the cash basis. Other significant revenues, including state-shared sales tax, state and federal revenue sharing, gas tax, and refuse collection charges are recorded on the modified accrual basis which recognizes revenue when earned and available.

Investments - Investments are stated at cost, which approximates market. The City's policy is to invest in certificates of deposit and federal government 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 F, to retain these investments until maturity.

Inventories - Inventories are recorded as expenditures when the commitment is incurred. Accordingly, the inventories on the balance sheet of the General Fund, which are stated at cost, are offset by a contra-account, "Reserve for inventories of supplies."

Property Taxes Receivable - Billed and uncollected property taxes included in the balance sheet of the General Fund are offset by a contra-account, "Reserve for uncollected property taxes." These receivables will be recorded as revenues when received. Maricopa County is the billing and collection agency for these taxes.

General Fixed Assets - General fixed assets are recorded as expenditures at the date of purchase in all funds other than the Enterprise and Intragovernmental Service Funds. General fixed assets are stated in the General Fixed Assets group of accounts at either cost or at appraised cost, if historical cost is not available.

Gifts or contributions of fixed assets are recorded at fair market value at the date received. General fixed assets sold or otherwise disposed of are eliminated from the accounts. Depreciation is not provided on general fixed assets.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING AND FINANCIAL POLICIES (Continued)

Property and Equipment - Property and equipment of the Enterprise and Intragovernmental Service Funds are stated at cost or at appraised costs, if historical costs are not available. 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 & improvements	25 years
Motor vehicles and other equipment	5 to 10 years
Furniture, fixtures and office equipment	5 to 10 years

Excess Purchase Price Over Fair Market Value of Assets Acquired - The excess purchase price over fair market value of assets acquired is amortized on the straight-line method over 20 to 25 years.

Retirement and Pension Plans - Substantially all full time employees of the City are covered by one of three state administered pension plans.

The State of Arizona Public Safety Personnel Retirement System covers all City policemen. The employees contribute eight percent of their annual compensation to this plan. The City records as expenditures, on a cash basis, the actuarially determined current service costs and interest on the unfunded past service costs for this pension plan.

The Arizona State Retirement Plan ("Plan") covers all new City employees since July 1, 1976, except policemen, and those City employees on that date who elected to transfer to such Plan from the Arizona State Retirement System ("System"). Employees contribute seven percent of their total annual wages and the City contributes seven percent of the members' total annual wages. The City's contribution may be greater if necessary to provide for normal costs and amortization of unfunded past service costs as actuarially determined. In the event that additional contributions are needed to provide for benefits to be paid by the Plan, every employer member of the Plan, including the City, will be required to contribute a revised percentage of total annual wages, as set by the Board of Trustees of the Plan.

The System covers all employees other than the City's policemen and those employees who transferred to the Plan. The City and these employees each contribute five percent of total annual wages to this program.

Memorandum Only Fund Totals - Memorandum fund totals for the years ended June 30, 1978 and 1977 are presented for summary information only. Such totals do not include inter-fund and similar eliminations. The 1977 amounts are not intended to include all the information necessary for a fair presentation in accordance with generally accepted accounting principles.

Commitments in Accrual Basis Funds - At June 30, 1978, the City has outstanding commitments, in accrual basis funds, for acquisition and construction of new properties and equipment which aggregate approximately \$2,650,000. Funds which utilize the modified accrual basis of accounting record and report commitments as encumbrances.

NOTE B - CASH AND INVESTMENTS

Cash and investments, including those restricted for designated purposes, at June 30, 1978 consist of the following:

Cash in savings accounts	\$ 9,525
Cash in checking accounts	(532,735)
Certificates of deposit	4,724,202
Treasury bills	4,094,014
Treasury notes	240,000
Treasury bonds	240,000
Federal agencies	9,762,619
Improvement district bonds	<u>333,000</u>
	<u>\$18,870,625</u>

NOTE C - BONDS PAYABLE

Bonds payable, excluding the refunded debt described in Note F, mature as follows (in thousands of dollars):

	<u>GENERAL OBLIGATION</u>	<u>REVENUE</u>	<u>SPECIAL ASSESSMENTS (SEE NOTE G)</u>	<u>TOTAL</u>
Due July 1, 1978	\$ 315	\$ 345	\$	\$ 660
Fiscal year ending June 30,				
1979	320	425	684	1,429
1980	350	500	536	1,386
1981	355	535	497	1,387
1982	360	550	489	1,399
1983	365	535	489	1,389
1984-1988	4,805	3,235	1,041	9,081
1989-1993	5,470	3,500	160	9,130
1994-1998	<u>725</u>	<u>595</u>	<u>35</u>	<u>1,355</u>
	<u>\$13,065</u>	<u>\$10,220</u>	<u>\$3,931</u>	<u>\$27,216</u>

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 \$854,690 at June 30, 1978.

NOTE D - CONTRACTS PAYABLE

Contracts payable at June 30, 1978 include the following:

	<u>EXCISE DEBT SERVICE</u>	<u>AIRPORT</u>	<u>WATER AND SEWER UTILITY</u>	<u>TOTAL</u>
Contracts payable to City of Scottsdale Municipal Property Corporation for:				
Financing construction of municipal buildings, 5.2% to 6% (average rate 5.4%), principal due from July 1, 1982 through July 1, 1996	\$7,130,000	\$	\$	\$7,130,000
Refinancing contracts, 4.75%, payable in annual installments through July 1, 1982.	611,191	288,809		900,000
Purchase contracts for acquisi- tion of water companies 5.75% to 6%, due in annual install- ments through 1986	<u>7,741,191</u>	<u>288,809</u>	973,625 <u>973,625</u>	973,625 <u>9,003,625</u>
Less current portion	<u>173,171</u>	<u>81,829</u>	<u>109,429</u>	<u>364,429</u>
	<u>\$7,568,020</u>	<u>\$206,980</u>	<u>\$864,196</u>	<u>\$8,639,196</u>

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

In fiscal 1974, the City of Scottsdale Municipal Property Corporation ("Corporation"), an Arizona not-for-profit corporation organized for the purpose of financing the construction of municipal buildings on land owned by the City, issued bonds aggregating \$9,020,000 for the construction of the Scottsdale Center for the Arts, for a parking facility and for the refinancing of outstanding debt. Concurrently, the City entered into contracts with the Corporation, whereby the City will pay to the Corporation amounts sufficient to retire the Corporation's bonds and related interest.

The City has collateralized the bonds of the Corporation by (1) a first lien pledge of all excise, transaction privilege and franchise taxes collected by the City, and (2) a pledge of all net revenues derived by the City from the property.

The Corporation retains legal title to the properties until the contracts with the City are paid in full. The City has the sole right to the use of the facilities and is responsible for all operating and maintenance costs.

Land (\$88,350) and buildings and improvements (\$6,559,303) relating to the aforementioned arrangement are included in the General Fixed Assets at June 30, 1978.

NOTE D - CONTRACTS PAYABLE (Continued)

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

<u>FISCAL YEAR ENDING JUNE 30,</u>	<u>EXCISE DEBT SERVICE</u>	<u>AIRPORT</u>	<u>WATER AND SEWER UTILITY</u>	<u>TOTAL</u>
1979	\$ 173	\$ 82	\$ 109	\$ 364
1980	180	85	109	374
1981	187	88	109	384
1982	256	34	117	407
1983	305		132	437
1984-1988	1,785		398	2,183
1989-1993	2,325			2,325
1994-1998	<u>2,530</u>			<u>2,530</u>
	<u>\$7,741</u>	<u>\$289</u>	<u>\$ 974</u>	<u>\$9,004</u>

NOTE E - PROPERTY AND EQUIPMENT

Certain fixed assets for which historical costs are not available are recorded in the accounts at appraised costs. Appraisal estimates used for fixed assets are as follows:

General Fixed Assets:

Streets and storm drains	\$110,015,082
Land	4,664,000
Traffic signal equipment	606,000

Water and Sewer Utility Fund:

Water system and sewer system	\$ 16,401,160
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NOTE F - 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 G - SPECIAL ASSESSMENTS AND TRUST AND AGENCY FUNDS

The City acts as trustee for special assessment improvement districts as well as trustee or agent for various projects financed by grants from other governmental units. City participation in these projects, if any, is recorded as an expenditure in the respective fund authorized to appropriate the monies.

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, 1978, 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 H - OTHER MATTERS

1. The City is a party in several lawsuits incident to its normal operations. In the opinion of the City Attorney, the settlement of such lawsuits will not have a material effect on the financial position of the various funds of the City.
2. The City's contributions to the pension and retirement plans for the year ended June 30, 1978 were \$821,000. The amount not recorded in the accounts for unfunded past service liability for the pension plan of the City's policemen was \$931,000 at June 30, 1977, the date of the most recent actuarial valuations.
3. The amount not recorded in the accounts for vested vacation pay for which the City's employees are entitled aggregated \$787,000 at June 30, 1978.
4. The amount not recorded in the accounts for accrued sick pay benefits was \$1,213,000 at June 30, 1978. These benefits provide for ordinary sick pay and are not vested with the employee. Unused benefits are payable upon the death or retirement of an employee.
5. In fiscal 1975, 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, subject to adjustment under certain circumstances, will approximate \$765,000.
6. The City has a contract for the acquisition of data processing equipment. Annual contract payments are \$158,000 for each of the first four years and \$90,000 for each of the remaining two years. The contract payments are subject to annual budget appropriations.
7. 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 \$116,000 for fifty years upon completion of the project, estimated to be in 1980.

SUPPLEMENTAL FINANCIAL INFORMATION

In connection with our examination of the financial statements of the various funds and account groups of the City of Scottsdale, Arizona for the fiscal year ended June 30, 1978, we have also examined the supplemental financial information presented on pages 58 through 61. In our opinion, such information is fairly presented although it is not necessary for a fair presentation of financial position, results of operations or changes in financial position.

Touche Ross & Co.

CITY OF SCOTTSDALE

COMBINED SCHEDULE OF BONDS PAYABLE - ALL FUNDS

JUNE 30, 1978

<u>BOND DESCRIPTION</u>	<u>INTEREST RATE</u>	<u>ISSUE DATE</u>	<u>FINAL MATURITY DATE</u>
<u>General Obligation Bonds</u>			
1961 Sewer	3.90-4.30	6/27/61	7/1/85
Parks and recreation improvement	4.50-5.00	9/20/66	7/1/86
Civic Center improvement	3.70-5.00	1/17/67	7/1/90
Civic Center improvement	4.70-5.00	1/16/68	7/1/96
Storm sewer 1973 Series A (1)	5.35	7/17/73	7/1/93
Storm sewer 1973 Series B (1)	5.20-6.00	11/1/75	7/1/83
Storm sewer 1973 Series C (1)	5.60-5.90	6/1/76	7/1/89
Storm sewer 1973 Series D (1)	5.125	6/1/78	7/1/86

Total General Obligation Bonds

Revenue Bonds

Utility revenue refunding issue	4.80-5.80	6/9/73	7/1/95
Utility revenue series A	4.90-5.80	7/17/73	7/1/83
Utility revenue series B	5.50-6.50	3/4/75	7/1/84
Utility revenue series C	4.75-5.50	3/1/77	7/1/92

Total Revenue Bonds

Total Bonds Payable

Refunded Bonds - Note F

1964 Sewer revenue	3.60-3.75	6/30/64	7/1/93
1966 Sewer revenue	3.90-4.00	5/3/66	7/1/96
1971 Water revenue	4.20-6.00	4/22/71	7/1/96

Total Bonds in Trust

Total Bonds Outstanding

- (1) Term bonds with annual payments to a sinking fund for redemption in 1983-1993.
 (2) At June 30, 1978, \$1,800,000 of revenue bonds had been authorized but not issued.

See notes to financial statements.

SCHEDULE 1

<u>RANGE OF ANNUAL PAYMENTS</u>	<u>AUTHORIZED AND ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
\$ 10,000/ 50,000	\$ 700,000	\$ 300,000	\$ 400,000
10,000/ 75,000	700,000	115,000	585,000
10,000/180,000	1,000,000	120,000	880,000
75,000/250,000	1,400,000		1,400,000
[180,000/650,000	3,500,000		3,500,000
	1,500,000	200,000	1,300,000
	4,000,000		4,000,000
	<u>1,000,000</u>		<u>1,000,000</u>
	<u>13,800,000</u>	<u>735,000</u>	<u>13,065,000</u>
50,000/310,000	3,910,000	240,000	3,670,000
75,000/375,000 (2)	2,500,000	625,000	1,875,000
25,000/400,000 (2)	750,000	75,000	675,000
400,000/550,000 (2)	<u>4,000,000</u>		<u>4,000,000</u>
	<u>11,160,000</u>	<u>940,000</u>	<u>10,220,000</u>
	<u>24,960,000</u>	<u>1,675,000</u>	<u>23,285,000</u>
25,000/ 95,000	1,750,000	450,000	1,300,000
20,000/180,000	1,200,000		1,200,000
25,000/110,000	<u>1,500,000</u>	<u>115,000</u>	<u>1,385,000</u>
	<u>4,450,000</u>	<u>565,000</u>	<u>3,885,000</u>
	<u>\$29,410,000</u>	<u>\$2,240,000</u>	<u>\$27,170,000</u>

CITY OF SCOTTSDALE

SCHEDULE 2

COMBINED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	BALANCE JULY 1, 1977	RECEIPTS	DISBURSEMENTS	BALANCE JUNE 30, 1978
General Fund	\$ (135,447)	\$ 54,835,213	\$ 55,407,041	\$(707,275)
Special revenue funds				
Highway user fuel tax	- 0 -	3,273,007	3,272,137	870
Public works reserve	124,825	3,156,806	3,281,556	75
Federal revenue sharing	- 0 -	1,561,675	1,561,675	- 0 -
Debt service funds				
General debt service	(569,408)	6,407,909	5,838,481	20
Excise debt service	- 0 -	1,177,007	1,177,007	- 0 -
Capital projects funds				
Parks bond construction	29,690	809,464	838,954	200
Storm sewer construction	321,719	20,715,807	21,036,916	610
Enterprise funds				
Water and sewer utility	1,867,537	40,013,740	41,937,702	(56,425)
Airport	(87,969)	910,012	821,229	814
Public housing	6,823	163,770	170,303	290
Intragovernmental service fund	(10,573)	3,735,824	3,724,759	492
Trust and agency funds				
Neighborhood Development Project	3,791	16,547	20,338	- 0 -
Federal grants	139,660	6,180,548	6,201,650	118,558
Community development	27,552	1,889,514	1,807,598	109,468
Miscellaneous trust and agency	147,913	2,526,744	2,668,099	6,558
Special assessments funds	(271)	4,191,712	4,188,906	2,535
Total All Funds	<u>\$1,865,842</u>	<u>\$151,565,299+</u>	<u>\$153,954,351+</u>	<u>\$(523,210)</u>

Investments and cash balances
classified by depository and type

	INVESTMENTS*	CASH BALANCE
Cash in banks		\$(523,210)
Arizona Bank	\$ 6,068,979	
Valley National Bank	3,832,748	
First National Bank of Arizona	1,495,141	
Continental Bank	1,778,799	
Federal Home Loan Bank	500,000	
First Federal Savings & Loan	40,000	
U.S. Treasury Bonds	240,000	
U.S. Treasury Bills	3,144,014	
U.S. Treasury Notes	240,000	
Federal Land Bank	1,721,154	
City of Scottsdale securities	333,000	
	<u>\$ 19,393,835</u>	<u>\$(523,210)</u>

+The cash receipt and disbursement totals have not been adjusted to eliminate inter-fund cash transfers. It is estimated that these cash transfers, which are primarily for allocation to investment purchases and maturities, could aggregate \$75-\$80 million.

*In order to maintain an effective investment program, all cash, except certain trust and agency cash, is pooled. Individual fund cash is controlled through the general ledger and investments are not made by fund. As a result, it is not possible to prepare a Combined Schedule of Investments - All Funds and hence, the presentation above is an analysis of the City's cash position.

See notes to financial statements.

SCHEDULE 3

CITY OF SCOTTSDALE
STATEMENT OF CHANGES IN GENERAL FIXED ASSETS - BY SOURCE
FOR THE FISCAL YEAR ENDED JUNE 30, 1978

	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS AND IMPROVEMENTS</u>	<u>STREETS AND STORM DRAINS</u>	<u>MACHINERY AND EQUIPMENT</u>	<u>CONSTRUCTION IN PROCESS</u>
General Fixed Assets, July 1, 1977	<u>\$128,606,852</u>	<u>\$5,213,776</u>	<u>\$16,779,670</u>	<u>\$101,706,294</u>	<u>\$1,251,303</u>	<u>\$3,655,809</u>
Add						
Expenditures from general fund	129,135		42,434		86,701	
Expenditures from special revenue funds	8,062				8,062	
Expenditures from capital projects funds	7,542,826	310,859	1,065,432	4,318,760	798	1,846,977
Contributions	21,573,949		8,124	21,550,083	15,742	
Improvement district - 74	720,277			720,277		
Total Additions	<u>29,974,249</u>	<u>310,859</u>	<u>1,115,990</u>	<u>26,589,120</u>	<u>111,303</u>	<u>1,846,977</u>
Total Balances and Additions	<u>158,581,101</u>	<u>5,524,635</u>	<u>17,895,660</u>	<u>128,295,414</u>	<u>1,362,606</u>	<u>5,502,786</u>
Deduct						
Fixed assets sold or traded	780				780	
Transfer to enterprise funds	10,130				10,130	
Capital projects fund projects of prior years completed	3,414,237					3,414,237
Total Deductions	<u>3,425,147</u>				<u>10,910</u>	<u>3,414,237</u>
General Fixed Assets, June 30, 1978	<u>\$155,155,954</u>	<u>\$5,524,635</u>	<u>\$17,895,660</u>	<u>\$128,295,414</u>	<u>\$1,351,696</u>	<u>\$2,088,549</u>

See notes to financial statements.

**STATISTICAL
SECTION**

STATISTICAL INFORMATION

Our examination of the financial statements of the various funds and account groups of the City of Scottsdale, Arizona for the fiscal year ended June 30, 1978, was intended primarily for the purpose of formulating an opinion on the basic financial statements taken as a whole. The statistical information presented in the following pages has been taken primarily from accounting and other records of the City and is not, in our opinion, necessary for fair presentation of its financial position. Such information has not been subjected to tests and other auditing procedures sufficient to enable us to express an opinion as to the fairness of all the details included therein, and accordingly we do not express an opinion on the statistical information.

Touche Ross & Co.

CITY OF SCOTTSDALE
GENERAL GOVERNMENTAL EXPENDITURES BY MAJOR PROGRAM
LAST TEN FISCAL YEARS

TABLE I

<u>FISCAL YEAR</u>	<u>GENERAL GOVERNMENT</u>	<u>PUBLIC SAFETY</u>	<u>PUBLIC WORKS</u>	<u>HEALTH & SANITATION</u>	<u>CULTURE & RECREATION</u>	<u>DEBT SERVICE</u>
1978	4,745,911	5,440,878	4,415,120	1,818,186	3,095,054	2,170,692
1977	3,648,165	4,521,225	3,425,646	1,759,774	2,957,806	2,103,058
1976	3,186,451	4,028,832	2,339,765	1,992,035	2,745,985	1,636,773
1975	2,655,502	3,468,442	3,459,556	1,616,598	2,091,699	1,751,668
1974	2,526,056	2,806,951	4,361,968	1,776,177	2,050,495	1,084,762
1973	1,743,392	2,289,692	3,212,325	1,765,158	1,373,567	419,169
1972	1,036,203	1,806,833	2,328,832	1,318,726	785,430	398,189
1971	1,030,698	1,544,895	2,016,027	1,010,599	1,053,202	238,862
1970	920,490	1,306,030	2,201,330	856,446	756,228	185,472
1969	747,714	1,198,636	1,439,749	584,698	611,857	181,969

GENERAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS

TABLE II

<u>FISCAL YEAR</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>MISC.</u>
1978	11,623,061	1,318,170	7,179,902	1,812,947	485,337	731,343	618,412
1977	9,463,545	665,819	6,415,559	1,523,559	338,246	427,322	458,207
1976	8,158,411	449,435	6,122,988	1,464,550	277,274	350,680	172,118
1975	6,826,005	421,468	5,545,735	768,616	236,954	382,875	364,515
1974	6,228,398	544,996	4,644,425	260,485	229,396	292,438	964,980
1973	5,578,586	565,811	3,446,539	240,847	239,166	205,908	728,495
1972	4,552,900	147,086	2,373,264	613,816	197,333	130,473	218,983
1971	3,814,291	138,875	2,039,197	355,242	163,765	202,319	673,158
1970	3,413,956	378,123	1,796,624	291,416	178,143		33,830
1969	2,797,311	282,418	1,534,980	245,241	174,537		

TAX REVENUE BY SOURCE
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>
1978	11,623,061	7,832,052	3,412,532	320,135	58,342
1977	9,463,545	6,242,303	2,905,835	255,922	59,485
1976	8,158,411	5,281,979	2,637,808	209,576	29,048
1975	6,826,005	4,755,934	1,859,700	165,387	44,984
1974	6,228,398	4,637,393	1,439,818	125,729	25,458
1973	5,578,586	4,173,436	1,273,554	102,023	29,573
1972	4,552,900	3,380,861	1,064,754	78,930	28,355
1971	3,814,291	2,754,597	968,298	69,031	22,365
1970	3,413,956	2,462,561	868,750	59,676	22,969
1969	2,797,311	1,891,095	843,830	54,854	7,532

CITY OF SCOTTSDALE
PROPERTY TAX LEVIES AND COLLECTIONS

TABLE IV

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>% OF LEVY COLLECTIONS</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>FUTURE YEAR TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>TOTAL COLLECTIONS % OF CURRENT LEVY</u>	<u>OUTSTANDING DELINQUENT TAXES</u>	<u>OUTSTANDING DELINQUENT AS A % OF CURRENT LEVY</u>
1978	3,395,254	3,323,293	97.88	66,122	23,117	3,412,532	100.51	10,952	.32
1977	2,812,007	2,781,386	98.91	104,974	19,475	2,905,835	103.34	77,287	2.75
1976	2,662,620	2,481,183	93.19	67,089	89,536	2,637,808	99.07	96,286	3.62
1975	2,014,517	1,803,406	89.52	27,997	28,297	1,859,700	92.31	122,612	6.09
1974	1,431,614	1,389,339	97.05	28,858	21,621	1,439,818	100.57	42,275	2.95
1973	1,291,567	1,223,459	94.73	26,271	23,824	1,273,554	98.61	71,905	5.57
1972	1,062,379	1,033,373	97.27	16,385	14,996	1,064,754	100.22	30,068	2.83
1971	966,172	943,559	97.66	14,376	10,363	968,298	100.22	19,340	2.00
1970	852,987	835,520	97.95	25,168	8,062	868,750	101.85	25,150	2.95
1969	848,486					843,830	99.45	30,454	3.59

CITY OF SCOTTSDALE
 ASSESSED VALUATION CLASSIFICATIONS AND HISTORIES
 LAST FIVE YEARS AND LAST TEN YEARS

TABLE V

COMPARATIVE ASSESSED VALUATION CLASSIFICATION

CLASSIFICATIONS	1977-78	1976-77	1975-76	1974-75	1973-74
Real Estate	\$ 53,849,005	\$ 48,704,580	\$ 46,731,400	\$ 42,009,905	\$ 40,478,765
Improvements	154,935,375	144,585,650	135,227,745	124,498,760	113,661,935
Secured Personal	2,368,435	2,088,180	2,362,150	1,610,135	1,170,470
Unsecured Personal	12,172,310	10,476,390	9,944,190	9,499,810	7,505,240
Utilities, Rails, Wires	21,493,915	19,670,520	19,309,805	18,519,655	12,410,719
Gross Valuation	<u>244,819,040</u>	<u>225,525,320</u>	<u>213,575,290</u>	<u>196,138,265</u>	<u>175,227,129</u>
Less Exemptions	556,121	564,759	565,660	554,060	594,125
Net Taxable Valuation	<u>\$244,262,919</u>	<u>\$224,960,561</u>	<u>\$213,009,630</u>	<u>\$195,584,205</u>	<u>\$174,633,004</u>
Estimated Actual Value					
In Thousands of Dollars	\$1,235,723	\$1,147,690	\$1,083,709	\$992,701	\$902,400

ASSESSED VALUATION HISTORIES

YEAR	CITY OF SCOTTSDALE	MARICOPA COUNTY	STATE OF ARIZONA
1977-78	\$244,262,919	\$3,058,514,752	\$6,655,381,547
1976-77	224,960,561	2,844,314,021	6,200,230,075
1975-76	213,009,630	2,678,051,825	5,826,289,483
1974-75	195,584,205	2,427,495,810	5,128,946,903
1973-74	174,633,004	2,119,061,748	4,476,532,548
1972-73	125,380,953	1,644,191,013	3,634,000,000
1971-72	103,143,617	1,385,223,610	3,165,849,984
1970-71	93,802,802	1,249,273,171	2,877,440,831
1969-70	82,814,703	1,146,470,649	2,656,536,168
1968-69	82,377,245	1,137,884,187	2,599,066,421

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

TABLE VI

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL GENERAL DEBT SERVICE	TOTAL GENERAL EXPENDITURES	RATIO OF GENERAL DEBT SERVICE TO GENERAL EXPENDITURES
1978	\$856,488	\$610,985	\$1,467,473	\$21,685,841	6.77%
1977	860,409	634,197	1,494,606	18,415,674	8.12
1976	878,839	366,312	1,245,151	15,929,841	7.82
1975	708,108	343,433	1,051,541	15,043,465	6.99
1974	479,000	543,876	1,022,876	14,075,632	7.27
1973	174,000	158,863	332,863	10,803,303	3.08
1972	110,000	158,602	268,602	7,794,711	3.45
1971	42,000	138,027	180,027	6,894,283	2.61
1970	42,000	139,776	181,776	6,036,354	3.01
1969	36,500	141,536	178,036	4,764,623	3.74

TABLE VII

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

TAX RATES	SCHOOL DISTRICTS							TOTAL
	FISCAL YEAR	CITY OF SCOTTSDALE	SCOTTSDALE UNIFIED *	COMMUNITY COLLEGE	MARICOPA COUNTY	STATE OF ARIZONA	FLOOD DISTRICT	
1978-79	\$1.18	\$5.41	\$.84	\$2.30	\$1.10	\$.20	\$.03	\$11.06
1977-78	1.39	5.35	.76	2.67	1.60	.20	.03	12.00
1976-77	1.25	5.62	.71	2.70	1.60	.20	.03	12.11
1975-76	1.25	5.00	.59	2.77	1.60	.20	.03	11.44
1974-75	1.03	5.05	.57	2.34	1.50	.20	.03	10.72
1973-74	.82	7.46	.57	1.94	.75	.20		11.74
1972-73	1.03	6.94	.62	2.10	1.55	.05		12.29
1971-72	1.03	7.37	.69	2.13	1.90	.04		13.16
1970-71	1.03	7.03	.66	2.13	1.65	.05		12.55
1969-70	1.03	6.19	.62	2.13	2.20	.05		12.22
1968-69	1.03	5.75	.49	1.97	2.16	.05		11.45
TAX LEVIES								
1978-79	\$3,118,964	\$22,305,645	\$27,903,341	\$76,402,005	\$ 75,760,851	\$5,026,367	\$996,548	\$211,513,721
1977-78	3,395,254	20,777,865	23,244,733	81,662,344	106,486,104	4,674,825	917,554	241,158,679
1976-77	2,812,007	19,822,661	20,194,630	76,796,479	99,203,681	4,394,979	853,294	224,077,731
1975-76	2,662,620	16,722,860	15,800,506	74,182,036	93,175,007	4,153,705	803,416	207,500,150
1974-75	2,014,517	15,497,448	13,836,726	56,803,402	77,077,598	4,854,992	728,249	170,812,932
1973-74	1,431,614	21,125,953	12,078,652	41,109,798	33,749,494	3,427,676		112,923,187
1972-73	1,291,567	14,960,407	10,193,984	34,528,011	56,337,631	822,096		118,133,696
1971-72	1,062,379	12,713,665	9,588,043	29,505,263	60,151,150	424,903		113,445,403
1970-71	966,172	12,127,146	8,245,203	26,609,519	47,477,777	479,560		95,905,377
1969-70	852,987	9,759,579	7,108,118	24,419,825	58,443,796	453,589		101,037,894
1968-69	848,486	8,249,536	5,575,633	22,416,318	56,366,264	445,666		93,901,903

* For Scottsdale residents residing within the Phoenix Union High School District and Balsz Elementary District the 1978-79 tax rate is \$12.11. For those residing within the Paradise Valley Unified School District the rate is \$14.12.

TABLE VIII

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
1977-78	\$ 838,132	\$834,603	99.6%	\$3,529
1976-77	930,939	926,059	99.5	4,880
1975-76	1,064,181	N/A	N/A	N/A
1974-75	1,017,921	N/A	N/A	N/A
1973-74	663,806	N/A	N/A	N/A
1972-73	696,964	N/A	N/A	N/A
1971-72	647,190	N/A	N/A	N/A
1970-71	644,630	N/A	N/A	N/A
1969-70	610,151	N/A	N/A	N/A
1968-69	457,542	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 IX

CITY OF SCOTTSDALE
 RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
 AND NET BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>POPULATION *</u>	<u>ASSESSED VALUE</u>	<u>GROSS BONDED DEBT</u>	<u>LESS DEBT SERVICE FUNDS</u>	<u>NET BONDED DEBT</u>	<u>RATIO OF NET BONDED DEBT TO ASSESSED VALUE</u>	<u>NET BONDED DEBT PER CAPITA</u>
1977-78	78,065	\$244,262,919	\$13,065,000	\$2,929,844	\$10,135,156	4.2%	\$129.83
1976-77	78,065	224,960,561	12,510,000	2,468,356	10,041,644	4.5	128.63
1975-76	78,065	213,009,630	12,750,000	1,762,947	10,987,053	5.2	140.74
1974-75	78,065	195,584,205	7,494,000	1,058,108	6,435,892	3.3	82.44
1973-74	67,823	174,633,004	7,713,000	494,000	7,219,000	4.1	106.44
1972-73	67,823	125,380,953	4,437,000	224,000	4,213,000	3.4	62.12
1971-72	67,823	103,143,617	4,594,000	157,000	4,437,000	4.3	65.42
1970-71	67,823	93,802,802	3,940,000	84,000	3,856,000	4.1	56.85
1969-70	67,823	82,814,703	4,019,000	79,000	3,940,000	4.8	58.09
1968-69	54,504	82,377,245	4,093,000	74,000	4,019,000	4.9	73.74

*Source: 1965 Special Census; 1970 Census; 1975 Special Census.

CITY OF SCOTTSDALE
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
JUNE 30, 1978

TABLE X

OVERLAPPING GOVERNMENT	1977/78 ASSESSED VALUATION	PORTION APPLICABLE TO THE CITY OF SCOTTSDALE		1977/78 TAX RATE PER \$100 ASSESSED
		APPROX. %	AMOUNT	
State of Arizona	\$6,655,381,547	3.67	\$244,252,503	\$1.60
Maricopa County	3,058,514,752	7.99	244,375,329	2.90
Maricopa County C.C.D.	3,058,514,752	7.99	244,375,329	.76
S.D. No. 31 (Balsz)	59,742,695	7.31	4,367,191	4.31
Phoenix Union H.S.D. No. 210	1,132,091,749	.39	4,415,157	2.60
Scottsdale Unified S.D. No. 48	388,371,307	60.35	234,382,083	5.35
S.D. No. 69 (Paradise Valley)	115,413,750	4.64	5,355,198	8.51
City of Scottsdale	244,262,919	100.00	244,262,919	1.39

Total Net Direct and Overlapping Tax Rate Per \$100 Assessed Valuation:

Inside School District No. 31 (Balsz)	\$13.56
Inside Unified School District No. 48 (Scottsdale)	<u>\$12.00</u>
Inside School District No. 69 (Paradise Valley)	<u>\$15.16</u>
Outside School Districts	<u>\$ 6.65</u>

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF JUNE 30, 1978

TABLE XI

NAME OF GOVERNMENTAL UNIT	NET DEBT OUTSTANDING	% APPLICABLE TO THIS MUNICIPALITY	CITY OF SCOTTSDALE SHARE OF DEBT
City of Scottsdale	\$10,460,064	100.00	\$10,460,064
State of Arizona	None	3.67	
Maricopa County	44,346,024	7.99	3,543,247
Maricopa County C.C.D.	4,208,907	7.99	336,292
Phoenix Union H.S.D. No. 210	17,152,611	.39	66,895
S.D. No. 31 (Balsz)	97,867	7.31	7,154
Scottsdale Unified S.D. No. 48	9,312,406	60.35	5,620,037
S.D. No. 69 (Paradise Valley)	18,375,000	4.64	<u>852,600</u>
 Total Direct and Overlapping Debt			 <u>\$20,886,289</u>

CITY OF SCOTTSDALE
COMPUTATION OF LEGAL DEBT MARGINS
JUNE 30, 1978

TABLE XII

Assessed Value			\$244,262,919
Debt Limit 4% of Assessed Value			<u>9,770,517</u>
Amount of Debt Applicable to Debt Limit			
Total Bonded Debt		\$23,285,000	
Other Debt			
Excise Tax Debt	\$ 8,030,000		
Water Purchase Debt	<u>973,625</u>	<u>9,003,625</u>	
			<u>32,288,625</u>
Less:			
Cash in Debt Service Funds	65,000		
Revenue Bonds	10,220,000		
Excise Tax Debt	8,030,000		
Water Purchase Debt	973,625		
15% General Obligation Bonds	<u>10,200,000</u>	<u>29,488,625</u>	
Total Debt Applicable to Debt Limit			<u>2,800,000</u>
Legal Debt Margin			<u>\$ 6,970,517</u>
Debt Limit 15% of Assessed Value			\$36,639,438
Amount of Debt Applicable to Debt Limit			
Total Bonded Debt		\$ 23,285,000	
Other Debt			
Excise Tax Debt	\$ 8,030,000		
Water Purchase Debt	<u>973,625</u>	<u>9,003,625</u>	
			<u>32,288,625</u>
Less:			
Cash in Debt Service Funds	2,864,844		
Revenue Bonds	10,220,000		
Excise Tax Debt	8,030,000		
Water Purchase Debt	973,625		
4% General Obligation Bonds	<u>2,865,000</u>	<u>24,953,469</u>	
Total Debt Applicable to Debt Limit			<u>7,335,156</u>
Legal Debt Margin			<u>\$29,304,282</u>

CITY OF SCOTTSDALE

TABLE XIII

SCHEDULE OF WATER AND SEWER UTILITY REVENUE BOND COVERAGE

<u>FISCAL YEAR</u>	<u>GROSS REVENUE</u>	<u>OPERATING & MAINTENANCE EXPENSES</u>	<u>NET REVENUE AVAILABLE FOR DEBT SERVICES</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>COVERAGE</u>	<u>REQUIRED COVERAGE</u>
1978	\$5,076,901	\$1,187,611	\$3,889,290	\$345,000	\$516,483	\$861,483	4.51	1.20
1977	3,242,466	939,703	2,302,763	320,000	401,178	721,178	3.19	1.20
1976	2,798,475	753,920	2,044,555	260,000	349,345	609,345	3.36	1.20
1975	2,520,369	676,231	1,844,138	235,000	334,136	569,136	3.24	1.20
1974	2,433,062	480,848	1,952,214	125,000	244,050	369,050	5.29	1.20
1973	1,978,216	406,832	1,571,384	- 0 -	- 0 -	- 0 -	- 0 -	1.20

The 1964 and 1966 Sewer Revenue Bonds and the 1971 Water Revenue Bonds were refunded in 1973 by a \$3,910,000 Refunding Issue. Principal and interest on the 1973 refunding bonds is payable from the now combined operation of the City of Scottsdale Water and Sewer Utility System after providing sufficient funds for the current expenses of the system.

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
REVENUE BONDS AND LONG-TERM CONTRACTS
JUNE 30, 1978

FISCAL YEAR	REVENUE BONDS		
	PRINCIPAL	INTEREST	TOTAL
1978	\$ 345,000	\$ 258,243	\$ 603,243
1979	425,000	499,008	924,008
1980	500,000	477,482	977,482
1981	535,000	451,833	986,833
1982	550,000	424,407	974,407
1983	535,000	395,783	930,783
1984	570,000	368,122	938,122
1985	600,000	337,623	937,623
1986	650,000	305,622	955,622
1987	690,000	270,623	960,623
1988	725,000	237,560	962,560
1989	765,000	202,560	967,560
1990	800,000	164,835	964,835
1991	810,000	125,385	935,385
1992	825,000	84,885	909,885
1993	300,000	43,635	343,635
1994	310,000	28,635	338,635
1995	285,000	12,825	297,825
	<u>\$10,220,000</u>	<u>\$4,689,066</u>	<u>\$14,909,066</u>

TABLE XIVa

LONG-TERM CONTRACTS			TOTAL REQUIREMENTS		
<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$ 109,429	\$ 64,983	\$ 174,412	\$ 454,429	\$ 323,226	\$ 777,655
109,429	58,417	167,846	534,429	557,425	1,091,854
109,429	51,852	161,281	609,429	529,334	1,138,763
109,429	45,286	154,715	644,429	497,119	1,141,548
117,068	38,720	155,788	667,068	463,127	1,130,195
132,067	31,696	163,763	667,067	427,479	1,094,546
132,067	23,772	155,839	702,067	391,894	1,093,961
132,068	15,848	147,916	732,068	353,471	1,085,539
132,068	7,924	139,992	782,068	313,546	1,095,614
			690,000	270,623	960,623
			725,000	237,560	962,560
			765,000	202,560	967,560
			800,000	164,835	964,835
			810,000	125,385	935,385
			825,000	84,885	909,885
			300,000	43,635	343,635
			310,000	28,635	338,635
			285,000	12,825	297,825
<u>\$1,083,054</u>	<u>\$338,498</u>	<u>\$1,421,552</u>	<u>\$11,303,054</u>	<u>\$5,027,564</u>	<u>\$16,330,618</u>

CITY OF SCOTTSDALE

TABLE XIVb

DEBT SERVICE REQUIREMENTS TO MATURITY
GENERAL OBLIGATION BONDS AND EXCISE DEBT

AS OF JUNE 30, 1978

FISCAL YEAR	GENERAL PURPOSE 4% LIMITATION			UTILITY PURPOSE 15% LIMITATION SINKING FUND (1)			TOTAL GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS			EXCISE TAX DEBT SERVICE			TOTAL ALL DEBT SERVICE REQUIREMENTS			
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	
1977-78	\$ 65,000	\$ 125,970	\$ 190,910	\$ 50,000	\$ 635,000	\$ 500,500	\$ 1,185,500	\$ 750,000	\$ 626,410	\$ 1,376,410	\$ 240,000	\$ 441,920	\$ 681,920	\$ 990,000	\$ 1,068,330	\$ 2,058,330
1978-79	70,000	123,060	193,060	50,000	560,000	543,745	1,153,745	680,000	666,805	1,346,805	255,000	430,520	685,520	935,000	1,097,325	2,032,325
1979-80	75,000	119,985	194,985	50,000	520,000	527,175	1,097,175	645,000	647,160	1,292,160	265,000	418,408	683,408	910,000	1,065,568	1,975,568
1980-81	80,000	116,685	196,685	50,000	520,000	513,575	1,083,575	650,000	630,260	1,280,260	275,000	405,820	680,820	925,000	1,036,080	1,961,080
1981-82	85,000	113,160	198,160	50,000	520,000	499,925	1,069,925	655,000	613,085	1,268,085	290,000	392,757	682,757	945,000	1,005,842	1,950,842
1982-83	90,000	109,435	199,435	50,000	520,000	486,275	1,056,275	660,000	595,710	1,255,710	305,000	376,670	681,670	965,000	972,380	1,937,380
1983-84	100,000	105,485	205,485	50,000	520,000	472,400	1,042,400	670,000	577,885	1,247,885	320,000	358,370	678,370	990,000	936,255	1,926,255
1984-85	105,000	101,225	206,225	50,000	520,000	470,450	1,040,450	675,000	571,675	1,246,675	340,000	339,170	679,170	1,015,000	910,845	1,925,845
1985-86	160,000	96,740	256,740		500,000	453,125	953,125	660,000	549,865	1,209,865	355,000	321,490	676,490	1,015,000	871,355	1,886,355
1986-87	165,000	90,220	255,220		500,000	358,250	858,250	665,000	448,470	1,113,470	375,000	303,030	678,030	1,040,000	751,500	1,791,500
1987-88	175,000	84,115	259,115		500,000	302,250	802,250	675,000	386,365	1,061,365	395,000	283,530	678,530	1,070,000	669,895	1,739,895
1988-89	180,000	77,640	257,640		500,000	244,750	744,750	680,000	322,390	1,002,390	415,000	262,990	677,990	1,095,000	585,380	1,680,380
1989-90	190,000	70,980	260,980		500,000	187,250	687,250	690,000	258,230	948,230	440,000	241,410	681,410	1,130,000	499,640	1,629,640
1990-91	200,000	62,975	262,975		500,000	187,250	687,250	700,000	250,225	950,225	465,000	218,530	683,530	1,165,000	468,755	1,633,755
1991-92	200,000	52,975	252,975		500,000	187,250	687,250	700,000	240,225	940,225	490,000	193,420	683,420	1,190,000	433,645	1,623,645
1992-93	200,000	43,475	243,475		180,000	187,250	367,250	380,000	230,725	610,725	515,000	166,960	681,960	895,000	397,685	1,292,685
1993-94	225,000	34,075	259,075					225,000	34,075	259,075	540,000	139,150	679,150	765,000	173,225	938,225
1994-95	250,000	23,500	273,500					250,000	23,500	273,500	570,000	109,450	679,450	820,000	132,950	952,950
1995-96	250,000	11,750	261,750					250,000	11,750	261,750	1,420,000	78,100	1,498,100	1,670,000	89,850	1,759,850
TOTALS	\$2,865,000	\$1,563,390	\$4,428,390	\$400,000	\$7,995,000	\$6,121,420	\$14,516,420	\$11,260,000	\$7,684,810	\$18,944,810	\$8,270,000	\$5,481,695	\$13,751,695	\$19,530,000	\$13,166,505	\$32,696,505

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

TABLE XIVc

CITY OF SCOTTSDALE
DEBT SERVICE REQUIREMENTS TO MATURITY
SPECIAL ASSESSMENTS BONDS
JUNE 30, 1978

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1978	\$ 620,000	\$ 193,803	\$ 813,803
1979	684,328	232,995	917,323
1980	536,000	185,668	721,668
1981	497,000	154,052	651,052
1982	489,000	123,753	612,753
1983	489,000	93,713	582,713
1984	390,000	66,690	456,690
1985	208,000	48,152	256,152
1986	158,000	36,660	194,660
1987	143,000	27,236	170,236
1988	142,000	18,333	160,333
1989	35,000	12,672	47,672
1990	36,000	10,190	46,190
1991	34,000	7,740	41,740
1992	35,000	5,323	40,323
1993	20,000	3,361	23,361
1994	18,000	1,950	19,950
1995	17,000	637	17,637
	<u>\$4,551,328</u>	<u>\$1,222,928</u>	<u>\$5,774,256</u>

CITY OF SCOTTSDALE
SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY
JUNE 30, 1978

ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS

FISCAL YEAR	GENERAL OBLIGATION BONDS	REVENUE DEBT	SPECIAL ASSESSMENT BONDS	OTHER DEBT	TOTAL
1978	\$ 1,376,410	\$ 777,655	\$ 813,803	\$ 681,920	\$ 3,649,788
1979	1,346,805	1,091,854	917,323	685,520	4,041,502
1980	1,292,160	1,138,763	721,668	683,408	3,835,999
1981	1,280,260	1,141,548	651,052	680,820	3,753,680
1982	1,268,085	1,130,195	612,753	682,757	3,693,790
1983	1,255,710	1,094,546	582,713	681,670	3,614,639
1984	1,247,885	1,093,961	456,690	678,370	3,476,906
1985	1,246,675	1,085,539	256,152	679,170	3,267,536
1986	1,209,865	1,095,614	194,660	676,490	3,176,629
1987	1,113,470	960,623	170,236	678,030	2,922,359
1988	1,061,365	962,560	160,333	678,530	2,862,788
1989	1,002,390	967,560	47,672	677,990	2,695,612
1990	948,230	964,835	46,190	681,410	2,640,665
1991	950,225	935,385	41,740	683,530	2,610,880
1992	940,225	909,885	40,323	683,420	2,573,853
1993	610,725	343,635	23,361	681,960	1,659,681
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>\$18,944,810</u>	<u>\$16,330,618</u>	<u>\$5,774,256</u>	<u>\$13,751,695</u>	<u>\$54,801,379</u>

TABLE XVI

CITY OF SCOTTSDALE
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1978

CARRIER	POLICY DESCRIPTION	AMOUNT OF COVERAGE
United States Fidelity & Guaranty	Package policy -- all City property including motor vehicles (specific property excluded -- traffic signals, refuse containers and fire hydrants). Real property covered for replacement cost, no allowance for depreciation. Specific limits are as follows:	
Policy Period 7/1/75 to 7/1/78		
	a. Real Property (Buildings)	\$17,303,118
	b. Equipment & Furniture (not auto)	4,584,425
	c. General Liability	
	(1) Per person	500,000
	(2) Per occurrence	500,000
	d. Riot and Civil Disorder	
	(1) Per person	500,000
	(2) Per occurrence	500,000
	e. Mercantile Robbery & Safe Burglary	
	(1) Outside robbery	10,000
	(2) Safe burglary	10,000
	f. Automotive	
	(1) Liability (per person)	500,000
	(2) Liability (per occurrence)	500,000
	(3) Property damage (\$250 deductible)	500,000
	(4) Comprehensive (\$500 deductible)	---
	(5) Collision (\$500 deductible)	---
United States Fidelity & Guaranty	Excess blanket catastrophe liability (excludes police and airport operations)	
7/1/75 to 7/1/78	Retained limit - underlying insurance (\$500,000)	
Federal Insurance	Airport - single limit bodily injury and property damage liability (each occurrence or accident and aggregate products)	
7/1/77 to 7/1/80	Hangarkeeper's liability (\$5,000 deductible)	
Lincoln Insurance Co.	Police Professional Liability - Personal or bodily injury, includes sworn police officers and specified city officers while acting within scope of their authority.	
2/28/78 to 12/31/78		

CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1978

TABLE XVIa

REAL PROPERTY (BUILDINGS)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/78)</u>
Parks				
<u>Agua Linda Park Bldg.</u> 8732 E. McDonald	Conc./Block	4/75	1,300	\$ 45,500
<u>Chaparral Park</u> 5401 N. Hayden Road	Conc./Block	10/74	4,650	120,000
<u>Chestnut Park</u> 4565 N. Granite Reef				
Senior Citizen Center	Adobe	8/65	950	28,000
Ramadas	Conc./Block	7/69	693	16,800
<u>Cholla Park</u> 14501 N. Hayden Road				
Control Building	Conc./Block	12/71	1,904	53,000
<u>Eldorado Park</u> Recreation Center	Conc./Block	10/68	10,000	280,000
2311 N. Miller Road				
Pool/Bath House	Conc./Block	6/68	3,515	90,000
2301 N. Miller Road				
Restrooms	Conc./Block	7/70	350	9,000
2301 N. Miller Road				
South Control Bldg.	Conc./Block	7/70	1,944	55,000
1909 N. Miller				
Concession Stand	Conc./Block	1970	210	5,000
2301 N. Miller Road				
<u>Paiute Park</u> 6535 E. Osborn				
Control Building	Conc./Block	-	500	23,540
<u>Pima Park</u> 8600 E. Thomas Road				
Baseball Stadium	Conc./Block	-	500	24,000
7408 E. Osborn	Wood Frame	-	12,000	200,000
<u>Vista Del Camino</u> 7700 E. Roosevelt	Conc./Block	8/73	8,753	442,000
<u>McCormick Park</u> 7303 E. Indian Bend				
Bldg./North Branch Library	Adobe	12/67	3,108	98,000
Storage Building	Adobe	12/67	616	14,000
Railroad Train Shed	Steel	12/71	6,400	113,000
Train Depot	Wood Frame	4/75	504	10,000
Peoria Building	Wood Frame	4/75	1,008	20,000
Machine Shop Museum	Wood Frame	1974	180	3,600
North Star-Train Car	Steel	-	750	109,000
			TOTAL PARKS	\$1,759,440

CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1978

TABLE XVIa
(continued)

<u>FACILITY/ADDRESS</u>	<u>CONSTRUCTION</u>	<u>ACQ. DATE</u>	<u>AREA SQ. FEET</u>	<u>REPLACEMENT COST (6/30/78)</u>
Neighborhood Development				
<u>Apartments</u> 7548 East Osborn	Conc./Block	7/74	4,896	\$ 132,000
<u>Houses</u> 7714 E. Kimsey	Wood Frame	12/74	1,300	38,000
7716 E. McKinley	Wood Frame	12/74	1,200	35,000
<u>Apartments</u> 1200 N. 77th Street "A"	Conc./Block	10/75	6,150	141,000
1200 N. 77th Street "B"	Conc./Block	10/75	3,600	84,000
"A" 8 units				
"B" 3 units				
TOTAL NEIGHBORHOOD DEVELOPMENT				\$ 430,000
Maintenance Complex				
<u>Street Maintenance</u> 1327 E. McKellips	Conc./Block	8/71	8,479	\$ 254,000
<u>Storage Building</u> 1327 E. McKellips	Metal	7/66	600	10,000
<u>Sanitation Center</u> 1325 E. McKellips	Conc./Block	7/66	3,640	127,000
<u>Fleet Maintenance</u> 1323 E. McKellips	Conc./Block	11/64	20,646	468,000
<u>P/M Building</u> 1323 E. McKellips	Conc./Block	2/69	1,600	35,000
<u>Auto Parts Building</u> 1323 E. McKellips	Sheet Metal	11/74	1,600	21,000
<u>Facilities Maintenance Shop</u> 255 North Miller	Sheet Metal	11/74	1,600	21,000
<u>Facilities Maintenance Bldg.</u> 285 North Miller	Conc./Block	2/75	5,400	138,000
<u>Mower Shop</u>	Conc./Block	9/67	780	18,000
TOTAL MAINTENANCE COMPLEX				\$1,092,000
Airport				
<u>Terminal</u> 7600 E. Butherus Drive	Conc./Block	1/68	4,240	\$ 157,000
<u>Service Hangar</u> 7600 E. Butherus Drive	Conc./Block	1/68	15,714	387,000
<u>"T" Hangars</u> 7600 E. Butherus Drive	Conc./Block	11/71	14,400	240,000
<u>Fuel Dispensing and</u> <u>Underground Tank</u> 7600 E. Butherus Drive	Conc./Block	6/68	576	120,000
<u>F.A.A. Building</u> 7600 E. Butherus Drive	Conc./Block	7/72	5,930	296,000
TOTAL AIRPORT				\$1,200,000

CITY OF SCOTTSDALE
GENERAL INSURANCE
JUNE 30, 1978

TABLE XVIa
(continued)

FACILITY/ADDRESS	CONSTRUCTION	ACQ. DATE	AREA SQ. FEET	REPLACEMENT COST (6/30/78)
Civic Center Complex				
City Hall	Conc./Block	10/68	36,000	\$ 1,820,000
3939 Civic Center Plaza				
Library	Conc./Block	10/68	39,000	1,968,000
3839 Civic Center Plaza				
Public Service	Conc./Block	4/72	23,260	1,174,000
3739 Civic Center Plaza				
Civic Center Pool	Conc./Block	6/66	1,200	30,000
3639 Civic Center Plaza				
Mall Parking Facility	Conc./Block	12/74	140,000	1,264,000
7335 Civic Center Mall (446 Spaces)				
Civic Center Storage Bldg.	Conc./Block	1975	320	6,848
3639 Civic Center Plaza				
Court Building	Conc./Block	9/75	7,500	300,000
3629 Civic Center Plaza				
Center for the Arts	Conc./Block	9/75	88,000	4,871,000
7384 East Second Street				
Senior Center I	Conc./Block	9/76	5,200	240,000
Senior Center II	Conc./Block	11/77	5,145	230,000
7375 E. 2nd Street				
TOTAL CIVIC CENTER COMPLEX				<u>\$11,903,848</u>
Fire Department				
Fire Station #10	Conc./Block	8/68	8,424	\$ 275,000
2857 N. Miller Road				
Fire Station #11	Conc./Block	12/71	4,023	143,000
7339 E. McDonald				
Fire Station #12	Conc./Block	12/71	2,120	69,000
13665 N. Scottsdale Rd.				
TOTAL FIRE DEPARTMENT				<u>\$ 487,000</u>
Miscellaneous				
Flood Control				
7801 E. Thomas	Adobe	9/75	1,524	\$ 39,330
7811 E. Thomas	Adobe	9/75	754	19,000
Warehouse				
7501 E. Second Street	Conc./Block	1972	17,200	372,500
TOTAL MISCELLANEOUS				<u>\$ 430,830</u>
TOTAL REAL PROPERTY				<u>\$17,303,118</u>

TABLE XVII

CITY OF SCOTTSDALE
SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS
FOR FISCAL YEAR ENDED JUNE 30, 1978

<u>OFFICIAL TITLE</u>	<u>ANNUAL SALARY</u>		<u>BOND</u>
	<u>MINIMUM</u>	<u>MAXIMUM</u>	
Mayor		\$14,400	\$ 10,000
Councilmen (6)		7,200	10,000
City Manager	\$34,973	44,636	50,000
City Attorney	28,004	35,741	50,000
City Clerk	13,685	17,466	50,000
City Treasurer	28,004	35,741	100,000
City Magistrate	26,004	33,189	50,000

PUBLIC EMPLOYEES HONESTY AND FAITHFUL PERFORMANCE BOND

All City Employees	\$50,000 per employee
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CITY OF SCOTTSDALE
MISCELLANEOUS STATISTICAL DATA
JUNE 30, 1978

TABLE XVIII

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	1971 - 73.60
1970 Census - 67,823	1975 - 87.00
1975 Special Census - 78,065	
1978 Census - 85,000 (Est. 6/30/78)	
Miles of Streets and Alleys	
Streets	405.96
Alleys	150.15
Miles of Sewers	
Storm	9.5
Sanitary	263.07
Fire Protection	
Number of Stations	4
The City of Scottsdale has no fire employees but contracts with Rural Fire Protection Co. to provide fire service to all residents.	
Police Protection	
Number of Employees	163
Number of Law Violations (excluding parking)	17,630
Number of Vehicles	78
The City jail is a holding facility. All long-term prisoners are incarcerated in the County jail.	
Recreation	
Parks - Number of Acres	1,721
Number of Swimming Pools	3
Number of Other Recreation Facilities	17
These consist of schools and school playgrounds in cooperation with Scottsdale School District.	
Water Enterprise	
Number of Users (No. Units)	13,104
Annual Consumption (Gallons)	2,903,600,000
Plant Capacity	22,000,000 G.P.D.
Miles of Distribution Lines	144.52
Number of Street Lights	2,876
Employees as of June 30, 1978	
Full Time	652
Part Time	264
Grant Funded	158
Total	1,074
Elections	
Number of Registered Voters as of Last Regular Election (Feb. 78)	37,350
Number of Voting in Last Municipal Election	6,139
% Voting in Last Municipal Election	16%
Population	
Median Age of Residents	36.2
Median Household Income	\$19,000
Median Home Value	\$48,394

CITY OF SCOTTSDALE
 MISCELLANEOUS STATISTICAL DATA
 JUNE 30, 1978

TABLE XVIIIa

<u>BUILDING PERMITS FISCAL YEAR</u>	<u>NO. PERMITS</u>	<u>VALUATION</u>
1978	5526	\$145,059,891
1977	3300	53,994,398
1976	2278	35,877,474
1975	2188	52,306,882
1974	3246	55,963,717
1973	3869	67,606,320
1972	3918	56,873,192
1971	3030	41,523,463
1970	3422	40,221,405
1969	2559	29,965,232

