

City of El Paso, Texas



Comprehensive Annual Financial Report For the Fiscal Year Ended August 31, 2013

CITY OF EL PASO, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED AUGUST 31, 2013
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INTRODUCTORY SECTION





February 28, 2014

Mayor Oscar Leeser
City Council Members and
Citizens of the City of El Paso

We submit the City of El Paso, Texas (City) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended August 31, 2013. This report was prepared by the City's staff and audited by the firm of BKD, LLP. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

Section 7.21 of the City Charter requires an annual audit by an independent certified accountant of all City accounts. The CAFR is the summary of the City's activities for the past fiscal year. We believe this CAFR is accurate in all material aspects; that it presents fairly the financial position and financial activities of the City measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

Generally accepted accounting principles in the United States of America (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors on page xvii.

The City's management is responsible for establishing and maintaining internal controls designed to provide reasonable assurance that the assets of the government are protected from loss, theft or misuse and that reliable accounting data is compiled to allow for preparation of financial statements in conformity with GAAP. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived and the

Mayor
Oscar Leeser

City Council

District 1
Ann Morgan Lilly

District 2
Larry Romero

District 3
Emma Acosta

District 4
Carl L. Robinson

District 5
Dr. Michiel R. Noe

District 6
Eddie Holguin Jr.

District 7
Lily Limón

District 8
Cortney C. Niland

City Manager
Joyce A. Wilson

evaluation of costs and benefits requires estimates and judgments by management. A goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatements.

Additionally, because the City receives federal awards, it is responsible for ensuring adequate internal control is in place to comply with applicable laws, regulations, contracts and grants related to those programs. A separate report, including a schedule of expenditures of federal awards, findings and questioned costs and the independent auditor's report on compliance and on internal control over financial reporting are issued.

The City's Internal Auditor's Office reports directly to the City Manager. The internal auditor's primary responsibility is measuring and evaluating the effectiveness of the accounting and administrative controls. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Ensure long-term financial stability and sustainability

Ensuring the long-term sustainability of City finances is a key strategic policy for City management. City Council adopted revised financial policies, which in part, require the balancing of adopted appropriations with anticipated revenues and no longer permitted the use of the general operating fund reserves in order to balance the budget. General fund reserves may only be utilized for one-time and/or emergency type capital procurements that would otherwise need debt financing. In fiscal year (FY) 2013, the Maintenance and Operating budget was funded with current revenues giving special attention to concerns about residential property tax burden and market trends, the impact of both the national economy and events in Mexico on sales tax. The national economy has also impacted building permit and license revenue and even some believe timely payment of other revenue sources, such as municipal court fines. Sustainability of the City's general fund is always the most critical issue that constrains long-term financial goals and directly impacts the City's ability to carry out its strategic initiatives. The FY 2013 budget was based on an overall tax rate equal to FY 2012. This tax rate generated an increase sufficient to fund the collective bargaining units, pension fund increases, growing infrastructure needs (due in part to the growth of the local army base), and finally the construction of quality of life facilities which were in progress in FY2013.

Since most operating costs of the City are anticipated to increase in future budgets, balancing without the use of reserves, tax or fee increases will be a difficult task. However, continued effective budget planning in the short- and long-term will benefit the City's financial sustainability. Some of the specific accomplishments and areas of continual improvement include:

- Monitor local economy and revenue performance. Act quickly to adjust budget expenses where warranted.
- Continue to look for ways to reduce costs and enhance efficiencies through consolidation, outsourcing, interagency partnerships and technology investments.
- Prepare the 2014 and all future general fund budgets without the use of fund balance.
- Maintain strong bond ratings, Standard & Poor's (S&P) AA; Fitch's AA.
- Complete transition to performance based budgeting in FY 2015.

GENERAL INFORMATION

Location

El Paso is located in far west Texas on the international boundary between the United States and the Republic of Mexico. Situated on the Rio Grande River, the City straddles the lowest altitude all-weather pass-through the Rocky Mountains. It is approximately equidistant from the cities of Houston, Texas; Denver, Colorado and Los Angeles, California. The area comprising the City of El Paso (estimated population – 846,175), the remainder of El Paso County (estimated population – 157,527) and Ciudad Juarez, Mexico (estimated population – 1.5 million) has a population in excess of 2.5 million. El Paso is the sixth largest city in Texas and the largest American city on the border with Mexico. The City's corporate limits encompass approximately 247.4 square miles. The City of El Paso, Texas, incorporated in 1873, operates under a Home Rule Charter with a Council-City Manager form of government.

The City provides a full range of services to the general public. These services include police and fire protection; emergency medical and health services; sanitation services; public transportation; construction and maintenance of streets and infrastructure; recreational activities; and cultural events.

Financial Reporting Entity

The financial statements presented in this report conform to the reporting requirements of the Governmental Accounting Standards Board (GASB), which establishes government-wide and combining fund financial statements as the required reporting level for governmental entities that present financial statements in accordance with GAAP.

The basic criterion for determining whether another governmental organization should be included in a primary governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or the existence of a financial benefit/burden relationship (an organization which is fiscally dependent on the primary government should be included as part of the reporting entity).

These financial statements present the City of El Paso (the primary government and its component units). The following component units, although legally separate from the City, are reported as part of the reporting entity:

El Paso Water Utilities

The component unit column in the government-wide financial statements (pages 1 and 2) includes the financial data of the City's component unit, El Paso Water Utilities (EPWU). City Council appoints the majority of the Public Service Board and is accountable for its operation. EPWU is reported discretely in a separate column as "Component Unit – El Paso Water Utilities."

El Paso Housing Finance Corporation

The component unit column in the government-wide financial statements (pages 1 and 2) includes the financial data of the City's component unit, El Paso Housing Finance Corporation (EPHFC). City Council appoints its board consisting of seven directors, and is accountable for its operation. EPHFC is reported discretely in a separate column as "Component Unit – El Paso Housing Finance Corporation."

Downtown Development Corporation

The government-wide financial statements (pages 1 and 2) and the fund financial statements (beginning on page 3), include the financial data of the City's component unit, Downtown Development Corporation (DDC). The City Council operates as the board of the DDC and certain administrative staff (*e.g.*, CFO, etc.) manages the activities for the DDC. DDC is reported as a blended component unit as a major debt service fund.

El Paso Property Finance Authority, Inc. (Authority)

The Authority was incorporated March 12, 1987, pursuant to the Texas Non-Profit Corporation Act, for the purpose of establishing a Permanent Public Improvements Program. City Council appoints its' board consisting of six directors and is accountable for its operations. This corporation had no assets or liabilities and had no financial transactions during fiscal year 2013.

City Employees' Pension Fund (CEPF)

The City contributes to the City Employees' Pension Fund which is a single-employer defined benefit retirement system established under legal authority of the City Charter and administered by the City. Although not under the direct control of the City, the CEPF serves only City and Public Service Board employees and, because of the scope of service, is included in the City's financial statements as a Pension Trust Fund.

Firemen and Policemen's Pension Fund (FPPF)

Uniformed firefighters and police officers participate in the FPPF, which is divided into two divisions: the fireman division and policeman division. The plan is a single-employer defined benefit retirement plan established under legal authority of State Statutes and the City Charter and is administered by a Board of Trustees (FPPF Board). Although not under the direct control of the City, the FPPF serves only City employees and, because of the scope of service, is included in the City's financial statements as a Pension Trust Fund.

FINANCIAL CONDITION

As the sixth largest city in Texas, El Paso's estimated 2013 population of 846,175 has grown by over 5.68% from its 2010 census level. Population growth continues in part as a result of the Defense Base Realignment and Closure (BRAC) process completed in late 2005. At that time, it was anticipated that over 20,000 new troops and 30,000 accompanying family members would become part of the City population during the next seven years. About two-thirds of the additional troops are expected to live off-base, spurring citywide residential development with an emphasis on affordable housing although other higher value master planned developments are underway or in the planning stages.

The City's \$32 billion tax base is diverse and continues to grow beyond the typically modest rates of the past, increasing by nearly 12% over the past five fiscal years. The relocation of air cavalry and armored aviation units to Fort Bliss is attracting high-technology companies for both services and research and development. Major additions to the City's retail, commercial and health care sectors helped unemployment rates trend downward to record lows in 2007. In December 2013, the City's projected unemployment rate fell to 8.0% with a projected labor force of 322,443. Employment numbers at the end of December 2013 reflected a positive change of 2,400 jobs from December 2012.

The City's financial position began to stabilize in recent years under a Council-City Manager form of government approved by voters in February 2004. The City's 2013 general fund activities reflect a \$5 million decrease in fund balance due to a budgeted use of fund balance with a combination of budgeted revenue decreases and increases in budgeted expenditures. General Fund unassigned fund balance plus the \$16 million cash reserve restricted by the City Charter, totaled \$31.9 million as of August 31, 2013 or 9.6% of spending in FY 2013. In FY 2012, the general fund reflected a \$73,473 decrease in fund balance, with undesignated general fund reserves of \$36.7 million at August 31, 2012, or approximately 11.5% of spending.

As the 2013 year unfolded, City management continued to exercise conservative fiscal practices including active management of position vacancies and carefully monitoring departmental spending.

Strategic planning efforts continue within the City and the region in an effort to appropriately focus economic development and workforce efforts to expand and retain the current business base while attracting new businesses. The City of El Paso's Economic Development Department has launched new initiatives in order to bring in new businesses to the City. The City's 2010 Downtown Revitalization Plan continues to be implemented as a way to draw in new businesses and revitalize the current businesses in Downtown El Paso.

Given the population growth attributable to the Base Realignment and Closure process, continued steady normal population growth patterns and focused business attraction and expansion efforts, the economic outlook is stable. The City has an abundance of natural, cultural, educational and recreational attributes, in addition to an extremely favorable cost of living and great climate. Through effective strategic planning and management of resources, the City will be positioned to meet its growing service demands while maintaining a solid financial foundation and achieving its vision of "establishing El Paso as the premier community of the Southwest."

The Mayor and Council continue to focus on prioritized long-term strategic policy goals and City staff continues to focus on action plans necessary to achieve these goals. Both community resources and improvement in the City's internal operation and culture have been incorporated in these goals. Goals identified include:

- Fiscal Policies – To ensure long-term financial stability and sustainability of the City Government
- Customer Service – To be a high-performing, customer-focused organization
- Community Development – To become the most livable city in the United States and to be recognized as an "international city"
- Economic Development – To become the city with the lowest unemployment rate and highest per capita wages in the United States
- Citizen Involvement – To facilitate opportunities for citizens to be involved in local government
- Transportation – To establish a comprehensive transportation system

AWARDS AND ACKNOWLEDGEMENTS

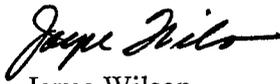
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of El Paso for its comprehensive annual financial report for the fiscal year ended August 31, 2012. This was the 14th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this comprehensive annual financial report was made possible by the dedicated service of the employees of the financial services department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Additionally, the effort of the City's component units (EPWU, EPHFC, DDC, El Paso Property Finance Authority, CEPF and FPPF) and their external auditors is appreciated.

We would also like to thank the Mayor, City Council and City Department Directors for their interest and support in planning and conducting the financial operation of the City in a responsible and progressive manner.

Respectfully submitted,



Joyce Wilson
City Manager



Carmen Arrieta-Candelaria
Chief Financial Officer



Mark Sutter, Ph.D.
Comptroller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of El Paso
Texas**

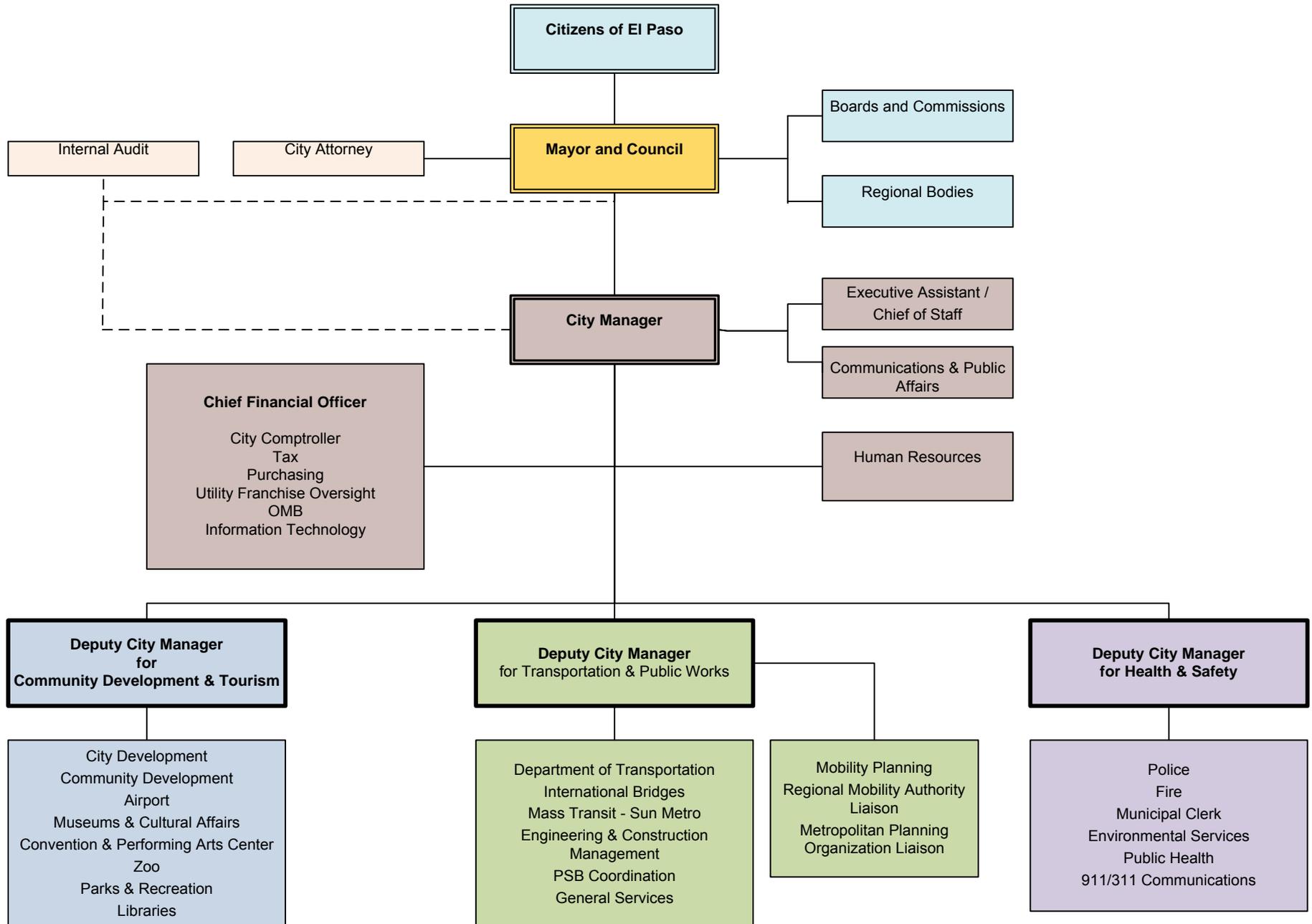
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2012

Executive Director/CEO



City of El Paso Organizational Structure



LIST OF PRINCIPAL OFFICIALS

OSCAR LEESER

Mayor

ANN MORGAN LILLY

DISTRICT 1

DR. MICHEL NOE

DISTRICT 5

LARRY E. ROMERO

DISTRICT 2

EDDIE HOLGUIN JR.

DISTRICT 6

EMMA ACOSTA

DISTRICT 3

LILY LIMON

DISTRICT 7

CARL L. ROBINSON

DISTRICT 4

CORTNEY NILAND

DISTRICT 8

JOYCE A. WILSON

CITY MANAGER

SEAN P. MCGLYNN

DEPUTY CITY MANAGER - COMMUNITY DEVELOPMENT & TOURISM

DAVID ALMONTE

DEPUTY CITY MANAGER - HEALTH & SAFETY

JANE K. SHANG

DEPUTY CITY MANAGER - TRANSPORTATION & PUBLIC WORKS

CARMEN ARRIETA-CANDELARIA

CHIEF FINANCIAL OFFICER

Department Directors

Gregory K. Allen	El Paso Police Department
Lynly Leeper	Office of Management & Budget
Enrique Martinez, Jr.	Information Technology Services
Mark Sutter	Financial Services
Bruce Collins	Purchasing and Strategic Sourcing
Jay Banasiak	Mass Transit (Sun Metro)
Bill Blaziek	Convention & Visitors Bureau
Dionne Mack	El Paso Public Library System
Edmundo S. Calderon	Internal Auditor
Ted Marquez	Department of Transportation
Matthew McElroy	City Development
Samuel Pena	El Paso Fire Department
Richarda Duffy-Momsen	Municipal Clerk
Stuart Ed	General Services
Robert Resendes	Public Health
Ted Marquez	International Bridges
William Lilly	Community & Human Development
Monica Lombraña	Aviation (El Paso International Airport)
Juliet Lozano	Communications & Public Affairs
Steve Marshall	Zoo
Ben Fyffe	Museums & Cultural Affairs
Sylvia B. Firth	City Attorney
David W. Childs	Consolidated Tax Office
Irene Ramirez	Engineering & Construction Management
Tracy Novak	Parks & Recreation
Ellen A. Smyth	Environmental Services & Code Enforcement
Linda Ball Thomas	Human Resources
Scott Calderwood	Office of Emergency Management

FINANCIAL SECTION



Independent Auditor's Report on Financial Statements and Supplementary Information

The Honorable Mayor and
Members of the City Council
City of El Paso, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of El Paso, Texas (the City), as of and for the year ended August 31, 2013, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the El Paso Water Utilities and the El Paso Housing Finance Corporation, the discretely presented component units of the City. We also did not audit the El Paso Firemen and Policemen's Pension Fund, a component unit of the City, which statements reflect total assets and net additions of \$1,152,517,559 and \$155,504,171, respectively, and represent 58.7% and 39.6% of the aggregate remaining fund information's total assets and revenues/net additions, respectively, at August 31, 2013, and for the year then ended. The financial statements of these entities were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for such entities, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The Honorable Mayor and
Members of the City Council
City of El Paso, Texas

The financial statements of the El Paso Firemen and Policemen's Pension Fund, a component unit of the City, were not audited in accordance with *Government Auditing Standards*. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of August 31, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in *Note 15* to the financial statements, in 2013 the City changed its method of accounting for deferred outflows of resources, deferred inflows of resources and bond issuance cost with the adoption of Governmental Accounting Standards Board Statements No. 63 and No. 65. Our opinions are not modified with respect to these matters.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary and pension/other post-employment benefit information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Honorable Mayor and
Members of the City Council
City of El Paso, Texas

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The accompanying supplementary information listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other accountants. In our opinion, based on our audit, the procedures performed as described previously, and the report of the accountants the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The accompanying information in the introductory and statistical sections listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Dallas, Texas
February 28, 2014

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
(REQUIRED SUPPLEMENTARY INFORMATION)
August 31, 2013

As management of the City of El Paso (City), we offer readers of the City's financial statements this overview and analysis of the financial activities of the City for the fiscal year ended August 31, 2013. This document is designed to:

- Provide a concise overview of the City's financial activity, comparing current year to prior year and identifying specific economic factors contributing to changes;
- Help users of the financial statements understand the relationship of the results reported in the government-wide financial statements related to governmental activities and the results reported in the major governmental funds financial statements;
- Help the reader focus on the City's financial condition as a whole, describing currently known facts, decisions or conditions expected to impact the City's financial condition and the availability of fund resources for future years; and
- Identify significant variances between the adopted budget, final budget and actual expenditures, discussing the impact of these variances on future liquidity.

Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities and resulting changes and should be considered in conjunction with the letter of transmittal as well as the City's financial statements. The information contained in these three sections of the Comprehensive Annual Financial Report (CAFR) complement each other.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the Primary Government total assets and deferred outflows of resources exceeded its liabilities at August 31, 2013 by \$387.2 million. There is a \$329.9 million unrestricted net position deficit.
- The Primary Government's total net position decreased by \$22.4 million. Governmental activities decreased net position by \$22.5 million while increases from business-type activities totaled \$49 thousand. The Primary Government's total expenses were \$657.7 million, an increase of \$24.9 million over 2012.
- The cost of the Primary Government's governmental activities was \$494.5 million for FY 2013.
- As of August 31, 2013, the City's governmental funds reported combined ending fund balances of \$100.9 million, an increase of \$22.2 million compared with the prior year. Approximately 3.5% of the combined fund balances or \$3.5 million is unassigned and available for the discrete purposes for which these funds are collected.
- The unassigned fund balance in the General Fund was \$15.9 million or 4.78% of total General Fund current year expenditures.
- In FY 2013, the City issued \$79.44 million in new property tax supported debt to finance capital projects. The Downtown Development Corporation issued \$60.79 million in special revenue bonds to finance the construction of a Triple-A baseball stadium. There was an increase of \$117 million in long-term liabilities from the prior year.

CITY OF EL PASO, TEXAS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 (REQUIRED SUPPLEMENTARY INFORMATION)
 August 31, 2013

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

These components of the Comprehensive Annual Financial Report are graphically illustrated below:

CAFR	Introductory Section	Letter of Transmittal, Organization Chart, Other Introductory Information			
	Financial Section	Management's Discussion and Analysis			
		Government-Wide Financial Statements	Fund Financial Statements		
		Statement of Net Position	Governmental Funds	Proprietary Funds	Fiduciary Funds
			Balance Sheet	Balance Sheet	Statement of Fiduciary Net Position
		Statement of Activities	Statement of Revenues	Statement of Revenues, Expenses and Changes in Net Position	Statement of Changes in Fiduciary Net Position
			Expenditures and Changes in Fund Balances	Statement of Cash Flows	
	Notes to the Financial Statements				
Required Supplementary Information Other Than MD&A					
Statistical Section	Other Statistical Information				

CITY OF EL PASO, TEXAS
MANAGEMENT’S DISCUSSION AND ANALYSIS
(REQUIRED SUPPLEMENTARY INFORMATION)
August 31, 2013

The basic financial statements include both government-wide and fund financial statements. These statements differ in scope, measurement focus and basis of accounting, as well as in the information provided. The following chart illustrates these differences:

	Government-wide Statement	Fund Financial Statements		
		Governmental	Proprietary	Fiduciary
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the City for basic governmental services	The day-to-day operating activities of the City for business-type enterprises	Instances in which the City administers resources on behalf of others, such as property tax and pension
Accounting basis and measurement focus	Accrual accounting and economic resources measurement focus	Modified accrual and current financial resources measurement focus	Accrual accounting and economic resources measurement focus	Accrual accounting and economic resources measurement focus; except agency funds do not have measurement focus
Type of asset, deferred outflows, liability and deferred inflows information	All assets, deferred outflows, liabilities and deferred inflows, both financial and capital, short-term and long-term	Current assets and liabilities that come due during the year or soon thereafter	All assets, deferred outflows, liabilities and deferred inflows both financial and capital, short-term and long-term	All assets held in a trustee or agency capacity for others and all liabilities
Type of inflow and outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Government-wide Financial Statements

The government-wide financial statements are designed to resemble those of private-sector entities in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government.

The *Statement of Net Position* presents information on all of the City’s assets, deferred inflows of resources, liabilities and deferred outflows of resources, with the difference being reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. With the implementation of GASB 63, the Statement of Net Assets has been changed to the Statement of Net Position. GASB 63 allows for the concept of deferred outflows and inflows to be distinguished from assets and liabilities.

Component Units, which are other governmental units over which City Council, acting as a group, can exercise influence and/or may be obligated to provide financial subsidy, are presented as a separate column in the government-wide statements and as individual activities in the Fund Financial Statements. The focus of the statements is clearly on the Primary Government and the presentation allows the user to address the relative relationship with the Component Units.

The *Statement of Activities* is focused on both the gross and net cost of various functions (including governmental, business-type and component unit) supported by the government’s general tax and other revenues. This is intended to summarize and simplify the user’s analysis of the costs of various governmental services and/or subsidies to various business-type activities and/or component units.

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Governmental Activities reflect the City's basic services, including police, fire, public works and community services. Property and sales taxes finance the majority of these services.

Business-type Activities reflect private sector type operations (Solid waste disposal, Airport, International Bridges and Mass Transit), where fees for services typically cover all or most of the cost of operations, including depreciation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of El Paso, like other state and local governments, uses fund accounting to ensure compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how cash and other financial assets can readily be converted as available resources, as well as on the balances at the end of the fiscal year that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the City's operations.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains numerous governmental funds, as needed, to insure proper accountability. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Community Development Block Grants Fund, Debt Service Fund, Downtown Development Corporation and Capital Projects Fund, all of which are considered to be major funds. Data from the remaining Special Revenue funds are combined into a single column, titled Nonmajor Governmental Funds. Individual fund data for each of these nonmajor governmental funds is provided following the required supplementary information in the form of combining financial statements and schedules. These fund financial statements follow the basic financial statements in this CAFR.

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Proprietary Funds

Proprietary funds are generally used to account for services for which the City charges customers—either outside customers or internal cost centers of the City. Proprietary funds provide a more detailed report of the same type of information as shown in the government-wide financial statements. The City maintains two types of proprietary funds:

- Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its airport, mass transit, solid waste disposal and international bridges operations.
- Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its employee health benefits and welfare programs, risk management, fleet services, printing and mail services. As these internal services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary funds financial statements provide separate information for the enterprise funds (i.e., El Paso International Airport, Solid Waste Management (Environmental Services), Sun Metro (Mass Transit) and International Bridges) since they are considered major funds of the City. All internal service funds are combined into a single aggregated presentation on the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements and schedules.

While the total column on the business-type fund financial statements for enterprise funds is the same as the business-type column on the government-wide financial statements, the governmental major funds total column requires a reconciliation because of the different measurement focus which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds and inter-fund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the government-wide statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held by the City in a trustee capacity or as an agent for the benefit of parties outside the City, individuals, private organizations or other governmental entities. Fiduciary funds include both trust and agency type funds. Trust fund statements allow the City to present its blended component units, the City's employee pension trust funds, as well as other private purpose trusts. Agency funds include tax office collections on behalf of the other taxing entities. While these funds represent a trust responsibility, these assets are restricted in purpose and do not represent discretionary resources of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes immediately follow the financial statements.

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Required Supplementary Information

In addition to the basic financial statements and accompanying notes, the CAFR also presents certain required supplementary information. These schedules include a budgetary comparison and information concerning the City's funding of its pension obligations and other post-employment benefits.

Other Information

Following the required supplementary information are additional schedules such as the combining statements referred to above in connection with nonmajor governmental funds, internal service funds and fiduciary funds and schedules of expenditures for capital projects.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* in 2013. This statement reclassified some items as deferred outflows or inflows of resources that were previously reported as assets and liabilities. The City also implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. With the implementation of these two GASB statements, the Statement of Net Position will replace the Statement of Net Assets in the Basic Financial Statements section. In the analysis below, the City has not restated 2012 financial information. See more detailed information in the notes to the financial statements.

Comparative information for the current and preceding year is presented below:

Condensed Schedule of Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 266,802	\$ 258,989	\$ 118,741	\$ 123,900	\$ 385,543	\$ 382,889
Deferred outflows	2,210	-	-	-	2,210	-
Capital assets	922,996	841,565	368,064	349,949	1,291,060	1,191,514
Total assets and deferred outflows	1,192,008	1,100,554	486,805	473,849	1,678,813	1,574,403
Other liabilities	248,916	24,858	25,434	7,917	274,350	32,775
Long-term liabilities	905,386	1,007,928	111,829	115,901	1,017,215	1,123,829
Deferred inflows	-	-	-	-	-	-
Total liabilities	1,154,302	1,032,786	137,263	123,818	1,291,565	1,156,604
Net position:						
Net investment in capital assets	256,626	161,946	300,679	289,979	557,305	451,925
Restricted	132,098	107,951	27,761	19,987	159,859	127,938
Unrestricted	(351,017)	(202,129)	21,102	40,066	(329,915)	(162,063)
Total net position	\$ 37,707	\$ 67,768	\$ 349,542	\$ 350,032	\$ 387,249	\$ 417,800

Analysis of the City's Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of El Paso, assets and deferred outflows of resources exceeded liabilities by \$388.5 million at August 31, 2013.

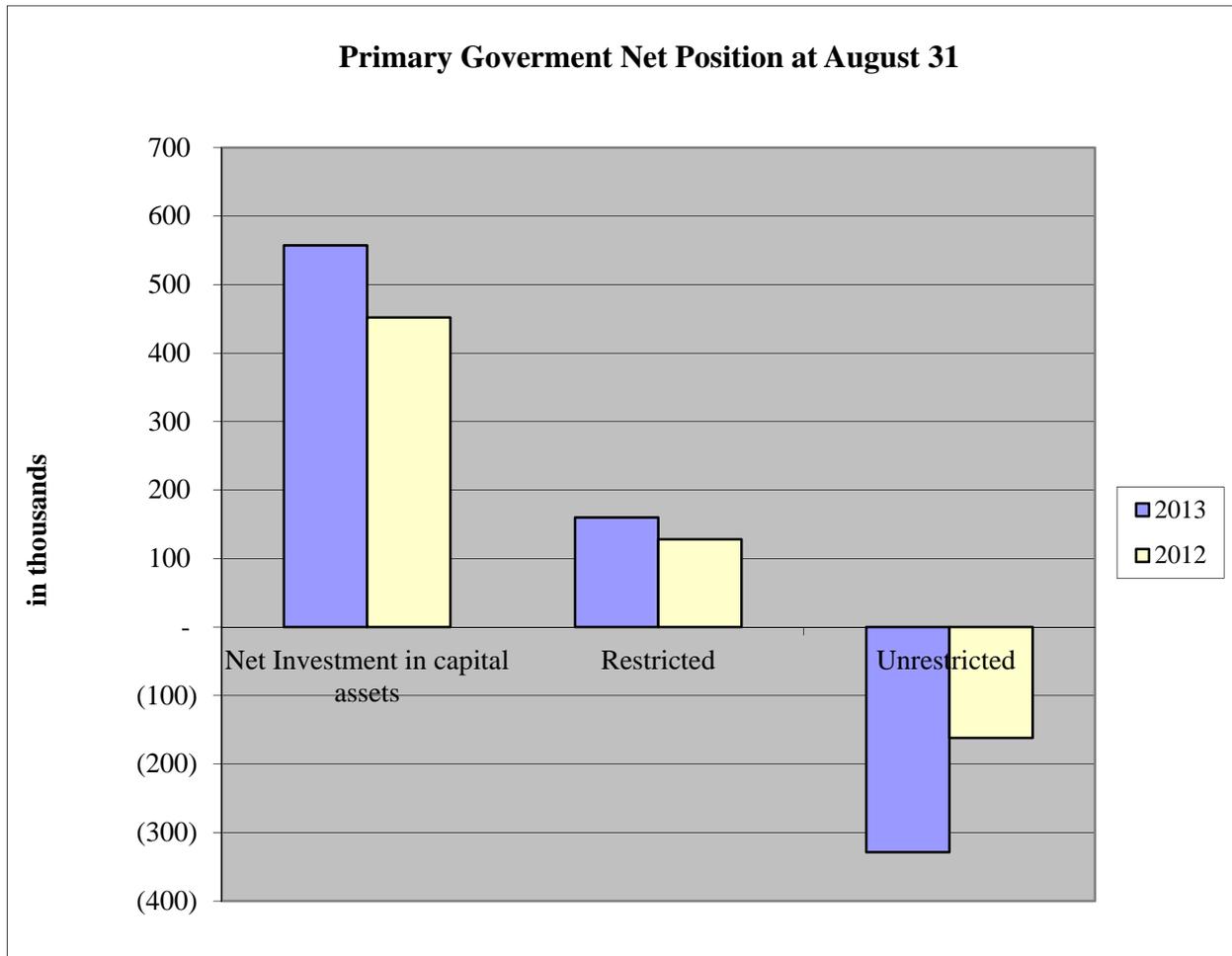
CITY OF EL PASO, TEXAS
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The largest portion of the City's net position, \$557.3 million, reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress and infrastructure), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position, \$159.9 million, represents resources that are subject to external restrictions on how they may be used. This restricted net position includes net position for debt service, amounts restricted by other funding agencies, as well as a \$16 million cash reserve required by the City Charter. Restricted net position increased \$32 million (25.02%) over the prior year.

Generally, all net position generated by governmental activities are either externally restricted or invested in capital assets. Unrestricted governmental activities net position showed a \$351 million deficit at the end of this year. This deficit indicates that the City has long-term commitments that exceed its related assets.

Unrestricted net position in business-type activities totaled \$21.1 million, decreasing \$19 million from 2012.



CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
(REQUIRED SUPPLEMENTARY INFORMATION)
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Analysis of the City's Operations

The following table provides a summary of the City's activities for the years ended August 31, 2013 and 2012. Governmental activities decreased the City of El Paso's net position by \$21.3 million accompanied by an increase in the business-type activities of the City of \$49 thousand resulting in a net position decrease of \$21.2 million.

**Condensed Schedule of Changes in Net Position
For the Year Ended August 31, 2013
(in thousands)**

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 70,590	\$ 64,695	\$ 120,374	\$ 115,548	\$ 190,964	\$ 180,243
Operating grants and contributions	35,535	69,210	11,299	18,323	46,834	87,533
Capital grants and contributions	3,494	4,946	13,098	6,807	16,592	11,753
General revenues:						
Ad valorem taxes	209,616	206,164	-	-	209,616	206,164
Sales taxes	87,643	83,804	37,476	36,295	125,119	120,099
Franchise taxes	46,453	47,604	-	-	46,453	47,604
Investment earnings (loss)	(509)	272	(204)	278	(713)	550
Gain on disposal of capital assets	222	66	163	(60)	385	6
Total revenues	<u>453,044</u>	<u>476,761</u>	<u>182,206</u>	<u>177,191</u>	<u>635,250</u>	<u>653,952</u>
Expenses:						
Governmental activities:						
General government	52,386	40,718	-	-	52,386	40,718
Public safety	230,541	227,950	-	-	230,541	227,950
Public works	60,477	59,307	-	-	60,477	59,307
Public health	19,864	19,128	-	-	19,864	19,128
Parks	17,000	16,252	-	-	17,000	16,252
Library	16,317	12,348	-	-	16,317	12,348
Culture and recreation	25,931	24,926	-	-	25,931	24,926
Community and economic development	30,273	33,619	-	-	30,273	33,619
Interest on long-term debt	41,666	41,685	-	-	41,666	41,685
Business-type activities:						
International airport operations	-	-	38,154	36,821	38,154	36,821
Industrial park and other operation	-	-	5,910	6,621	5,910	6,621
International bridges	-	-	5,297	4,519	5,297	4,519
Solid waste disposal	-	-	47,272	45,179	47,272	45,179
Mass Transit	-	-	66,578	63,649	66,578	63,649
Total expenses	<u>494,455</u>	<u>475,933</u>	<u>163,211</u>	<u>156,789</u>	<u>657,666</u>	<u>632,722</u>
Excess (deficiency) before transfers	(41,411)	828	18,995	20,402	(22,416)	21,230
Transfers	18,946	17,873	(18,946)	(17,873)	-	-
Increase (decrease) in net position	(22,465)	18,701	49	2,529	(22,416)	21,230
Net position - September 1 *	60,172	49,067	349,492	347,503	409,664	396,570
Net position - August 31	<u>\$ 37,707</u>	<u>\$ 67,768</u>	<u>\$ 349,541</u>	<u>\$ 350,032</u>	<u>\$ 387,248</u>	<u>\$ 417,800</u>

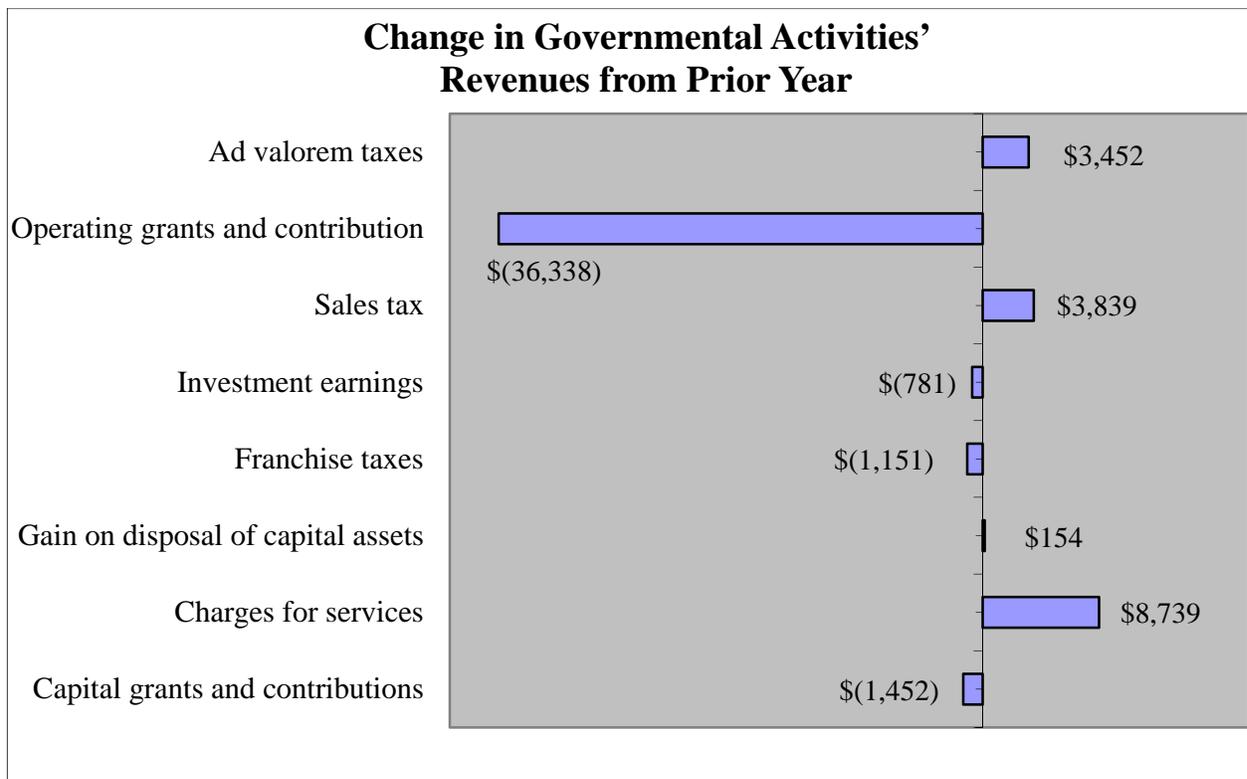
*Net Position as of September 1, 2012 has been restated for the effects of adopting GASB Statement No. 65. The impact of this statement on 2012 is not shown.

CITY OF EL PASO, TEXAS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
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Program Revenues and Expenses – Governmental Activities

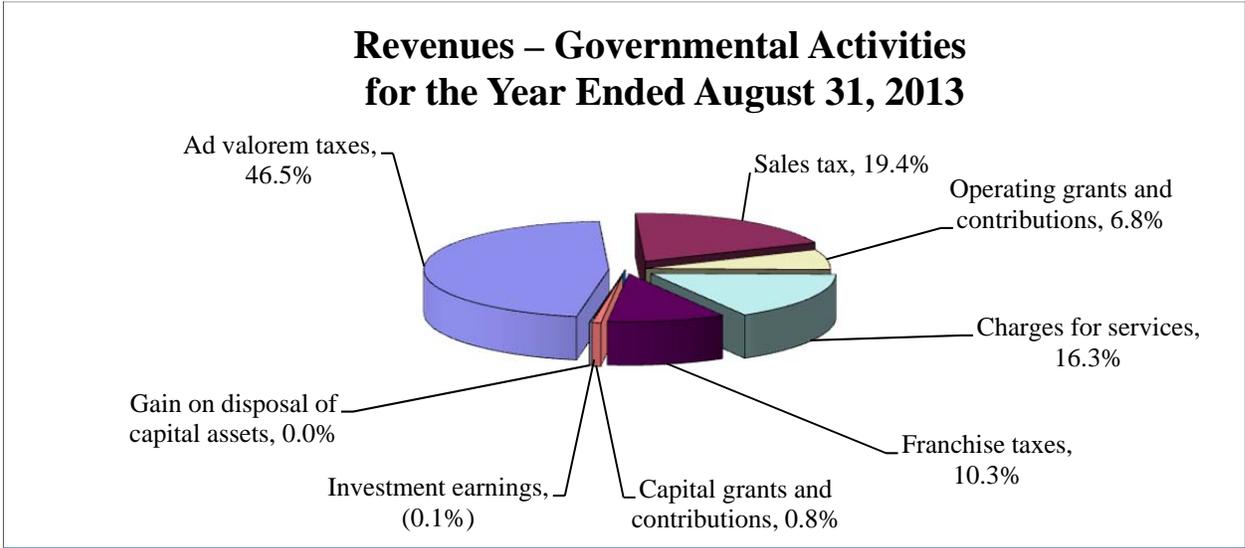
Governmental activities cover a range of typical City services and are directly supported by charges for these services, grants and contributions. In general, revenues generated by charges for services are inadequate to support the cost of the services with public safety creating the greatest burden on the taxpayer. Consequently, general revenues cover any net expense after program-specific revenues are applied. These general revenues include taxes, investment earnings and gains on sales of capital assets.

The following chart shows the change in governmental activities' revenues from the previous year (in thousands):



Revenues for governmental activities totaled \$454.2 million, a decrease of \$22.5 million or (4.7%) from 2012.

CITY OF EL PASO, TEXAS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
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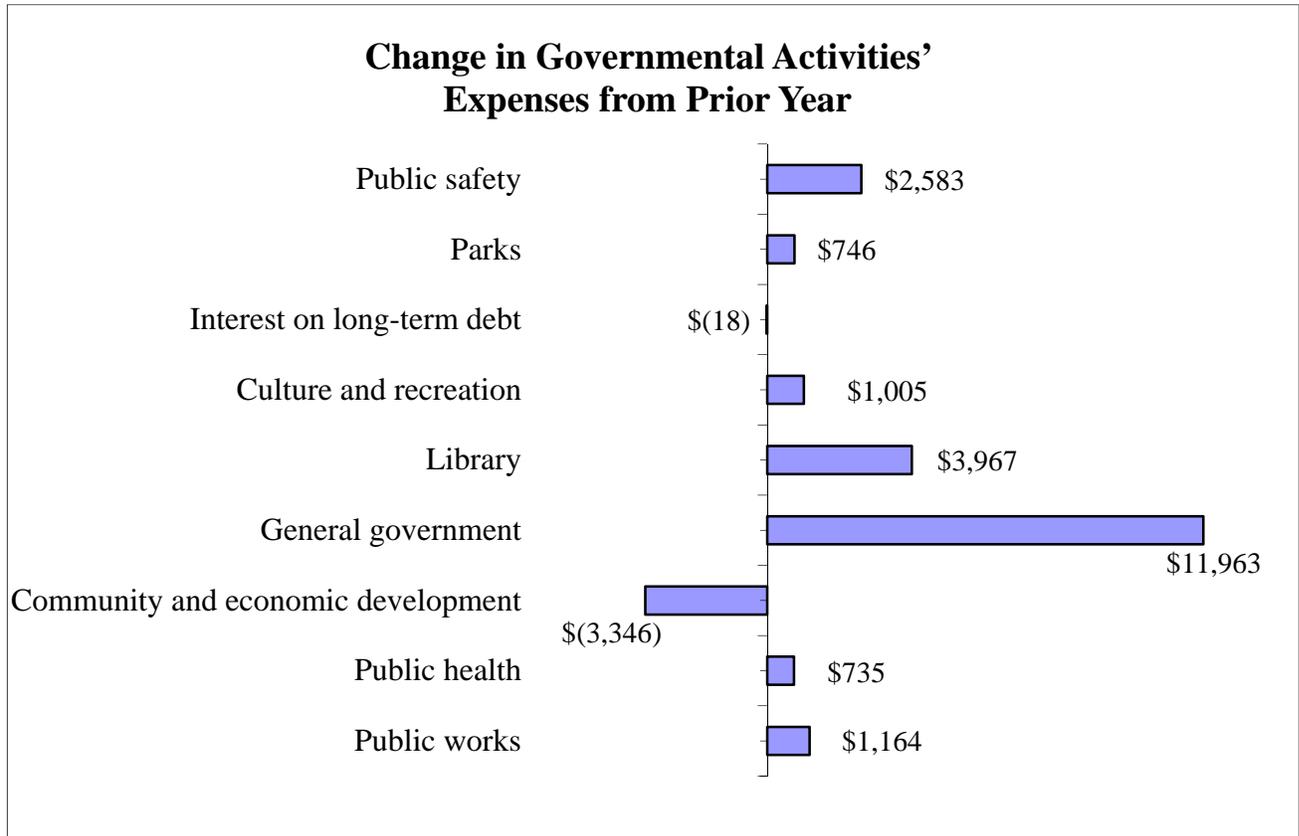


The ad valorem taxable valuation increased 3.9% while the overall tax rate had no change from 2012. Ad valorem property tax revenues increased \$3.5 million (1.7%). Sales taxes increased \$3.8 million (4.6%), franchise taxes decreased \$1.1 million (2.4%), operating and capital grants and contributions decreased \$37.8 million (51%) due to a reduction in available grant dollars.

The cost of programs and services was \$494.5 million, an increase of \$18.5 million (3.9%) from 2012. The net pension obligation expense decreased \$827 thousand, other post-employment benefits expense increased \$9.9 million, compensated absence expense decreased \$1.9 million and interest on long-term debt decreased \$18 thousand.

CITY OF EL PASO, TEXAS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
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The following chart shows changes in governmental activities' expenses from 2012 (in thousands):



Program Revenues and Expenses – Business-type Activities

Charges to services increased \$4.8 million (4.2%) to \$120.4 million. Operating expenses, net of depreciation, increased \$4.5 million to \$125.1 million (3.8%) and depreciation expense increased \$2.4 million to \$34.704 million (7.3%). The increase in operating expenses includes \$3.9 million in Other Post-employment Benefits (OPEB) expenses and Net Pension Obligation (NPO) expenses. Nonoperating revenues (including operating and capital grants) increased \$2.5 million to \$57.4 million and nonoperating expenses decreased \$521 thousand to \$3.5 million. Capital contributions decreased \$2.4 million to \$4.4 million. Transfers out increased \$1.1 million to \$18.9 million.

El Paso International Airport

This fund accounts for the operations of the El Paso International Airport, industrial parks and golf courses located on Airport property.

Operating revenues increased \$249 thousand to \$36.3 million. There was an increase in operating expenses of \$724 thousand to \$43.0 million with OPEB and NPO expense increasing by \$0.72 million and depreciation increasing by \$506 thousand. Nonoperating revenues increased \$1.5 million to \$8.9 million and nonoperating expenses decreased \$103 thousand to \$1.1 million. Capital contributions decreased \$808 thousand to \$165 thousand and transfers out increased \$187 thousand to \$1.6 million.

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Other significant changes were:

- Increase in personnel services of \$481 thousand
- Decrease in outside contracts of \$123 thousand
- All other operating expenses, excluding depreciation, decreased \$385 thousand
- Depreciation expense increased \$506 thousand
- Investment earnings decreased \$228 thousand
- Passenger facility charge revenue decreased \$70 thousand
- Customer facility charge revenue increased \$1.6 million

Environmental Services

This fund accounts for the solid waste collection and disposal activities of the City.

Operating revenues decreased \$379 thousand to \$53.3 million.

Operating expenses increased \$2.2 million to \$46.3 million and includes \$1.3 million in NPO and OPEB expenses. Other significant changes were:

- Personnel expense increased by \$1.7 million
- Outside contracts increased by \$40 thousand
- Materials and supplies increased by \$482 thousand
- Depreciation expense increased \$1.3 million

Mass Transit

Mass transit operating revenues increased \$3.5 million.

Operating expenses increased \$3 million to \$65.7 million including \$1.57 million in expenses to record OPEB and NPO and \$65 thousand increase in depreciation expense. Other significant changes were:

- Personnel expenses decreased \$2.79 million as a result of outsourcing LIFT and safety and security services (approximately 130 full-time employees).
- Fuel expense increased \$1.47 million as fuel cost climbed during the year.
- Outside contracts increased by \$4.97 million due to outsourcing the management and operations of LIFT.
- FTA subsidy (entitlement grant) increased \$361 thousand.
- Capital contributions, from the FTA, decreased by \$1.68 million due to the decreased number of competitive FTA grants available. Generally, FTA funds only a portion (usually 80%) of the cost of these assets with the difference funded with transportation sales tax revenue.

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International Bridges

This fund represents activity related to the City's international bridges. There was no fee increase from 2012. Operating revenues increased \$1.43 million due to an increase in vehicular and pedestrian traffic crossing the City's bridges.

Operating expenses increased \$567 thousand including NPO and OPEB expenses of \$169 thousand. Other significant changes were:

- Outside contracts decreased by \$76 thousand
- Contractual services increased by \$195 thousand
- Operating leases increased by \$346 thousand
- Depreciation expense increased by \$432 thousand

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND LEVEL STATEMENTS

Governmental Funds

At the end of the current fiscal year, the City of El Paso's governmental funds reported total fund balance of \$100.9 million, an increase of \$22.2 million from 2012. Approximately 3.5% of this total amount or \$3.5 million constitutes unassigned fund balance. Nonspendable fund balance of \$3.6 million indicates that inventory is not available to liquidate liabilities. Restricted fund balance of \$86.2 million indicates there are legal restrictions on how these funds may be expended. Committed fund balance of \$6.7 million indicates City Council has restricted how these funds may be expended. Assigned fund balance of \$800 thousand indicates that City management has planned to expend this amount in fiscal year 2014.

General Fund

The General Fund is the general operating fund of the City. The fund balance for the General Fund totaled \$37.3 million, decreasing by \$5 million from the prior year. There was no change in restricted and committed fund balances from the prior year.

There were no changes in sales tax/franchise fee rates and no material changes to the City's revenue fee schedules from 2012.

Revenues increased \$9.9 million and transfers in increased \$1.1 million or a net \$11 million from 2012.

Property tax revenues increased \$6.3 million or 4.8%. The adjusted assessed taxable valuation increased 3.9% and the general fund property tax rate increased in 2013 by \$0.012912 or 3.0%

Sales taxes increased \$1.98 million. Franchise taxes decreased \$1.6 million due to decrease in sales and services, while charges for services increased \$3.5 million due to an increase in engineering charges associated with the increase in the relocation projects to new City Hall Facilities and an increase in the volume of operating units recording reimbursed expenditures.

Investment earnings decreased \$155 thousand as the yield on securities decreased during FY 2013. Amounts invested during 2013 were comparable to 2012.

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Revenue from the County of El Paso, relating to providing health services to county residents, decreased \$74 thousand to \$448 thousand.

Overall, expenditures increased \$15.3 million while transfers out increased \$600 thousand for a net increase of \$15.9 million or 5%.

Personnel expenditures increased \$9.1 million. There was a net \$9 million (9.98%) increase in civilian workforce expenditures and an increase of \$145 thousand in overtime. The City continues to closely monitor the need to fill positions vacated through attrition. There was a net \$134 thousand (.08%) increase for public safety uniformed personnel expenditures, offset by a decrease in overtime of \$4.1 million.

Self-Insurance Fund charges, including retiree health benefits expenditures, decreased \$4.3 million.

Expenditures for utilities decreased \$65 thousand. Electricity expenditures will increase in the future due to growth in City facilities.

Community Development Block Grants

The Community Development Block Grants Fund is the only Special Revenue Fund designated as a major fund for reporting purposes. These activities are funded by the U. S. Department of Housing and Urban Development (HUD) and program revenues of the revolving loan funds (RLF) that were initially funded by HUD. Recognition of these revenues is dependent upon the City expending these funds in accordance with the entitlement grants and is earned as expended. Expenditures decreased \$3.1 million from 2012 to \$13.7 million. The City utilized \$2.6 million in program revenues in 2013.

Debt Service Fund

Ad valorem property tax revenues decreased \$2.3 million (3.2%) as a result of a decrease in the debt service ad valorem property tax rate. Principal and interest payments increased \$1.9 million. \$2.3 million was transferred in from the Capital Projects Fund to close capital projects, as required by debt covenants. Fund balance for the debt service fund decreased \$4.9 million from 2012.

The City's debt management policy requires the fund balance remain in excess of the debt service portion of the largest taxpayer's tax levy for the year, \$1,017,343 in 2013. The policy also requires that a plan, without causing large variances in the tax rate, should be adopted to reduce the fund balance should it exceed 25% of the current year's expenditure budget.

Capital Projects Fund

Capital Projects Fund expenditures totaled \$120.8 million. Net proceeds of debt issued in 2013 were \$62.75 million while other funding sources (hotel/motel tax, interest and other) were \$11.9 million. Transfers from other funds were \$15.3 million.

Transfers to the Debt Service Fund (to close capital projects as required by bond covenants), were \$2.3 million. This resulted in a decrease in fund balance of \$20.6 million to \$(11.75) million.

Downtown Development Corporation

The Downtown Development Corporation is new for FY 2013. Fund balance of \$51,137,497 consist of bond proceeds in the amount of \$65.1 million less issuance cost of \$1.6 million and minus transfers to the capital projects fund and to the art fund in the amount of \$12.3 million in total.

CITY OF EL PASO, TEXAS
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Nonmajor Governmental Funds

Revenues in these funds were \$58.3 million and expenditures were \$54.5 million. Fund balance increased \$1.6 million to \$23.5 million.

Federal Grants

Funding for these activities is program-specific and is provided by the U. S. Congress. Expenditures totaled \$11.2 million as follows:

- Public Safety – Police Department \$5.4 million including capital outlays
- Public Safety – Fire Department \$5.8 million including capital outlays
- Library \$7 thousand

American Recovery and Reinvestment Act Grants

Funding for these activities is program-specific and is part of the Federal Stimulus program. Expenditures, by program, totaled \$2.5 million as follows:

- Energy Conservation \$33 thousand
- Public Safety TPA \$164 thousand
- BTOP Virtual Village \$2.26 million
- Museum and Cultural Affairs \$32 thousand

State Grants

Expenditures for these activities is program-specific and is provided by State Agencies or Departments. Expenditures, by City Department, totaled \$2.9 million as follows:

- Community Development - TDHCA \$13 thousand
- MCAD - Arts \$59 thousand
- Library \$5 thousand
- Museums \$17 thousand
- Police Department \$2.1 million

Other Grants

Expenditures, funded by local and/or nonpublic sources, totaled \$2 thousand.

Public Health

Expenditures, totaling \$12.8 million, and funding, provided by DSHS, for these activities is program-specific.

Nongrants

Funding for these activities comes from a variety of sources including property taxes, sales taxes, fines and forfeitures and charges for services. Generally, funding for these activities occurs over several fiscal years and expenditures are made as accumulated funding allows. Revenues totaled \$28.7 million and expenditures were \$25 million resulting in a \$1.4 million increase in fund balance from FY 2012. The ending fund balance as of August 31, 2013 was \$23.4 million.

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Fund balances as of August 31, 2013 include the following:

- PEG \$3.6 million
- Convention and Visitors Bureau \$2.5 million
- Parks Department \$1.5 million
- Police Department \$4.9 million
- Economic Development \$3.7 million

Proprietary Funds

The City’s proprietary fund statements provide the same type of information found in the government-wide financial statements but in more detail.

Net position of the respective proprietary funds is shown on the Statement of Net Position for these funds. These funds had net position increases/decreases as follows:

	<u>2013</u>	<u>2012</u>
El Paso International Airport	\$ (196,322)	\$ (702,139)
Environmental Services	4,462,774	6,110,785
Mass Transit	(4,839,260)	(5,193,396)
International Bridges	621,996	2,313,044
Net position increase	<u>\$ 49,188</u>	<u>\$ 2,528,294</u>

Factors that contributed to the increase/decrease in net position are discussed in the business-type activities section of the government-wide section.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City originally budgeted for no change in fund balance. City Council voted to increase the overall tax rate to \$.658404 per \$100 in taxable value. The General Fund property tax rate increased 3.01% to \$.442148 and the Debt Service property tax rate decreased 5.6% to \$.216256. The taxable assessed valuation of real and personal property increased approximately 3.9% from 2012.

During 2013, charges to appropriations were increased a net total of \$3,179,695. Appropriation increases included \$3,920,276 to fund City Hall relocation expenses, \$1,206,000 to fund FY 2012 activities not completed by year end, \$200,000 for a Chapter 380 agreement and \$750,000 to provide for outside legal counsel. Citywide resource appropriations decreased by \$2,696,278 primarily due to a property tax settlement.

CAPITAL ASSETS

The City of El Paso’s investment in capital assets for its governmental and business-type activities as of August 31, 2013, amounts to \$1.291 million (net of accumulated depreciation).

Infrastructure Assets

General capital assets include land, improvements to land, easements, buildings, vehicles, machinery and equipment, infrastructure and all other tangible assets that are used in operations and

CITY OF EL PASO, TEXAS
MANAGEMENT’S DISCUSSION AND ANALYSIS
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August 31, 2013

that have initial useful lives greater than one-year and exceed the government’s capitalization threshold (see *Note 5*). The City has capitalized assets with a cost of \$5,000 or more.

Historically, a government’s largest group of assets (infrastructure – roads, bridges, and traffic signals) have not been reported nor depreciated in governmental financial statements. GASB 34 requires these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (a) depreciate these assets over their estimated useful life or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The City chooses to depreciate infrastructure assets over their estimated useful lives.

**Capital Assets at Year-end
(Net of Accumulated Depreciation)**

	Governmental Activities	Business-type Activities	Total
Land	\$ 167,708,835	\$ 16,702,929	\$ 184,411,764
Artwork	-	979,637	979,637
Buildings	166,546,348	107,886,768	274,433,116
Equipment	62,867,973	62,888,809	125,756,782
Improvements	843,447	139,510,307	140,353,754
Infrastructure	345,807,614	-	345,807,614
Construction in progress	179,222,240	40,095,132	219,317,372
Total	<u>\$ 922,996,457</u>	<u>\$ 368,063,582</u>	<u>\$ 1,291,060,039</u>

This year’s major additions included:

Vehicles, equipment and other	\$ 21,797,579
Infrastructure	41,335,931
Buildings	8,876,509
Data processing equipment and software	13,531,228

DEBT ADMINISTRATION

At the end of the fiscal year, the City of El Paso had total debt payable of \$1,048 billion. Of this amount, \$892,660,000 is bonded debt backed by the full faith and credit of the government. Revenue Bonds of \$95,110,000 and Notes Payable of \$38,603,574 are secured solely by fees for services rendered. The Notes Payable pertains to financing agreements between the City of El Paso and the State Infrastructure Bank, as well as the Federal Highway Administration to provide funding for design, construction and improvement of the International Bridges. This debt also includes Capital Lease obligations of \$21,672,816 to acquire buses and radio equipment.

CITY OF EL PASO, TEXAS
MANAGEMENT’S DISCUSSION AND ANALYSIS
(REQUIRED SUPPLEMENTARY INFORMATION)
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Outstanding Debt at Year-End
Bonds, Notes Payable and Master Equipment Lease/Purchase Agreements

	Governmental Activities	Business-type Activities	Total
General Obligations	\$ 554,385,582	\$ 3,214,418	\$ 557,600,000
Certificate of Obligations	304,684,118	30,375,882	335,060,000
Revenue Bonds Payable	60,785,000	34,325,000	95,110,000
Capital Lease Obligations	20,063,362	1,609,454	21,672,816
Notes Payable	27,237,635	11,365,939	38,603,574
Unamortized (Discount) premium, net	22,780,723	842,547	23,623,270
Total	<u>\$ 989,936,420</u>	<u>\$ 81,733,240</u>	<u>\$ 1,071,669,660</u>

During the fiscal year, the City issued \$58,730,000 in certificates of obligation bonds, \$20,710,000 in general obligation bonds and \$60,785,000 in special revenue bonds.

The City’s General Obligation, Revenue Bonds, and Certificate of Obligations ratings are listed below:

	Standard & Poor’s	Fitch Ratings
General Obligations	AA	AA
Certificate of Obligations	AA	AA
Revenue Bonds Payable-El Paso International Airport	A+	A+
Revenue Bonds Payable-El Paso International Airport	AA-	A2

Additional information on the City of El Paso’s long-term debt can be found in *Note 8* of this CAFR.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Economic Factors

As the sixth largest city in Texas, El Paso’s estimated 2013 population of 846,175 has grown by over 5.68% from its 2010 census level. Population growth continues to grow in part from the result of the Defense Base Realignment and Closure (BRAC) process completed in late 2005. At that time, it was anticipated that over 20,000 new troops and 30,000 accompanying family members would become part of the City population during the next seven years. About two-thirds of the additional troops are expected to live off-base, spurring citywide residential development with an emphasis on affordable housing although other higher value master planned developments are underway or in the planning stages.

The City’s \$32 billion tax base is diverse and continues to grow beyond the typically modest rates of the past, increasing by nearly 12% over the past five years. The relocation of air cavalry and armored aviation units to Fort Bliss is attracting high-technology companies for both services and research and development. Major additions to the City’s retail, commercial and health care sectors helped unemployment rates trend downward to record lows in 2007.

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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In December 2013, the City's projected unemployment rate fell from 8.7% in 2012 to 8.0% with a projected labor force of 322,443. Employment numbers at the end of December 2013 reflected a positive change of 2,400 jobs from December 2011.

General Fund Budget

FY 2014 appropriations increased \$17.3 million (5.2%) to \$351.3 million from 2013 actual expenditures and transfers. Appropriations, by function, increased (decreased) as follows:

<u>Function</u>	<u>Change</u>
Public safety	\$ 9,903,136
Nondepartmental	11,130,914
Public works	2,374,049
Parks department	56,685
Library	109,622
Culture and recreation	80,406
Community and human development	131,285
Economic development	(470,892)
Public health	115,105
General government	(2,197,860)
Environmental code compliance	(2,178,801)
Facilities maintenance	(1,802,134)
	<u>\$ 17,251,515</u>

Estimated revenue and transfers increased \$22.2 million (6.7%) from 2013 actual revenues and transfers. Revenues and transfers increased (decreased) as follows:

<u>Revenue and Transfers In</u>	<u>Change</u>
Property taxes	\$ 6,011,649
Charges for services	3,581,849
Sales taxes	5,888,465
Fines and forfeits	1,004,992
Transfers in	1,784,033
Interest	326,239
County participation	483
Intergovernmental revenues	652,825
Rents and other	(6,810)
Licenses and permits	262,610
Franchise fees	2,699,523
	<u>\$ 22,205,858</u>

The City's overall certified taxable assessed valuation for real and personal property increased 1.3% for the FY 2014 tax levy. City Council increased the general fund rate from \$0.442148 to \$0.445699 and the Debt Service tax rate from % \$0.216256 to \$0.232679 from 2013 to 2014; however, the composition of the debt and general fund tax changed slightly.

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
(REQUIRED SUPPLEMENTARY INFORMATION)
August 31, 2013

REQUEST FOR INFORMATION

The City of El Paso's Comprehensive Annual Financial Report is designed to provide citizens, customers, investors and creditors with a general overview of the City's finances. It is available at the following website: http://www.elpasotexas.gov/financial_services/financial_afr.aspp. If you have questions about this report or need any additional information, contact:

Office of the Comptroller
Attention: Financial Accounting and Reporting Division
300 N. Campbell
El Paso, Texas 79901
(915) 212-1170
e-mail: GrizzleDM@elpasotexas.gov

CITY OF EL PASO, TEXAS
Statement of Net Position
August 31, 2013

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	El Paso Water Utilities - February 28, 2013	El Paso Housing Finance Corporation - December 31, 2012
ASSETS					
Cash and Cash Equivalents	\$ 73,886,156	\$ 48,302,375	\$ 122,188,531	\$ 25,202,412	\$ 1,639,046
Investments	33,511,340	22,508,701	56,020,041	2,891,206	5,468,944
Receivables, net of allowances	69,649,542	10,952,682	80,602,224	18,072,952	-
Due From Other Government Agencies	18,459,528	11,787,457	30,246,985	-	-
Other Current Assets	-	-	-	289,145	146,350
Prepaid Items	3,101,887	836,211	3,938,098	1,921,004	1,506
Internal Balances	2,392,514	(2,392,514)	-	-	-
Due from Component Unit	2,922,313	4,127,030	7,049,343	-	-
Inventory	4,447,832	4,765,862	9,213,694	1,772,242	-
Restricted Cash and Cash Equivalents	-	17,853,155	17,853,155	142,492,688	33
Restricted Investments	-	-	-	70,641,119	-
Restricted Trade and Other Receivables	-	-	-	883,530	-
Unamortized Bond Issue Costs	-	-	-	5,900,422	-
Net Pension Asset	58,431,130	-	58,431,130	-	-
Capital Assets, not being depreciated	348,564,075	46,064,390	394,628,465	152,566,489	-
Capital Assets being depreciated, Net	574,432,382	321,999,192	896,431,574	1,051,647,631	1,119
TOTAL ASSETS	1,189,798,699	486,804,541	1,676,603,240	1,474,280,840	7,256,998
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refunding	2,209,540	-	2,209,540	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,209,540	-	2,209,540	-	-
LIABILITIES					
Liabilities:					
Accounts Payable	22,484,294	8,055,264	30,539,558	27,596,545	34,222
Accrued Payroll	5,497,788	1,381,768	6,879,556	3,172,582	-
Taxes and Fees Payable	1,373,870	722,253	2,096,123	-	-
Accrued Interest Payable	2,160,269	394,281	2,554,550	11,453,272	-
Unearned Revenue	2,639,140	1,663,082	4,302,222	287,544	-
Claims and Judgments	-	442,687	442,687	-	-
Other Current Liabilities	-	-	-	394,635	-
Construction Contracts and Retainage Payable	2,584,065	460,383	3,044,448	1,677,792	-
Long-term Liabilities-Current	212,176,453	12,314,024	224,490,477	31,836,480	146,350
Long-term Liabilities-Non-current	905,385,531	111,829,287	1,017,214,818	582,684,220	-
TOTAL LIABILITIES	1,154,301,410	137,263,029	1,291,564,439	659,103,070	180,572
NET POSITION					
Net investment in capital assets	256,626,166	300,679,446	557,305,612	698,873,162	1,119
Restricted for:					
Debt Service	3,912,525	-	3,912,525	88,397,093	-
Cash Reserve	16,000,000	-	16,000,000	-	-
Claims and legal counsel	1,000,000	-	1,000,000	-	-
Municipal Court	3,591,186	-	3,591,186	-	-
PEG	3,632,504	-	3,632,504	-	-
Civic Center	2,460,742	-	2,460,742	-	-
Library	163,633	-	163,633	-	-
Art Museum	555,107	-	555,107	-	-
Parks	1,563,314	-	1,563,314	-	-
Police	4,909,566	-	4,909,566	-	-
Public Works	442,013	-	442,013	-	-
Economic Development	3,675,789	-	3,675,789	-	-
Community Development	37,883,477	-	37,883,477	-	-
Mayor and City Council	141,099	-	141,099	-	-
Public Health	229,656	-	229,656	-	-
Airport Operations	-	11,521,595	11,521,595	-	-
Passenger Facilities	-	11,086,094	11,086,094	-	-
General Government	800,000	-	800,000	-	-
Facilities, infrastructure and equipment	51,137,497	5,151,998	56,289,495	-	-
Unrestricted	(351,017,445)	21,102,379	(329,915,066)	27,907,515	7,075,307
TOTAL NET POSITION	\$ 37,706,829	\$ 349,541,512	\$ 387,248,341	\$ 815,177,770	\$ 7,076,426

CITY OF EL PASO, TEXAS
Statement of Activities
For the Year Ended August 31, 2013

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position						
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-type Activities	Total	El Paso Water Utilities - February 28, 2013	El Paso Housing Finance Corporation - December 31, 2012	
Primary Government:										
Governmental Activities:										
General government	\$ 52,386,415	\$ 5,195,513	\$ 243,398	\$ 1,818	\$ (46,945,686)	\$ -	\$ (46,945,686)	\$ -	\$ -	
Public safety	230,540,514	31,812,571	10,527,740	2,937,448	(185,262,755)	-	(185,262,755)	-	-	
Public works	60,476,968	4,531,381	5,913,977	-	(50,031,610)	-	(50,031,610)	-	-	
Public health	19,863,591	4,540,292	13,960,508	140,412	(1,222,379)	-	(1,222,379)	-	-	
Parks	16,999,787	4,114,816	358,076	308,745	(12,218,150)	-	(12,218,150)	-	-	
Library	16,317,216	324,113	1,542,808	-	(14,450,295)	-	(14,450,295)	-	-	
Culture and recreation	25,930,803	7,541,864	3,124	29,783	(18,356,032)	-	(18,356,032)	-	-	
Community and economic development	30,273,623	12,529,231	565,130	75,853	(17,103,409)	-	(17,103,409)	-	-	
Interest on long-term debt	41,666,450	-	2,419,854	-	(39,246,596)	-	(39,246,596)	-	-	
Total governmental activities	<u>494,455,367</u>	<u>70,589,781</u>	<u>35,534,615</u>	<u>3,494,059</u>	<u>(384,836,912)</u>		<u>(384,836,912)</u>			
Business-type Activities:										
El Paso International Airport	38,154,216	27,746,314	164,769	8,870,366	-	(1,372,767)	(1,372,767)	-	-	
Industrial park and other operations	5,910,054	8,538,610	-	-	-	2,628,556	2,628,556	-	-	
Solid waste disposal operations	47,272,262	53,281,620	-	983,723	-	6,993,081	6,993,081	-	-	
Mass transit operations	66,577,511	13,221,294	11,134,535	3,244,238	-	(38,977,444)	(38,977,444)	-	-	
International bridges operations	5,297,146	17,586,579	-	-	-	12,289,433	12,289,433	-	-	
Total business-type activities	<u>163,211,189</u>	<u>120,374,417</u>	<u>11,299,304</u>	<u>13,098,327</u>	<u>-</u>	<u>(18,439,141)</u>	<u>(18,439,141)</u>			
Total Primary Government	<u>\$ 657,666,556</u>	<u>\$ 190,964,198</u>	<u>\$ 46,833,919</u>	<u>\$ 16,592,386</u>	<u>\$ (384,836,912)</u>	<u>\$ (18,439,141)</u>	<u>\$ (403,276,053)</u>	<u>\$ -</u>	<u>\$ -</u>	
Component Units:										
Water and reclaimed water	\$ 145,886,720	\$ 122,270,104	\$ 694,852	\$ 11,663,713	\$ -	\$ -	\$ -	\$ (11,258,051)	\$ -	
Wastewater	22,164,641	54,468,826	-	-	-	-	-	32,304,185	-	
Stormwater district	8,773,140	15,582,380	-	-	-	-	-	6,809,240	-	
Low/moderate income housing	165,730	4,614,571	-	-	-	-	-	-	4,448,841	
Total Component Units	<u>\$ 176,990,231</u>	<u>\$ 196,935,881</u>	<u>\$ 694,852</u>	<u>\$ 11,663,713</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,855,374</u>	<u>\$ 4,448,841</u>	
Taxes:										
Property taxes, levied for general purposes					\$ 141,318,079	\$ -	\$ 141,318,079	\$ -	\$ -	
Property taxes, levied for debt service					68,297,763	-	68,297,763	-	-	
Franchise taxes					46,453,413	-	46,453,413	-	-	
Sales taxes					87,643,312	37,476,151	125,119,463	-	-	
Investment earnings (loss)					(509,496)	(203,818)	(713,314)	1,546,206	14,047	
Gain on disposal of capital assets					221,931	162,858	384,789	3,647,724	-	
Transfers					18,946,862	(18,946,862)	-	-	-	
Total general revenues and transfers					<u>362,371,864</u>	<u>18,488,329</u>	<u>380,860,193</u>	<u>5,193,930</u>	<u>14,047</u>	
Change in net position					(22,465,048)	49,188	(22,415,860)	33,049,304	4,462,888	
Net position - beginning, as restated					60,171,877	349,492,324	409,664,201	782,128,466	2,613,538	
Net position - ending					<u>\$ 37,706,829</u>	<u>\$ 349,541,512</u>	<u>\$ 387,248,341</u>	<u>\$ 815,177,770</u>	<u>\$ 7,076,426</u>	

CITY OF EL PASO, TEXAS
Balance Sheet
Governmental Funds
August 31, 2013

	General	Community Development Block Grants	Debt Service	Capital Projects	Downtown Development Corporation	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents	\$ 7,885,867	\$ 2,071,624	\$ 142,878	\$ -	\$ 34,882,433	\$ 9,987,944	\$ 54,970,746
Investments	3,674,781	965,368	66,580	-	16,255,064	4,177,755	25,139,548
Receivables - Net of Allowances							
Taxes	20,156,939	-	3,632,990	-	-	238,136	24,028,065
Interest	314,529	465,070	190,303	46,787	-	146	1,016,835
Trade	860,879	-	-	89,782	-	344,570	1,295,231
Notes	-	31,468,719	-	-	-	166,819	31,635,538
Due from Other Government Agencies	146,971	2,004,282	-	5,953,047	-	10,355,228	18,459,528
Other	9,146,374	-	-	-	-	2,514,962	11,661,336
Prepaid Items	3,101,887	-	-	-	-	-	3,101,887
Due from Other Funds	8,364,733	-	-	6,698,593	-	9,371,911	24,435,237
Due from Component Unit	2,760,400	161,913	-	-	-	-	2,922,313
Inventory	3,533,759	-	-	-	-	72,445	3,606,204
TOTAL ASSETS	<u>\$ 59,947,119</u>	<u>\$ 37,136,976</u>	<u>\$ 4,032,751</u>	<u>\$ 12,788,209</u>	<u>\$ 51,137,497</u>	<u>\$ 37,229,916</u>	<u>\$ 202,272,468</u>
LIABILITIES							
Accounts Payable	\$ 6,976,671	\$ 446,631	\$ 1	\$ 8,970,753	\$ -	\$ 3,530,048	\$ 19,924,104
Accrued Payroll	4,987,000	45,201	-	22,803	-	347,050	5,402,054
Due to Other Funds	-	-	-	12,670,812	-	9,371,911	22,042,723
Taxes Payable	1,253,644	-	120,226	-	-	-	1,373,870
Unearned Revenue	1,877,843	-	-	288,711	-	472,586	2,639,140
Due to Other Government Agencies	300	537	-	-	-	1,139	1,976
Payable	-	-	-	2,584,065	-	-	2,584,065
Total Liabilities	<u>15,095,458</u>	<u>492,369</u>	<u>120,227</u>	<u>24,537,144</u>	<u>-</u>	<u>13,722,734</u>	<u>53,967,932</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues-property taxes	7,040,938	-	3,200,570	-	-	-	10,241,508
Unavailable revenues-low income housing loans and community development	-	36,644,607	-	-	-	-	36,644,607
Unavailable revenues-other	555,240	-	-	-	-	-	555,240
FUND BALANCES (DEFICITS):							
Nonspendable	3,533,759	-	-	-	-	72,445	3,606,204
Restricted	16,000,000	-	711,954	-	51,137,497	18,415,137	86,264,588
Committed	1,000,000	-	-	-	-	5,688,662	6,688,662
Assigned	800,000	-	-	-	-	-	800,000
Unassigned	15,921,724	-	-	(11,748,935)	-	(669,062)	3,503,727
Total Fund Balances (Deficits)	<u>37,255,483</u>	<u>-</u>	<u>711,954</u>	<u>(11,748,935)</u>	<u>51,137,497</u>	<u>23,507,182</u>	<u>100,863,181</u>
RESOURCES AND FUND BALANCES (DEFICITS)							
	<u>\$ 59,947,119</u>	<u>\$ 37,136,976</u>	<u>\$ 4,032,751</u>	<u>\$ 12,788,209</u>	<u>\$ 51,137,497</u>	<u>\$ 37,229,916</u>	<u>\$ 202,272,468</u>

CITY OF EL PASO, TEXAS
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
August 31, 2013

Fund balances - total governmental funds balance sheet \$ 100,863,181

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds statements.

Governmental capital assets (excluding internal service funds)	1,747,873,461	
Accumulated depreciation	<u>(824,970,274)</u>	922,903,187

Other long-term assets are not available to pay for current period expenditures and therefore are recognized as unearned in the governmental funds.

Net pension asset - FPPF		58,431,130
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Deferred outflows of resources in the government-wide financial statements not reported in the governmental fund statements.

Deferred amount on refunding		2,209,540
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Deferred inflows of resources not available to pay for current period expenditures reduce fund balances in the governmental fund financial statements.

Unavailable revenues - property taxes	10,241,508	
Unavailable revenues - franchise fees	555,240	
Unavailable revenues - low income housing loans and community development	<u>36,644,607</u>	47,441,355

Internal service funds are used to charge the costs of certain activities, such as health insurance, workers' compensation, unemployment, postage, copy center and equipment maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

8,075,733

Long-term liabilities (excluding internal service funds), including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Accrued interest payable	(2,160,269)	
Claims and judgments	(500,000)	
Compensated absences	(55,617,810)	
Net pension obligation - CEPF	(1,169,712)	
Other post-employment benefits	(52,833,086)	
Unamortized bond issuance premium	(22,780,723)	
Bonds and notes payable	<u>(967,155,697)</u>	
		<u>(1,102,217,297)</u>
Net position of governmental activities		<u>\$ 37,706,829</u>

CITY OF EL PASO, TEXAS
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Governmental Funds
For the Year Ended August 31, 2013

	General Fund	Community Development Block Grants	Debt Service	Capital Projects	Downtown Development Corporation	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Property Taxes	\$ 137,639,441	\$ -	\$ 67,591,174	\$ -	\$ -	\$ 2,161,217	\$ 207,391,832
Penalties and Interest-Delinquent taxes	1,268,806	-	615,923	-	-	-	1,884,729
Sales Taxes	76,812,161	-	-	3,185,459	-	7,645,692	87,643,312
Franchise Fees	41,360,418	-	-	-	-	5,199,782	46,560,200
Charges for Services	24,762,092	2,642,880	1,119,778	2,891,059	-	12,793,395	44,209,204
Fines and Forfeitures	12,553,686	-	-	-	-	1,948,465	14,502,151
Licenses and Permits	11,795,247	-	-	-	-	90,139	11,885,386
Intergovernmental Revenues	1,899,257	266,345	-	5,913,977	-	28,081,228	36,160,807
County Participation	448,013	-	-	-	-	-	448,013
Interest	(32,936)	(11,224)	(379,738)	(85,307)	-	(291)	(509,496)
Rents and Other	1,579,820	10,825,068	-	-	-	423,270	12,828,158
TOTAL REVENUES	310,086,005	13,723,069	68,947,137	11,905,188	-	58,342,897	463,004,296
EXPENDITURES							
Current:							
General Government	32,956,034	182,030	-	46,926	-	1,305,541	34,490,531
Public Safety	203,630,493	-	-	20,000	-	13,523,944	217,174,437
Public Works	15,834,323	-	-	690,988	-	332,786	16,858,097
Facilities Maintenance	24,503,102	-	-	-	-	-	24,503,102
Public Health	5,926,955	-	-	-	-	12,658,346	18,585,301
Parks Department	11,810,348	223,018	-	-	-	37,045	12,070,411
Library	8,393,380	-	-	-	-	1,269,130	9,662,510
Non Departmental	9,257,893	(700)	-	72,879	-	-	9,330,072
Culture and Recreation	6,023,531	-	-	339,983	-	14,975,052	21,338,566
Economic Development	8,782,543	-	-	2,094,196	-	5,180,733	16,057,472
Environmental Code Compliance	2,178,796	(1,944)	-	-	-	32,863	2,209,715
Community and Human Development	331,949	10,632,653	-	-	-	619,611	11,584,213
Debt Service:							
Principal	2,298,669	-	34,174,525	-	-	-	36,473,194
Interest Expense	587,217	-	43,985,197	-	-	-	44,572,414
Fiscal Fees	-	-	239,157	430,903	1,648,169	-	2,318,229
Capital Outlay	809,471	2,688,012	-	117,072,966	-	4,588,215	125,158,664
TOTAL EXPENDITURES	333,324,704	13,723,069	78,398,879	120,768,841	1,648,169	54,523,266	602,386,928
Excess(Deficiency) of revenues over expenditures	(23,238,699)	-	(9,451,742)	(108,863,653)	(1,648,169)	3,819,631	(139,382,632)
OTHER FINANCING SOURCES(USES):							
Transfers In	18,946,861	-	2,345,170	15,261,965	-	238,611	36,792,607
Transfers Out	(712,350)	-	-	(2,345,170)	(12,288,225)	(2,500,000)	(17,845,745)
Federal Tax Credit - Build America Bonds	-	-	2,419,854	-	-	-	2,419,854
Face Amount of Bonds Issued	-	-	-	46,190,000	60,785,000	-	106,975,000
Face Amount of Refunding Bonds Issued	-	-	20,710,000	-	-	-	20,710,000
Premium on Issuance of Bonds	-	-	2,002,146	3,891,021	4,288,891	-	10,182,058
Payment to Refunding Bond Escrow Agent	-	-	(22,914,230)	-	-	-	(22,914,230)
Proceeds from Sale of Capital Assets	-	-	-	171,423	-	-	171,423
Loan Proceeds	-	-	-	25,083,362	-	-	25,083,362
TOTAL OTHER FINANCING SOURCES(USES)	18,234,511	-	4,562,940	88,252,601	52,785,666	(2,261,389)	161,574,329
Net change in fund balances	(5,004,188)	-	(4,888,802)	(20,611,052)	51,137,497	1,558,242	22,191,697
Fund balances - beginning of year	42,259,671	-	5,600,756	8,862,117	-	21,948,940	78,671,484
Fund balances (deficit) - end of period	\$ 37,255,483	\$ -	\$ 711,954	\$ (11,748,935)	\$ 51,137,497	\$ 23,507,182	\$ 100,863,181

CITY OF EL PASO, TEXAS
Reconciliation of the Statements of Revenues, Expenditures and
Changes in Fund Balances (Deficit) to the Statement of Activities
Governmental Funds
For the Year Ended August 31, 2013

Change in net position reported for governmental activities in the statement of activities are different because:

Net change in fund balances (deficit) - total governmental funds \$ 22,191,697

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital acquisitions	119,255,544	
Depreciation	<u>(37,861,008)</u>	81,394,536

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals) is to decrease net position.

Cost of disposed assets	2,955,101	
Accumulated depreciation on disposed assets	<u>(2,955,101)</u>	-

Revenues in the statement of activities that do not provide current financial resources are not reported as unavailable revenue in the governmental funds.

Unavailable revenue from franchise fees	(106,787)	
Unavailable revenue from low income housing loans	(10,460,748)	
Unavailable revenue from economic development loans	(45,066)	
Unavailable revenue from property taxes	<u>339,281</u>	(10,273,320)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:

Unearned revenue from customer advances and developer fees		(2,329,304)
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The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Issuance of long-term debt including refundings	(152,768,362)	
Repayments, including amounts to refunding bond escrow agent	59,387,424	
Amount deferred on refunding	260,402	
Premium on issuance of bonded debt	<u>(10,182,058)</u>	(103,302,594)

Some expenses (excluding internal service fund activity) reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Decrease in compensated absences	1,902,559	
Increase in accrued interest payable	(278,906)	
Increase in net pension obligation-CEPF	(532,555)	
Decrease in net pension asset	(7,158,389)	
Increase in other postemployment benefits	(9,857,718)	
Amortization of premiums on bonds issued	<u>2,924,468</u>	(13,000,541)

Internal service funds are used by management to charge the costs of health insurance, worker's compensation, unemployment benefits, postage, copy center and equipment maintenance to individual funds. The net revenue of the internal service funds is reported by function within governmental activities.

Change in net position of governmental activities		<u>\$ (22,465,048)</u>
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CITY OF EL PASO, TEXAS
Statement of Net Position
Proprietary Funds
August 31, 2013

	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Totals	Governmental Activities - Internal Service Funds
ASSETS						
Current assets:						
Cash and Cash Equivalents	\$ 36,357,577	\$ 11,210,705	\$ 3,854	\$ 730,239	\$ 48,302,375	\$ 18,915,410
Investments	16,942,476	5,224,141	1,796	340,288	22,508,701	8,371,792
Receivables - Net of Allowances:						
Taxes	-	-	5,830,145	-	5,830,145	-
Interest	26,860	74,291	19,027	3,061	123,239	4,790
Due from Other Government Agencies	205,800	-	11,581,657	-	11,787,457	-
Trade	2,924,308	1,973,381	8,641	92,968	4,999,298	7,747
Due From Component Unit	-	4,127,030	-	-	4,127,030	-
Notes	-	-	-	-	-	-
Prepaid Items	386,226	-	449,985	-	836,211	-
Unamortized Bond Issue Costs	-	-	-	-	-	-
Due From Other Funds	-	-	8,088,928	-	8,088,928	-
Inventory	1,294,035	-	3,471,827	-	4,765,862	841,628
Total current assets	<u>58,137,282</u>	<u>22,609,548</u>	<u>29,455,860</u>	<u>1,166,556</u>	<u>111,369,246</u>	<u>28,141,367</u>
Noncurrent assets:						
Restricted Cash and Cash Equivalents	-	17,853,155	-	-	17,853,155	-
Capital Assets:						
Land	1,381,099	1,395,961	11,456,338	2,469,531	16,702,929	-
Buildings, Improvements & Equipment, Net	177,211,731	37,033,468	78,870,289	18,150,033	311,265,521	81,629
Construction in Progress	17,906,267	1,442,330	20,093,637	652,898	40,095,132	11,641
Total noncurrent assets	<u>196,499,097</u>	<u>57,724,914</u>	<u>110,420,264</u>	<u>21,272,462</u>	<u>385,916,737</u>	<u>93,270</u>
TOTAL ASSETS	<u>\$ 254,636,379</u>	<u>\$ 80,334,462</u>	<u>\$ 139,876,124</u>	<u>\$ 22,439,018</u>	<u>\$ 497,285,983</u>	<u>\$ 28,234,637</u>
LIABILITIES						
Current liabilities:						
Accounts Payable	\$ 3,172,187	\$ 957,067	\$ 3,252,822	\$ 673,188	\$ 8,055,264	\$ 2,558,214
Accrued Payroll	325,504	389,489	623,257	43,518	1,381,768	95,734
Current Portion - Bonds, Notes and Capital						
Lease Obligations Payable	1,097,170	1,116,100	2,661,349	1,956,845	6,831,464	-
Due to Other Funds	1,588,342	2,559,289	5,839,768	494,043	10,481,442	-
Taxes Payable	105,735	616,805	(18)	(269)	722,253	-
Interest Payable on Bonds and Notes	38,837	43,531	46,758	265,155	394,281	-
Unearned Revenue	1,657,435	-	647	5,000	1,663,082	-
Construction Contracts and Retainage Payable	401,988	-	58,395	-	460,383	-
Claims and Judgments	-	-	442,687	-	442,687	-
Compensated Absences - Current	1,848,986	1,024,064	1,444,420	172,215	4,489,685	320,295
Landfill Closure Costs - Current	-	992,875	-	-	992,875	-
Claims and Judgments - Current	-	-	-	-	-	15,815,100
Total current liabilities	<u>10,236,184</u>	<u>7,699,220</u>	<u>14,370,085</u>	<u>3,609,695</u>	<u>35,915,184</u>	<u>18,789,343</u>
Noncurrent liabilities:						
Certificates of Obligation Bonds	-	4,911,239	27,597,014	-	32,508,253	-
Revenue Bonds	18,712,304	13,804,758	467,368	-	32,984,430	-
Notes Payable	-	-	-	9,409,094	9,409,094	-
Compensated Absences	521,509	288,839	407,401	48,573	1,266,322	90,340
Landfill Closure Costs	-	16,741,114	-	-	16,741,114	-
Delta Transfer Station Closure Costs	-	119,166	-	-	119,166	-
Net Pension Obligation	1,508,776	161,637	317,558	22,138	2,010,109	48,956
Other Postemployment Benefits	3,609,401	4,764,099	7,679,285	738,014	16,790,799	1,230,265
Total noncurrent liabilities	<u>24,351,990</u>	<u>40,790,852</u>	<u>36,468,626</u>	<u>10,217,819</u>	<u>111,829,287</u>	<u>1,369,561</u>
TOTAL LIABILITIES	<u>\$ 34,588,174</u>	<u>\$ 48,490,072</u>	<u>\$ 50,838,711</u>	<u>\$ 13,827,514</u>	<u>\$ 147,744,471</u>	<u>\$ 20,158,904</u>
NET POSITION						
Net investment in capital assets	\$ 181,576,519	\$ 20,039,662	\$ 87,783,461	\$ 11,279,804	\$ 300,679,446	\$ 93,270
Restricted for:						
Debt Service	-	-	-	-	-	-
Airport Operations	11,521,595	-	-	-	11,521,595	-
Passenger Facilities	11,086,094	-	-	-	11,086,094	-
Customer Facility Charge	5,151,998	-	-	-	5,151,998	-
Unrestricted	10,711,999	11,804,728	1,253,952	(2,668,300)	21,102,379	7,982,463
TOTAL NET POSITION	<u>\$ 220,048,205</u>	<u>\$ 31,844,390</u>	<u>\$ 89,037,413</u>	<u>\$ 8,611,504</u>	<u>\$ 349,541,512</u>	<u>\$ 8,075,733</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 254,636,379</u>	<u>\$ 80,334,462</u>	<u>\$ 139,876,124</u>	<u>\$ 22,439,018</u>	<u>\$ 497,285,983</u>	<u>\$ 28,234,637</u>

CITY OF EL PASO, TEXAS
Statement of Net Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended August 31, 2013

	El Paso					Governmental
	International	Environmental		International		Activities -
	Airport	Services	Mass Transit	Bridges	Total	Internal Service
						Funds
OPERATING REVENUES:						
Charges of Rentals and Fees	\$ 35,753,931	\$ 52,035,335	\$ 66,931	\$ 141,822	\$ 87,998,019	\$ -
Charges of Tolls	-	-	-	17,086,988	17,086,988	-
Charges of Fares and Fees	477,816	5	9,682,424	-	10,160,245	-
Sales to Departments	-	51,220	-	-	51,220	17,266,631
Premium Contributions	1,408	5,183	59	-	6,650	52,905,952
General Revenues	51,769	1,189,877	3,471,880	357,769	5,071,295	1,692,494
Total Operating Revenues	36,284,924	53,281,620	13,221,294	17,586,579	120,374,417	71,865,077
OPERATING EXPENSES:						
Personnel Services	16,835,530	20,507,743	33,628,330	2,475,252	73,446,855	5,403,738
Contractual Services	28,650	463,663	69,529	195,000	756,842	-
Professional Services	278,248	43,590	361,777	920	684,535	3,139,022
Outside Contracts	5,805,058	3,498,845	9,457,613	913,826	19,675,342	3,116,857
Fuel and Lubricants	305,943	3,492,725	5,688,801	6,221	9,493,690	8,768,512
Materials and Supplies	1,047,944	5,745,431	3,609,456	103,404	10,506,235	3,325,712
Communications	288,002	183,795	165,172	20,122	657,091	15,015
Utilities	1,859,741	61,814	490,647	92,854	2,505,056	21,141
Operating Leases	39,653	34,349	539,384	345,927	959,313	43,642
Travel and Entertainment	136,998	81,125	42,062	7,392	267,577	7,715
Benefits Provided	1,852	-	32,384	-	34,236	43,870,841
Maintenance and Repairs	556,529	247,504	424,826	32,694	1,261,553	1,259,890
Other Operating Expenses	440,882	2,354,805	1,974,790	35,941	4,806,418	18,130
Depreciation	15,362,687	9,537,438	9,222,842	581,505	34,704,472	10,826
Total Operating Expenses	42,987,717	46,252,827	65,707,613	4,811,058	159,759,215	69,001,041
Operating Income (Loss)	(6,702,793)	7,028,793	(52,486,319)	12,775,521	(39,384,798)	2,864,036
NONOPERATING REVENUES (EXPENSES):						
Interest Revenue	(42,885)	(116,859)	(37,967)	(6,107)	(203,818)	(9,558)
Interest Expense	(1,076,553)	(1,019,435)	(869,898)	(486,088)	(3,451,974)	-
Gain(Loss) on Sale of Equipment and Land	162,858	-	-	-	162,858	-
Passenger Facility Charge	5,465,342	-	-	-	5,465,342	-
Customer Facility Charge	3,405,024	-	-	-	3,405,024	-
Sales Tax	-	-	37,476,151	-	37,476,151	-
FTA Subsidy	-	-	11,134,535	-	11,134,535	-
Total NonOperating Revenues (Expenses)	7,913,786	(1,136,294)	47,702,821	(492,195)	53,988,118	(9,558)
Income (Loss) Before Capital Contributions and Transfers	1,210,993	5,892,499	(4,783,498)	12,283,326	14,603,320	2,854,478
Capital Contributions	164,769	983,723	3,244,238	-	4,392,730	-
Transfers Out	(1,572,084)	(2,413,448)	(3,300,000)	(11,661,330)	(18,946,862)	-
Change in net position	(196,322)	4,462,774	(4,839,260)	621,996	49,188	2,854,478
Total Net Position (Deficit)-beginning, as restated	220,244,527	27,381,616	93,876,673	7,989,508	349,492,324	5,221,255
Total Net Position-ending	\$ 220,048,205	\$ 31,844,390	\$ 89,037,413	\$ 8,611,504	\$ 349,541,512	\$ 8,075,733

CITY OF EL PASO, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended August 31, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers	\$ 37,962,668	\$ 59,984,712	\$ 1,700,096	\$ 18,080,419	\$ 117,727,895	\$ 71,859,883
Payments to Suppliers	(8,721,413)	(19,889,512)	(31,222,600)	(1,177,387)	(61,010,912)	(67,783,344)
Payments to Employees	(16,167,410)	(19,450,582)	(32,141,475)	(2,382,041)	(70,141,508)	(906,390)
Proceeds from Other Funds	-	-	8,956,977	-	8,956,977	-
Net cash provided (used) by operating activities	<u>13,073,845</u>	<u>20,644,618</u>	<u>(52,707,002)</u>	<u>14,520,991</u>	<u>(4,467,548)</u>	<u>3,170,149</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers to Other Funds	(1,572,084)	(2,413,448)	(3,300,000)	(11,661,330)	(18,946,862)	-
Sales Tax	-	-	37,526,364	-	37,526,364	-
FTA Subsidy	-	-	14,249,650	-	14,249,650	-
Net cash provided (used) by noncapital financing activities	<u>(1,572,084)</u>	<u>(2,413,448)</u>	<u>48,476,014</u>	<u>(11,661,330)</u>	<u>32,829,152</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Passenger Facility Charge	5,465,342	-	-	-	5,465,342	-
Customer Facility Charges	3,405,024	-	-	-	3,405,024	-
Capital Contributions from Federal Government	164,769	1,216,460	3,244,220	-	4,625,449	-
Purchases of Capital Assets	(30,823,019)	(11,108,186)	(7,977,141)	(2,799,996)	(52,708,342)	(47,340)
Payment of Landfill Closure and Transfer Station costs	-	(206,602)	-	-	(206,602)	-
Principal Paid on Capital Debt	(1,047,169)	(1,194,470)	9,877,017	(1,897,796)	5,737,582	-
Interest Paid on Capital Debt	(539,157)	(1,022,020)	(893,874)	(502,601)	(2,957,652)	-
Unamortized Bond Issue Expense	(539,417)	-	-	-	(539,417)	-
Other capital contributions	-	110,586	8,306	-	118,892	-
Proceeds from Sale of Capital Assets	162,858	-	-	-	162,858	-
Net cash provided (used) by capital and related financing activities	<u>(23,750,769)</u>	<u>(12,204,232)</u>	<u>4,258,528</u>	<u>(5,200,393)</u>	<u>(36,896,866)</u>	<u>(47,340)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sales and maturities of investments	-	-	(1,796)	-	(1,796)	-
Purchases (sales) of Investments, net	(6,464,058)	94,783	-	799,474	(5,569,801)	(3,692,567)
Interest (loss)	43,894	(133,466)	(37,967)	3,193	(124,346)	36,399
Net cash provided (used) by investing activities	<u>(6,420,164)</u>	<u>(38,683)</u>	<u>(39,763)</u>	<u>802,667</u>	<u>(5,695,943)</u>	<u>(3,656,168)</u>
Net increase (decrease) in cash and cash equivalents	(18,669,172)	5,988,255	(12,223)	(1,538,065)	(14,231,205)	(533,359)
Cash and Cash Equivalents - beginning of the year	55,026,749	23,075,605	16,077	2,268,304	80,386,735	19,448,769
Cash and Cash Equivalents - end of the year	<u>\$ 36,357,577</u>	<u>\$ 29,063,860</u>	<u>\$ 3,854</u>	<u>\$ 730,239</u>	<u>\$ 66,155,530</u>	<u>\$ 18,915,410</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating Income (Loss)	\$ (6,702,793)	\$ 7,028,793	\$ (52,486,319)	\$ 12,775,521	\$ (39,384,798)	\$ 2,864,036
Adjustments to Reconcile Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	15,362,687	9,537,438	9,222,842	581,505	34,704,472	10,826
Compensated Absences	(335,276)	(64,306)	26,263	(70,806)	(444,125)	(14,960)
Other Post-Employment Benefits	672,840	973,783	1,326,106	144,355	3,117,084	229,989
Net Pension Obligation	257,045	65,937	103,575	7,940	434,497	18,904
Change in Assets and Liabilities:						
Receivables, Net	177,001	3,831,065	(11,587,931)	(203)	(7,580,068)	(5,194)
Inventories	(85,251)	3,340	(318,808)	-	(400,719)	(57,437)
Other Assets	(9,284)	(4,106,137)	(395,216)	-	(4,510,637)	782,444
Accounts and other payables	2,075,023	733,669	1,324,583	576,914	4,710,189	1,001,347
Change in due to other funds	1,588,342	2,559,289	-	494,043	4,641,674	-
Accrued Expenses	73,511	81,747	77,903	11,722	244,883	(1,659,806)
Net cash provided (used) by operating activities	<u>\$ 13,073,845</u>	<u>\$ 20,644,618</u>	<u>\$ (52,707,002)</u>	<u>\$ 14,520,991</u>	<u>\$ (4,467,548)</u>	<u>\$ 3,170,149</u>

The accompanying notes are an integral part of these financial statements.

CITY OF EL PASO, TEXAS
Statement of Fiduciary Net Position
Fiduciary Funds
August 31, 2013

	Pension Trust Funds	Private- Purpose Trusts	Agency Funds
ASSETS			
Cash and Cash Equivalents	\$ 23,741,410	\$ 6,038,494	\$ 19,015,968
Investments:			
High-yield Bond Obligations	54,625,107	-	-
Mutual Funds	28,019,779	-	-
Corporate Stocks	285,719,027	-	-
Bank Collective Investment Funds	90,130,650	-	-
Private Equities	33,082,125	-	-
Real Estate Funds Investment	81,608,490	-	-
Fixed Income Securities	401,090,277	-	8,861,360
Domestic Equities	383,923,517	-	-
International Equities	338,870,826	-	-
Invested securities lending collateral	71,284,681	-	-
Receivables - Net of Allowances			
Commission Credits Receivable	136,034	-	-
Due from Brokers For Securities Sold	2,448,233	-	-
Employer Contributions	1,462,117	-	-
Employee Contributions	1,101,587	-	-
Interest	1,069,765	3,941	-
Special Assessment PID #1	-	-	381,083
Taxes	-	-	60,542,534
Prepaid Items	22,717	-	-
Due from Other Funds	-	-	3,387,550
Capital Assets:			
Buildings, Improvements & Equipment, Net	745,662	-	-
Total Assets	<u>\$ 1,799,082,004</u>	<u>\$ 6,042,435</u>	<u>\$ 92,188,495</u>
LIABILITIES			
Accounts Payable	\$ 75,838,408	\$ 44,871	\$ 26,650,142
Taxes Payable	-	317	-
Accrued Payroll	-	2,923	-
Amount Available to Pay Bonds - PID #1	-	-	146,915
Due to Other Funds	-	3,262,096	-
Prepaid Property Taxes	-	-	1,383,877
Unearned Revenue - Commission Credits	136,034	-	-
Property Taxes Subject to Refund-Other Taxing Entities	-	-	3,083,944
Uncollected Property Taxes-Other Taxing Entities	-	-	60,542,534
Total liabilities	<u>\$ 75,974,442</u>	<u>\$ 3,310,207</u>	<u>\$ 92,188,495</u>
NET POSITION:			
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 1,723,107,562</u>	<u>\$ 2,732,228</u>	

CITY OF EL PASO, TEXAS
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended August 31, 2013

	Pension Trust Funds	Private- Purpose Trusts
ADDITIONS:		
Contributions:		
Employer	\$ 44,287,020	\$ -
Employee	32,367,915	-
Total contributions	76,654,935	-
Rental vehicle sales tax	-	2,989,331
Miscellaneous	-	225,308
Investment income:		
Net appreciation in fair value of investments	157,437,707	-
Interest	14,199,248	-
Dividends	16,626,546	-
Securities lending income	599,162	-
Investment advisor fees	(6,264,839)	-
Net investment income	182,597,824	-
Other Income:		
Rental and Other Income	1,139	-
Total other income	1,139	-
Total additions	259,253,898	3,214,639
DEDUCTIONS:		
Benefits paid to participants	99,390,882	-
Refunds of contributions	5,543,033	-
Administrative expenses	2,162,588	-
Depreciation and amortization expense	123,321	-
Expended for other purposes	-	3,286,192
Total deductions	107,219,824	3,286,192
Change in net position	152,034,074	(71,553)
Net position - beginning of the year	1,571,073,488	2,803,781
Net position - end of the year	\$ 1,723,107,562	\$ 2,732,228

The City of El Paso, Texas (City) was incorporated in 1873. The government of the City is operated by authority of its charter exercising all powers conferred upon constitutional home rule cities in the state of Texas and exercises these powers as a municipal corporation, subject to the Constitution and the laws of the state of Texas. The City Charter was amended in February 2004 to adopt a Council-City Manager form of government.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of significant accounting policies of the City.

A. Reporting Entity

The accompanying financial statements include the City and its component units, collectively referred to as “the financial reporting entity.” The component units discussed below have been included in the City’s reporting entity because of the significance of their operational or financial relationship with the City.

City Employees’ Pension Fund (CEPF)

Substantially all full-time employees of the City are eligible to participate in the CEPF, except for uniformed firefighters and police officers who are covered under separate plans. The plan is a single-employer defined benefit retirement plan established under legal authority of the City Charter and administered by a Board of Trustees (CEPF Board). The CEPF Board is comprised of the Mayor, two citizens designated by the Mayor who are not officers or employees of the City, four elected City employees, a retiree and two City district representatives. The CEPF is included in the accompanying financial statements as a Pension Trust Fund and the financial information included in these statements is as of August 31, 2013.

Firemen and Policemen’s Pension Fund (FPPF)

Uniformed firefighters and police officers participate in the FPPF, which is divided into two divisions: the firemen division and policemen division. The plan is a single-employer defined benefit retirement plan established under legal authority of State Statutes and the City Charter and is administered by a Board of Trustees (FPPF Board). The FPPF Board is comprised of the Mayor, two citizens designated by the Mayor, the Chief of Police (or his designee), the Fire Chief (or his designee) and three policemen and three firemen elected by the membership of their respective divisions. The FPPF is included in the accompanying financial statements under Pension Trust Funds and the financial information included in these statements as of December 31, 2012.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. Reporting Entity (Continued)****El Paso Water Utilities (EPWU)**

The Public Service Board (PSB) consists of the Mayor and four residents of El Paso County, Texas. With the exception of the Mayor, all other trustees are appointed by the City Council. The City authorizes the issuance of the debt for EPWU. EPWU is reported discretely as a component unit in the accompanying financial statements and the financial information included in these statements is as of EPWU's latest fiscal year end, February 28, 2013.

El Paso Housing Finance Corporation (EPHFC)

EPHFC was incorporated September 10, 1979, under Chapter 394 of the Texas Local Government Code, for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe, affordable and sanitary housing for persons of low and moderate income. Its board consists of seven directors, appointed by the City Council, who serve six-year terms of office. Any director may be removed from office at any time, with or without cause, by written resolution of the governing body of the City. EPHFC is reported discretely as a component unit in the accompanying financial statements and the financial information included in these statements is as of EPHFC's latest fiscal year end, December 31, 2012. There was no conduit debt outstanding as of December 31, 2012.

Financial statements for CEPF, FPPF, EPWU and EPHFC may be requested from the respective entity's administrative offices:

CEPF - City Employees' Pension Fund	City of El Paso Employees' Pension Fund 400 W. San Antonio Ave., Suite B El Paso, Texas 79901
FPPF - Firemen and Policemen's Pension Fund	El Paso Firemen & Policemen's Pension Fund 1155 Westmoreland, Suite 223 El Paso, Texas 79925
EPWU - El Paso Water Utilities	El Paso Water Utilities P. O. Box 511 El Paso, Texas 79961
EPHFC - El Paso Housing Finance Corporation	El Paso Housing Finance Corporation 701 Montana El Paso, Texas 79902

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. Reporting Entity (Continued)****Downtown Development Corporation (DDC)**

The DDC is a separate legal entity created in 2013 for the purpose of issuing debt to finance the construction of a Triple-A baseball stadium in the City. The City Council operates as the board of the DDC and certain administrative staff (*e.g.*, CFO, etc.) manages the activities for the DDC. The City levies and collects a designated tax for the purpose of paying debt service on debt issued by the DDC. DDC is included as a major fund in the accompanying financial statements.

El Paso Property Finance Authority, Inc. (Authority)

Incorporated March 12, 1987, pursuant to the Texas Non-Profit Corporation Act, for the purpose of establishing a Permanent Public Improvements Program. Its board consists of six directors who serve two-year terms or until a successor is appointed. The City reserves the right to alter the structure, organization, programs or activities of the Authority or to terminate and dissolve the Authority. The Authority had no assets or liabilities and had no financial transactions during FY 2013.

Related Organizations

Related organizations and jointly governed organizations provide services within the City that are administered by separate boards or commissions, but the City is not financially accountable, and such organizations are therefore, not component units of the City, even though the City Council may appoint a voting majority of an organization's board. Consequently, financial information for the following entities is not included in these financial statements:

El Paso Housing Authority

The El Paso Housing Authority (Authority) is an independent organization that has a scope of public service within the geographic boundaries of the City of El Paso. Under Texas State Statutes, the responsibility for the administration and operations of the Authority is vested solely with the Authority's Board. The Authority is dependent on federal funds from the Department of Housing and Urban Development and, as a result, is not financially dependent on the City of El Paso. In addition, the City is not responsible for any deficits incurred and has no fiscal management control.

El Paso County 911 District

The El Paso County 911 District (District) is a special communications district authorized by the 911 Emergency Act of 1983. The responsibility for the administration and operation of the District is vested solely with the District's Board of Managers. The City appoints two of the six board members. The District is not a component unit because the City has no significant influence over the management, budget or policies of the District. The District is dependent on service fees levied by the District on telephone customers within the participating jurisdictions.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. Reporting Entity (Continued)****Not-for-profit Corporations**

The directors of each corporation below are appointed by the City Council and all activity must be approved from time-to-time by ordinance or resolution duly adopted by the City Council. Approval is solely for the purpose of satisfying the conditions and requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended. Certain of the corporations have authorized and issued bonds for projects. The bonds specifically provide they are not a debt of the City and the City is not responsible for payment of these bonds; therefore, there is no financial benefit/obligation to the City resulting from these projects and no amounts related to these bonds have been reported in these financial statements.

El Paso Health Facilities Development Corporation

Incorporated September 2, 1981, under Chapter 221 of the Texas Health and Safety Code, for the purpose of acquiring, constructing, providing, improving, financing and refinancing health facilities in order to assist the maintenance of public health and public welfare. Its board consists of six directors who serve six-year terms of office.

City of El Paso Industrial Development Authority

Incorporated October 10, 1979, under Article 5190.6 of the Texas Revised Civil Statutes, for the purpose of promoting and developing commercial, industrial, manufacturing and medical research enterprises to promote and encourage employment, public health and public welfare. Its board consists of nine directors who serve six-year terms of office.

B. Basic Financial Statements

The government-wide financial statements report on the City and its component units as a whole, excluding fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions are made when the elimination would distort the measurement of the cost of individual functional activities. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements.

Services performed by one function for another are credited as operating revenue to the performing department and an operating charge to the receiving department to reflect the accurate costs of programs. The rates used are intended to reflect full costs.

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**B. Basic Financial Statements (Continued)**

The government-wide Statement of Net position reports all financial and capital resources of the government (excluding fiduciary funds). It presents information on assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being reported as net position. Net position is required to be displayed in three components: 1) net investment in capital assets, 2) restricted and 3) unrestricted. Net investment in capital assets consists of capital assets net of accumulated depreciation reduced by the outstanding balance of any bonds, notes or other borrowings (excluding unspent proceeds) that are attributable to the acquisition, construction or improvements of capital assets. Restricted net position has external constraints placed on their use by either: 1) creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or 2) by law through constitutional provisions or enabling legislation. All net position not otherwise classified as invested in capital assets, net of related debt or restricted, are shown as unrestricted. Generally, the City would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Restrictions of net position imposed by the reporting government by administrative policy are not shown as restricted net position on the government-wide financial statements.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of the various functions and segments of the City are offset by program revenues. Direct expenses are those that are easily identifiable with a specific function or segment. Interest on long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or segment such as licenses, permits, park user fees, etc. and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes, investment income (loss) and other revenues not identifiable with particular functions or segments are included as general revenues. The general revenues support the net costs of the functions and segments not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of the fund financial statements is on major funds, as defined by GASB Statement Number 34. Criteria for determination of major funds are percentage of assets, liabilities, revenues or expenditures/expenses of the fund category and of the governmental and enterprise funds combined. Nonmajor funds are combined in a single column on the fund financial statements.

The governmental fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. This is the traditional basis of accounting for governmental funds. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance; 2) demonstrate the sources and uses of liquid resources; and 3) demonstrate how the City's actual revenues and expenditures conform to the annual budget. Since the governmental fund financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**B. Basic Financial Statements (Continued)**

These reconciliations explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

The proprietary (enterprise and internal service) funds and fiduciary fund financial statements are prepared on the same basis (economic resources measurement focus and accrual basis of accounting) as the government-wide financial statements. Therefore, most lines for the total enterprise funds on the proprietary fund financial statements will directly reconcile to the business-type activities column on the government-wide financial statements. Because the enterprise funds are combined into a single business-type activities column on the government-wide financial statements, certain interfund activities between these funds may be eliminated in the consolidation for the government-wide financial statements but are included in the fund columns in the proprietary fund financial statements.

C. Fund Accounting

The City uses funds to report its financial position and activities. Fund accounting segregates funds according to their intended purpose and is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, which includes assets, deferred outflows, liabilities, deferred inflows, fund balances, revenues and expenditures.

The City uses the following fund categories:

Governmental Funds

Governmental funds are those through which most of the governmental functions of the City are financed. The measurement focus is based upon determination of changes in financial position rather than upon net income determination.

The City reports the following major governmental funds:

General Fund

The General Fund is the City's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund. The General Fund is always a major fund in the basic financial statements.

Community Development Block Grants Fund (CDBG)

This fund accounts for the proceeds of federal grants approved by the Department of Housing and Urban Development (HUD) for community development projects.

Debt Service Fund

This fund accounts for the resources accumulated for and the payment of long-term debt principal, interest and related costs of governmental funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

Capital Projects Fund

This fund accounts for the proceeds of debt issuances, private donations and internal funding for the completion of capital construction projects and equipment purchases outside the scope of general operations.

Downtown Development Corporation Fund

This fund accounts for the proceeds of debt issuances for the development and construction of the Triple-A minor league ballpark.

The City reports the following nonmajor governmental funds:

Special Revenue Funds (excluding CDBG)

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Proprietary Funds

Proprietary funds are used to account for the City's ongoing organizations and activities, which are similar to those found in the private sector and where cost recovery and the determination of net income is useful or necessary for sound fiscal management. The measurement focus is based upon determination of net income, changes in net position, financial position and cash flows.

Enterprise Funds

Enterprise funds are used to account for operations that provide services to the general public for a fee. Under GASB Statement Number 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for an activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges or 3) it is the policy of the City to establish activity fees or charges to recover the cost of providing services, including capital costs.

The City reports on the following major enterprise funds:

El Paso International Airport (Airport)

This fund accounts for the activities of the Airport including aviation operations and leasing activities on Airport properties.

Environmental Services

This fund accounts for the activities of the City-operated refuse collection, transfer and storage operations.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**C. Fund Accounting (Continued)****Mass Transit**

This fund accounts for the activities of the City-operated bus and para-transit operations (Sun Metro).

International Bridges

This fund accounts for the operations and maintenance activities of the three international bridges it controls.

Internal Service Funds

These funds account for photocopying, postage and fleet management services provided to other departments of the City and to other governments and organizations on a cost reimbursement basis and for the risk management activities of the self-insured health, workers' compensation and unemployment compensation programs.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations or other governmental units. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements since they do not represent assets of the City to support City programs.

Pension Trust Funds

Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other post-employment benefit plans or other employee benefit plans. The City has two pension trust funds to account for the activities of the CEPF and FPPF.

Private Purpose Trust Funds

This fund is used to account for resources of various trusts, the most significant of which is the car rental tax collections used for supporting the funding of the Sun Bowl Association. All resources of this fund, including any earnings on invested resources, may be used to support trust activities. There is no requirement that any portion of these resources be preserved as capital.

Agency Funds

Agency funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations and other governmental units. Agency funds include property taxes collected for other taxing entities, a special assessment for the payment of bonds issued for the Public Improvement District #1 and the Camino Real Regional Mobility Authority.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**D. Measurement Focus and Basis of Accounting**

In the government-wide statements, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Other taxes and fees are recognized as revenue in the year they are earned. Revenue from most grants and similar items are recognized in the fiscal year the qualifying expenditure is made, if applicable, and all other eligibility requirements are satisfied.

Governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheet. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers grant revenues to be available if they are collected within one year after year-end and all other revenues to be available if they are collected within 60 days after year-end except for franchise fee revenues collected within 75 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, compensated absences, debt service expenditures, claims and judgments and arbitrage liabilities are recorded only when the liability has matured.

Revenues susceptible to accrual include property taxes, sales taxes, franchise taxes, fines and forfeits and interest earned on investments. Charges for services, licenses and permits and miscellaneous revenues are recorded when received in cash since they are generally not measurable until actually received which is the same as the date the services are rendered or the license or permits are issued.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The reported fund balance for each fund is considered a measure of "current financial resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "current financial resources" during the period.

Special reporting treatments are applied to governmental fund inventories and prepaid expenditures to indicate that they do not represent "current financial resources," since they do not represent net expendable current assets. Such amounts are reported as nonspendable fund balance.

Proprietary and fiduciary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when incurred. These funds are accounted for on a flow of economic resources measurement focus whereby all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**D. Measurement Focus and Basis of Accounting (Continued)**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating items.

Agency funds are custodial in nature and do not measure results of operations or have a measurement focus.

E. Cash, Cash Equivalents, and Investments

Cash balances of City funds, except for all Component Units, Pension Trust Funds, a portion of the Airport relating to passenger facility charge revenue and certain agency funds, are pooled and invested. Earnings from pooled investments are allocated to funds based upon their share of pooled cash. Each fund's equity in the pooled cash and investments is proportionately presented as "Cash and Cash Equivalents" and "Investments." Negative balances have been reclassified to due to/from other funds. The City reports cash in demand deposit accounts and investment pools as "Cash and Cash Equivalents."

Capital projects funded through bonds with future debt service requirements transfer all investment interest earned during the year to the Debt Service Fund if the debt covenants require the transfer. When projects are completed, any remaining cash is transferred to the debt service fund as prescribed by the debt covenants.

Primary Government

All investments are stated at fair value based on quoted market prices as of year-end. Investments in external investment pools that meet the criteria of GASB Statement Number 31 are reported at cost.

Component Unit – EPWU

All investments with an original maturity greater than one year from date of purchase are stated at fair value based on quoted market prices as of year-end. Investments with an original maturity of less than one year are reported at amortized cost. For investments carried at amortized cost, premiums and discounts on the investments are amortized or accreted using the straight-line method, which approximates the interest method, over the terms of the related securities. Investments in external investment pools that meet the criteria of GASB Statement Number 31 are reported at cost.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**E. Cash, Cash Equivalents, and Investments (Continued)**

Component Unit – EPHFC

Certificates of deposits are considered to be cash equivalents.

F. Inventories and Prepaid Items

Inventories of materials and supplies consist primarily of expendable items held for consumption. They are stated at the lower of cost (based on a first-in, first-out method) or market for all governmental and proprietary funds and on the statement of net position for governmental activities and business-type activities. Inventories of the Component Unit – El Paso Water Utilities are stated at the lower of average cost or market. The “consumption” method is used to account for inventories. Under the consumption method, inventory acquisitions are recorded in inventory accounts and charged as expenditures (governmental fund types) or expenses (proprietary fund types and Component Unit – El Paso Water Utilities) when used. On the government-wide statement of activities, consumption of inventory is recorded as an expense.

Prepaid items, recorded in both government-wide (including Component Unit – El Paso Water Utilities) and fund financial statements are goods or services that are paid for in advance and are applicable to future accounting periods. Using the consumption method, prepaid items are recorded as expenditures (governmental fund types) or expenses (proprietary fund types) as the goods or services are used. On the government-wide statement of activities, consumption of prepaid items is recorded as an expense.

G. Capital Assets

GASB Statement Number 34 requires that all capital assets, whether owned by governmental activities or business-type activities, be recorded and depreciated in the government-wide financial statements. In the governmental fund statements, capital assets are not reported as they do not fit in the current financial resources measurement focus.

Capital assets, including public domain infrastructure (*e.g.*, roads, bridges, sidewalks and other assets that are immovable and of value only to the City) are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Capital assets are recorded at cost (if purchased or constructed) or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of projects is reflected in the capitalized value of the asset constructed for the enterprise funds. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major improvements are capitalized and depreciated over the estimated remaining useful lives of the related capital assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**G. Capital Assets (Continued)**

Capital assets of the primary government (including Airport, International Bridges, Department of Environmental Services, and Mass Transit funds) are depreciated or amortized using the straight-line method and the following estimated useful lives:

Land improvements	15 – 20 years
Buildings and improvements	5 – 50 years
Vehicles and major equipment	3 – 12 years
Data processing	3 – 5 years
Infrastructure	12 – 100 years
Other capital assets	5 – 15 years

When capital assets are retired from service or otherwise disposed of, a gain or loss, if any, on disposal of assets is recognized. Capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation) or net realizable value, if lower, as of the date of the transfer.

Component Unit – EPWU

EPWU utility plant in service is recorded on the basis of cost. Assets acquired through contributions are capitalized and recorded in the plant accounts at estimated fair value at date of donation. Maintenance, repairs, and minor renewals are charged to operating expense, while major plant replacements are capitalized. It is the policy of EPWU to capitalize infrastructure fixed assets.

EPWU provides for depreciation of the utility plant on the straight-line method applied to individual assets. The following estimated average useful lives are used in providing for depreciation of EPWU utility plant:

Buildings and shops	25 – 33 years
Vehicles and heavy equipment	5 years
Equipment and tools	3 – 33 years
Water plant	10 – 50 years
Wastewater plant	5 – 50 years
Water rights contract	75 years
Drainage system	50 – 100 years

Component Unit – EPHFC

Capital assets which only include equipment in service are recorded at cost. Depreciation is calculated using the straight-line method and a useful life of 5 to 7 years.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**H. Insurance**

Activity for certain self-insurance programs is recorded in the City's Internal Service Self-Insurance Fund. Assets and obligations related to employee health benefits, workers' compensation and unemployment compensation are included in the Self-Insurance Fund.

The City is self-insured for general liability (excluding the Mass Transit Department's fleet of vehicles and liability insurance for the Airport). Expenditures for these liabilities are accounted for in the General Fund, which will pay any liabilities incurred.

Additionally, the City maintains insurance policies acquired from independent insurance carriers for property insurance, errors and omissions insurance and auto liability insurance coverage for some of the City's fleet of vehicles.

The City provides employee health and workers' compensation benefits under its self-insurance programs. Employee health and workers' compensation benefit liabilities are accrued in the Internal Service Funds based upon actuarially determined estimates of the aggregate liability for unpaid benefits. The City records all health and workers' compensation claims liabilities, including an estimate for claims incurred but not reported. In addition, the City has a stop loss policy for health claims.

The City is subject to the State of Texas Employment Commission Act. Under this act, the City's method for providing unemployment compensation is to reimburse the state of Texas for claims paid by the State.

I. Unearned Revenue

In the governmental and proprietary funds, unearned revenue represents amounts reported in accordance with the City's revenue recognition criteria. In the General Fund, unearned revenue consist of \$653,071 related to sale of land payable to the Federal Transit Administration, \$804,640 in fees and prepayments related to leases, and \$420,131 in fees collected from developers for future construction projects assigned to the City. \$472,586 in customer deposits are reported as unearned revenue in Special Revenue Funds. Unearned revenue of \$1,657,435, related to a long-term right of way, is reported in the El Paso International Airport Fund.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**J. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the General Fund, deferred inflows of resources consist primarily of franchise fees \$555,241 that was not collected in the 75 days subsequent to the fiscal year end, as well as \$7,040,938 in unavailable revenues related to property taxes. Deferred inflows of resources of \$36,644,607, related to low-income housing loans, are reported in Community Development Block Grants Funds. Deferred inflows of resources of \$3,200,570, related to unavailable revenues for property taxes, are reported in the Debt Service Fund.

K. Interfund Transactions**1. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Resulting receivables and payables are classified as “due from other funds” or “due to other funds.”

2. Transactions Between Funds

Transactions between funds, which would have been treated as revenues, expenditures, or expenses if they involved organizations external to the governmental unit, are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund reimbursed. All other transfers are included in the results of operations of both Governmental and Proprietary Funds.

L. Federal and State Grants

Grants and entitlements received for purposes normally financed through the general government are accounted for within the Special Revenue Funds. Revenues are recognized when the expenditures of Federal and State grant funds are made and all eligibility requirements have been met. Amounts owed to the City at August 31, 2013, for grants and entitlements are reflected as “Due from Other Government Agencies.” The City expects to collect these balances during the subsequent fiscal year.

Grants received by Proprietary Funds are reported in the applicable Proprietary Fund.

M. Compensated Absences

City employees, excluding uniformed Police Department and Fire Department employees, earn vacation leave, which may either be taken or accumulated (up to a maximum of 400 hours) until paid upon termination or retirement. For uniformed Police Department and Fire Department employees only, special provisions apply based on the most current Articles of Agreement between the City and the local associations of Fire and Police Departments.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**M. Compensated Absences (Continued)**

Leave benefits are accrued as a liability as the benefits are earned by employees, but only to the extent that it is probable that the City will compensate the employees through paid time off or cash payments conditioned on the employee's termination or retirement. For governmental funds, a liability for these amounts is reported only if they have matured as a result of termination or retirement. For the government-wide financial statements and enterprise fund financial statements, all of the outstanding compensated absences are recorded as a liability.

N. Long-term Obligations, Bond Premiums, Discounts and Issue Costs

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. In these statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issue costs are expensed in accordance with GASB Statement Number 65.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issue costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issue costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

O. Classification of Fund Equity

In the government-wide financial statements, equity is shown as net position and classified into three components:

Net investment in capital assets – Capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; (2) law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the City's practice to use restricted resources first and then unrestricted resources, as they are needed.

Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

The City reports governmental fund balances by the five following classifications:

Nonspendable – Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Classification of Fund Equity (Continued)

Restricted – Amounts with restrictions that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes and imposed by formal action of the government's highest level of decision making authority. In the case of the City it is the City Council and the formal action would be a resolution.

Assigned – Amounts constrained by City management's intent to be used for specific purposes but are not formally restricted by external resources or committed by City Council. As authorized by budget resolution, the City Manager is authorized to assign fund balance.

Unassigned – Amount of the remaining fund balance not in any of the other classifications.

The City designates restricted amounts to be spent first if both restricted and unrestricted fund balance is available unless there are legal constraints that prohibit this, such as in grant agreements requiring the City to share in amounts spent. Additionally, the City would first use committed, followed by assigned, and lastly unassigned balances when expenditures are incurred for purposes for which balances in any of those fund balance classifications could be used.

P. Statement of Cash Flows

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be currency on hand, cash held by trustee, demand deposits with banks and all amounts included in pooled cash and investment pools. The City considers all highly liquid investments with an original maturity of approximately 90 days or less to be cash equivalents.

Q. Claims and Judgments

Claims and judgments are accrued as expenditures in governmental funds for the amount expected to be liquidated with expendable available financial resources to the extent they mature each period. The entire liability for claims and judgments is reported in the government-wide financial statements and in the enterprise fund financial statements when it is probable that a liability has been incurred.

R. Solid Waste Landfill Closure and Postclosure Cost

Solid waste landfill closure and postclosure costs are accounted for in accordance with guidelines recommended by GASB Statement Number 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Costs*. The liability, based upon landfill capacity used to date, is recorded in the Department of Environmental Services Enterprise Fund. An explanation of the liability and its calculation is in *Note 8*.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Fiscal-year Inconsistencies

The City’s component unit, EPWU, operates on a fiscal year ending on the last day of February. Therefore, the following amounts reported by the primary government are inconsistent with amounts reported by EPWU:

Primary Government - Due from Component Unit	
Governmental Funds:	
General Fund	\$ 2,760,400
Community Development Block Grants	161,913
Proprietary Funds:	
Environmental Services	4,127,030
Due From Component Unit at August 31, 2013	<u>\$ 7,049,343</u>
Component Unit - EPWU - Due to Primary Government - at February 28, 2013	<u>\$ 4,669,505</u>

A component of the Pension Trust Funds, FPPF, operates on a fiscal year ending on December 31. Therefore, the amounts reported by the primary government are inconsistent with amounts reported by FPPF. As a fiduciary fund, the amounts reported by the FPPF are excluded from the government-wide financial statements. The following amounts are reported in these statements:

	<u>Firemen Division</u>	<u>Policemen Divison</u>
Primary Government:		
Employer Contributions to FPPF:		
General Fund	\$ 9,391,286	\$ 18,964,135
Nonmajor Governmental Funds	2,161,622	786,453
El Paso International Airport	432,176	480,280
Employer Contributions to FPPF	<u>\$ 11,985,084</u>	<u>\$ 20,230,868</u>
Fiduciary Funds - FPPF		
Employer Contributions to FPPF	<u>\$ 10,062,408</u>	<u>\$ 13,910,173</u>

T. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the City’s management to make estimates and assumptions that effect reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources at the date of the financial statements and the reported changes in net position during the reporting period. Actual results may differ from those estimates.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 2. CASH AND INVESTMENTS

A summary of cash and cash equivalents and investments is presented below:

	Primary Government	Private- Purpose Trusts	Agency Funds	Subtotal - City Treasury	Component Unit - EPWU	Component Unit - EPHFC	Pension Trust Funds
Cash and Cash Equivalents	\$ 122,188,531	\$ 6,038,494	\$ 19,015,968	\$ 147,242,993	\$ 25,202,412	\$ 1,639,046	\$ 23,741,410
Restricted Cash and Cash Equivalents	17,853,155	-	-	17,853,155	142,492,688	33	-
Cash and Cash Equivalents	140,041,686	6,038,494	19,015,968	165,096,148	167,695,100	1,639,079	23,741,410
Investments	56,020,041	-	8,861,360	64,881,401	2,891,206	5,468,944	1,768,354,479
Restricted Investments	-	-	-	-	70,641,119	-	-
Investments	56,020,041	-	8,861,360	64,881,401	73,532,325	5,468,944	1,768,354,479
	<u>\$ 196,061,727</u>	<u>\$ 6,038,494</u>	<u>\$ 27,877,328</u>	<u>\$ 229,977,549</u>	<u>\$ 241,227,425</u>	<u>\$ 7,108,023</u>	<u>\$ 1,792,095,889</u>

Pooled Cash and Investments

The City maintains a cash and investment pool (Pool) that is available for use by the Primary Government and Private-Purpose Trusts. Each fund's portion of the Pool is proportionately reported in these statements as "cash and cash equivalents" and "investments." Participation in the Pool is restricted and does not include cash on hand (petty cash and change funds) and other funds that are restricted because of statutory or contractual considerations. A fund may overdraw its account in the Pool, with the overdraft reported as a liability (due to other funds) on the balance sheet. Earnings from the Pool are allocated to the funds based upon each fund's daily balance in the Pool in accordance with the City's investment policy.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 2. CASH AND INVESTMENTS (Continued)

Pooled Cash and Investments (Continued)

	Cash and Cash Equivalents	Investments	City Treasury	Non-Pooled	Pooled
Governmental Funds:					
General	\$ 7,885,867	\$ 3,674,781	\$ 11,560,648	\$ 36,936	\$ 11,523,712
Community Development Block Grants	2,071,624	965,368	3,036,992	100	3,036,892
Debt Service	142,878	66,580	209,458	-	209,458
Capital Projects	-	-	-	11,678,065	(11,678,065)
Downtown Dev Corp	34,882,433	16,255,064	51,137,497	52,695,755	(1,558,258)
Nonmajor Governmental Funds	9,987,944	4,177,755	14,165,699	1,478,939	12,686,760
Internal Service Funds	17,965,384	8,371,792	26,337,176	-	26,337,176
Enterprise Funds:					
El Paso International Airport	36,357,577	16,942,476	53,300,053	17,226,017	36,074,036
Environmental Services	29,063,860	5,224,141	34,288,001	1,400	34,286,601
Mass Transit	3,854	1,796	5,650	19,727	(14,077)
International Bridges	730,239	340,288	1,070,527	63,500	1,007,027
Fiduciary Funds:					
Private Purpose Trusts	6,038,494	-	6,038,494	-	6,038,494
Agency Funds	19,035,238	8,861,360	27,896,598	12,636,826	15,259,772
	<u>\$ 164,165,392</u>	<u>\$ 64,881,401</u>	<u>\$ 229,046,793</u>	<u>\$ 95,837,265</u>	<u>\$ 133,209,528</u>

Cash and Cash Equivalents and Investments of the City Treasury at August 31, 2013, were:

	Pooled Cash and Investments	Non-Pooled Cash and Investments	Total	Bank Balance
Cash in bank ¹	\$ 6,565,023	\$ 76,113,013	\$ 82,678,036	\$ 82,108,941
Repurchase agreement	31,050,065	-	31,050,065	31,050,065
Cash on hand	-	123,063	123,063	-
Certificates of deposit	6,486,169	-	6,486,169	6,486,169
External investment pools	30,717,038	19,601,189	50,318,227	50,150,783
Governmental bonds and agencies	58,391,233	-	58,391,233	58,395,231
Cash and cash equivalents	<u>\$ 133,209,528</u>	<u>\$ 95,837,265</u>	<u>\$ 229,046,793</u>	<u>\$ 228,191,189</u>

NOTE 2. CASH AND INVESTMENTS (Continued)**Investments – City Treasury**

The City follows GASB Statement Number 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This statement requires that governmental entities report investments at fair value and that all investment income, including changes in the fair value of investments, be reported as revenue in the statement of activities. The City reports the change in fair value as part of investment earnings (loss).

The City has adopted an investment policy to minimize the inherent risks associated with deposits and investments. The primary objective of the City's investment policy is to invest funds to provide for the maximum safety of principal. After consideration of the City's safety and liquidity requirements, this policy seeks the highest possible investment return. The policy defines:

- The requirements for authorized financial institutions, depositories and broker/dealers.
- Investments authorized and prohibited.
- The maximum maturity for any single investment as three years.
- The maximum dollar-weighted average maturity for investment pools as two years.

The City's investment policy requires that financial institutions, broker/dealers, intermediaries and advisers must meet certain conditions and provide certain information prior to entering into investment activities with the City.

The City participates in TEXPOOL, LOGIC, Texas TERM, TexSTAR, BBVA Compass Money Market Fund and Wells Fargo Government Investment Fund, which are external investment pools. The State Comptroller of Public Accounts maintains oversight responsibility for TEXPOOL. This responsibility includes the ability to influence operations, designation of management and accountability for fiscal matters. LOGIC, Texas Term and TexSTAR are public funds investment pools organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and are privately managed. Although TEXPOOL, LOGIC, Texas TERM, TexSTAR and Wells Fargo Government are not registered with the SEC as investment companies, they operate in a manner consistent with the SEC's Rule 2(a)7 of the Investment Company Act of 1940. GASB Statement Number 31 allows 2(a)7-like pools to use amortized cost (which excludes unrealized gains and losses) rather than fair value to report net position to compute share price. The fair value of the City's position in TEXPOOL, LOGIC, Texas TERM, TexSTAR, BBVA Compass Money Market Fund, and Wells Fargo Government is the same as the value of TEXPOOL, LOGIC, Texas TERM, TexSTAR, BBVA Compass Money Market Fund, and Wells Fargo Government shares.

Custodial Credit Risk (Deposits) – Collateralization is required for deposits in demand deposit accounts, certificates of deposit and repurchase agreements. The collateralization level is 105% of principal and accrued interest. Collateral is held in the City's name by an independent third-party with whom the City has a current custodial agreement and collateral instruments are limited to those instruments authorized by the City's investment policy.

Custodial Credit Risk (Investments) – Securities are held by the City's agent in the City's name.

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments – City Treasury (Continued)

Credit Risk – The investment policy authorizes the following securities:

- obligations of the United States or its agencies and instrumentalities
- direct obligations of the state of Texas or its agencies and instrumentalities
- collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by the agency or instrumentality of the United States
- other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of this state or the United States or their respective agencies and instrumentalities
- obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent
- certificates of deposit and share certificates
- repurchase agreements
- mutual funds that invest in securities described above
- investment pools that invest in securities described above

Concentration of Credit Risk – While the investment policy does not limit the percentage of authorized investment in the portfolio, investment diversification is required.

The following is the fair value of investments that represents 5% or more of investments:

LOGIC investment pool	\$	24,023,063
TEXPOOL investment pool		15,000,517
Texas TERM investment pool		11,126,303
Certificates of deposit		6,488,000
Municipal bonds		56,850,000

Interest Rate Risk – The City will minimize interest rate risk, which is the risk that the market value of securities will fall due to changes in market interest rates, by structuring the investment portfolio so that securities mature in a manner consistent with projected cash requirements, thereby avoiding the need to sell securities on the open market prior to maturity.

At August 31, 2013, investments of the City Treasury are as follows:

Investment type	Fair Value	Maturity in Years		Rating/Agency
		Less than 1	1 - 5	
External investment pools	\$ 50,318,227	\$ 50,318,227	\$ -	AAm/S&P
Governmental bonds and agencies	58,391,233	43,167,125	15,224,108	AA/S&P
Repurchase agreements	31,050,065	31,050,065	-	AA+/S&P

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash, Investments and Security Lending – CEPF**

The CEPF's investments are managed by various investment managers who have discretionary authority over the assets managed by them, within the investment guidelines established by the Board, under contracts with the CEPF. The investments are held by the CEPF's custodian in the CEPF's name. The investments are uninsured and generally consist of short-term securities, U.S. and foreign government securities, and domestic and foreign corporate debt and equity securities. Certain investment managers have invested in certain bank collective investment funds, which invest primarily in U.S. corporate stocks and government bonds. The bank collective funds may also invest in foreign exchange contracts, stock index futures, and temporary collective investment funds and may enter into collateralized securities lending transactions.

Through adherence to the CEPF's Investment Rules and Regulations, management attempts to limit or mitigate certain risks. Certain of these requirements are listed below.

Large Cap Index Equity Managers – Investment is passively managed and is made using commingled funds. As such, the investment guidelines are governed by the fund's prospectus. Permissible investments are S&P 500 Index commingled funds or Exchange Traded Funds (ETFs).

Large Cap Diversified Equity Managers – Under current policies, the portfolio will invest primarily in equity and equity-related securities of issuers that are located in the United States with market capitalizations greater than \$2 billion. The portfolio may invest in publicly traded stocks of U.S. corporations, American Depository Receipts (ADRs), publicly traded stocks of foreign corporations listed on U.S. stock exchanges, ETFs and short-term investments, money market instruments or equivalent. The maximum position size in any one company will be 5% of the portfolio value at market. Leverage, short sales, and buying and selling on margin are not permitted.

Large Cap Tangent-Added Managers – Investment is made using commingled funds. As such, the investment guidelines are governed by the fund's prospectus. The portfolio will actively allocate assets across the equity, fixed income and cash markets of the U.S. The assets of the portfolio may be invested in securities, derivatives and a combination of other collective funds. Long and short positions in financial futures, options on financial futures, index options, exchange-traded options and over-the-counter options, may be used.

Mid Cap Index Equity Managers – Investment is passively managed and is made using commingled funds. As such, the investment guidelines are governed by the fund's prospectus. Permissible investments are S&P 400 Index commingled funds or ETFs.

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash, Investments, and Security Lending – CEPF (Continued)**

Small Cap Equity Managers – Under current policies, the portfolio will invest primarily in equity and equity-related securities of issuers that are located in the United States with market capitalizations greater than \$100 million and under \$2 billion; the market capitalization of certain securities may be less than or greater than this range at times. The portfolio may invest in publicly traded stocks of U.S. corporations, ADRs, publicly traded stocks of foreign corporations listed on U.S. stock exchanges, ETFs and short-term investments, money market instruments or equivalent. The maximum position size in any one company will be 5% of the portfolio value at the time of purchase and shall not exceed a maximum appreciated position size of 8% of the portfolio value. Leverage, short sales and buying and selling on margin are not permitted.

All Cap Equity Managers – Under current policies, the portfolio will invest primarily in equity and equity-related securities of issuers that are located in the United States with market capitalizations that span the broad equity market in a concentrated manner, generally with 20 - 80 holdings. The portfolio may invest in publicly traded stocks of U.S. corporations, ADRs, publicly traded stocks of foreign corporations, ETFs and short-term investments, money market instruments or equivalent. Leverage, short sales and buying and selling on margin are not permitted.

International Equity-Developed Country Index Managers – Investment is passively managed and is made using commingled funds. As such, the investment guidelines are governed by the fund's prospectus. Permissible investments are MSCI EAFE Index commingled funds or ETFs.

International Equity-All Country Managers – Investment is made using commingled funds. As such, the investment guidelines are governed by the fund's prospectus. The portfolio will invest primarily in equity-related securities of issuers that are located in, or that do significant business in, countries other than the United States, including emerging market countries. The portfolio will invest in securities denominated in the currencies of a variety of countries, including emerging market countries. The maximum position size will be 6% in any one company. The maximum position size will be 35% in any one country. The maximum emerging markets weight is the MSCI ACWI ex-US IMI Index weight plus 15%.

International Equity-Emerging Markets Managers – Investment is made using commingled funds. As such, the investment guidelines are governed by the fund's prospectus. The portfolio will invest in equity and equity-related securities of at least 80% of its assets in issuers that are located in, or that do significant business in emerging market countries. The portfolio will invest in securities denominated in the currencies of a variety of countries, including emerging market countries. The maximum position will be 6% in any one company. The maximum position size will be 20% in any one country.

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash, Investments and Security Lending – CEPF (Continued)**

International Equity-All Country Small Cap Managers – Investment is made using commingled funds. As such, the investment guidelines are governed by the fund’s prospectus. The portfolio will primarily invest in equity and equity-related securities of issuers that are located in, or that do significant business in, countries other than the United States, including emerging market countries. The portfolio will invest in securities denominated in the currencies of a variety of countries, including emerging market countries. The maximum position will be 6% in any one company. The maximum position size will be 35% in any one country. The maximum emerging market weight is the MSCI ACWI ex-US Small Cap Index weight plus 15%.

Fixed Income Core Index Managers – Investment is passively managed and is made using commingled funds. As such, the investment guidelines are governed by the fund’s prospectus. Permissible investments are Barclays Capital Aggregate Index commingled funds or ETFs.

Fixed Income Core Plus Managers – Under current policies, except for U.S. Treasury, its agencies, agency MBS, and approved derivative products, the fixed income account shall not contain more than 5% of any issuer. The account will not invest more than 15% in cash and cash equivalents and will not invest in equity securities, with the exception of preferred and convertible preferred securities, in which no more than 10% will be invested. The account may invest up to 15% in illiquid securities. The account may invest up to 35% in noninvestment grade bonds; defined as bonds that are rated non-investment grade by two of the three major ratings agencies. The dollar-weighted-credit quality of the account will generally be AA or less, with a minimum dollar-weighted-average quality of BBB-. The effective duration of the account should range between +25%/-40% of the benchmark’s duration. The account will not employ leverage.

Fixed Income Opportunistic Managers – Under normal market conditions, the fund may invest up to 50% in bonds that are rated below investment grade (below BBB-/Baa3) by the various credit rating agencies, or securities that are not rated. In addition, the fund may leverage its capital. In normal market conditions, the manager may borrow up to 35% of the fund for investment purposes. If the investment manager believes market conditions are unfavorable to participants, the manager may invest up to 100% of the fund in U.S. or non-U.S. currency denominated short-term investments, including cash or cash equivalents.

Real Estate Managers – Real estate investments will be diversified to the extent possible by geographic location and property type. For real estate investment trusts (REITs), managers cannot invest in undeveloped, non-income producing property, cannot invest in funds where leverage is intended to exceed 30% of the market value of the fund and cannot invest in non-U.S. real estate. For private real estate investments, managers should diversify the portfolio by property type and by various geographic regions of the U.S. Leverage is limited to no more than 30% of the fund. The quarterly standard deviation of returns for REITs and private real estate should be no greater than 150% of their respective benchmark indices.

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash, Investments and Security Lending – CEPF (Continued)**

Private Equity Managers – As private equity fund-of-funds vehicles are commingled, closed-end, finite-life limited liability entities, the investment guidelines will be determined by the fund-of-funds legal documentation. The pooled/fund-of-funds vehicle should not represent more than 20% of the total market value of the pooled/fund-of-funds. It is also preferred that this holds true for any other investor in the pooled/fund-of-funds. The manager of the fund-of-funds vehicle shall be a bank or a registered advisor under the Investment Advisors Act of 1940. If the fund-of-funds provides the option of receiving distributions in cash or securities, the trust will opt to receive cash.

(a) Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Fund's investment policy does not specifically address custodial credit risk for deposits. As of August 31, 2013, the Fund holds no deposits.

(b) Investments

Interest rate risk is the risk that the market value of securities will fall due to changes in market interest rates. The CEPF's policy is to minimize interest rate risk by structuring the investment portfolio so that the duration securities are held and the coupon rates of such are appropriately diversified.

As of August 31, 2013, the CEPF had the following investments subject to interest rate risk:

Investment type	Fair value	Weighted- average Maturity
Cash equivalents (money market funds)	\$ 9,912,323	0.00
Government fixed income	47,358,261	17.88
Corporate bonds and notes	54,625,107	9.81
Bank collective investment funds	26,541,241	7.49
Commingled funds	35,452,586	3.30
Total fair value	\$ 173,889,518	

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Fund's investment policy indicates that fixed income core plus portfolio obligations be rated at least BBB by Standard & Poor's or an equivalent rating agency. However, up to 35% of non-investment grade bonds may be rated BBB- by Standard & Poor's or an equivalent rating agency.

NOTE 2. CASH AND INVESTMENTS (Continued)

Cash, Investments and Security Lending – CEPF (Continued)

(b) Investments (Continued)

At August 31, 2013, the CEPF held various bond instruments in the aggregate fair value of \$173,889,518. Fixed income core plus portfolios held bond instruments with ratings of BBB or better by Standard & Poor’s. Approximately 27% of portfolio was of noninvestment grade bonds as of August 31, 2013.

Concentration of credit risk is the risk of loss attributed to the magnitude of the CEPF’s investment in a single issuer. The CEPF’s investment policy does not allow for the investment portfolio to hold more than 10% in any one company. The following table presents the fair value of investments that represents 5% or more of the CEPF’s net position at August 31, 2013.

These investments were in bank collective investment and commingled funds, which consist of diversified portfolios of investments as described above, and none of these investments consist of any one company holding 5% or more of the total investment.

	Shares	Fair Value
EB MCM Aggregate Bond Index Fund Mellon Capital Management Corporation	158,694.917	\$ 54,994,655
Winslow Large Capital Growth Fund Wilmington Trust Company	1,718,266.974	45,379,431
Franklin Templeton Global Multisector Plus Trust Franklin Templeton Investments	3,017,241.379	35,452,586
MCM EB Daily Valued Large Cap Specialized Investment Fund Mellon Capital Management Corporation	28,230.815	35,135,995
UBS Trumbull Property Fund UBS Realty Investors	3,856.484	33,787,948

NOTE 2. CASH AND INVESTMENTS (Continued)

Cash, Investments and Security Lending – CEPF (Continued)

(b) Investments (Continued)

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The CEPF’s investment policy allows 19% to 29% of equity securities be invested in foreign markets. The CEPF’s exposure to foreign currency risk at August 31, 2013, was as follows:

<u>Investment Type (at Fair Value)</u>		
Mutual funds		<u>\$ 1,066</u>
	Percentage of	
	Foreign	
	Portfolio	
<u>Currency Type</u>	<u>Percentage of</u>	<u>Fair Value</u>
Euro Currency Unit	<u>100.00%</u>	<u>\$ 1,066</u>
	<u>100.00%</u>	<u>\$ 1,066</u>

(c) Security Lending Transactions

State statutes and board of trustees’ policies permit the CEPF to lend its securities to broker/dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The Fund currently participates in a security lending short duration lending pool. All securities loans can be terminated on demand by either the CEPF or the borrower, although the average term of the loans is one week. The relationship between the maturities of the investment pool and the system’s loans is affected by the maturities of the securities loans made by other entities that can use the agent’s pool, which the CEPF cannot determine.

Custodial credit risk for securities lending transactions is the risk that, in the event of the failure of the counterparty, the system will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For the year ended August 31, 2013, CEPF had no credit risk exposure to borrowers because the amounts the CEPF owes the borrowers exceed the amounts the borrowers owe the CEPF. At August 31, 2013, the fair value of securities loaned was \$20,943,954 and was comprised of corporate stocks.

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash, Investments and Security Lending – FPPF**

The FPPF's investments are managed by various investment managers who have discretionary authority over the assets managed by them, within the investment guidelines established by the Board under contracts with the Fund. The Investments of the Fund are held by the Fund's custodians and various investment managers. The investments generally consist of short-term securities, U.S. and foreign government securities, and domestic and foreign corporate debt and equity securities. Certain investment managers have invested in certain bank collective investments funds which invest primarily in U.S. corporate stocks and government bonds. The bank collective funds may also invest in foreign exchange contracts, stock index futures, and temporary collective investment funds and may enter into collateralized securities lending transactions.

Asset Type	Fair Value Measurement Method
Common Stock	
Corporate stock	Last trade of official close
Fixed Income	
Government bonds	Net asset value
Municipal provincial bonds	Net asset value
Corporate bonds	Net asset value
Venture Capital and Partnerships	
Limited partnerships	Bid evaluation or total market value

The fair values of the FPPF's investments as of December 31, 2012, by type, are as follows:

Investment type	Fair value
Fixed Income	
Corporate, government and municipal/provincial bonds	\$ 339,096,450
Domestic equities	336,565,256
International equities	338,870,826
Private equities	20,588,179
Real estate investment funds	30,111,353
Investing before invested securities lending collateral	1,065,232,064
Invested in securities lending collateral	71,284,681
Total	<u>\$ 1,136,516,745</u>

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash, Investments and Security Lending – FPPF (Continued)**

Through adherence to the Fund's Investment Policy, management attempts to limit or mitigate certain risks. Certain of these requirements are listed below.

Domestic Large Cap Equity Portfolio – The annual standard deviation of returns for the FPPF's domestic large cap equity portfolio, if actively managed, is not expected to exceed 1.25 times the annual standard deviation of the S&P 500 Index. If passively managed, it is not expected to exceed 1.1 times the annual standard deviation of the S&P 500 Index.

Domestic Small Cap Equity Portfolio – The annual standard deviation of returns for the FPPF's domestic small cap equity portfolio, if actively managed, is not expected to exceed 1.50 times the annual standard deviation of the Russell 2000 Index.

International Equity Portfolio – The annual standard deviation of returns for the Fund's international equity portfolio, if actively managed, is not expected to exceed 1.5 times the annual standard deviation of the returns for the International Equity Benchmark Index.

Emerging Markets Equity Portfolio – The annual standard deviation of returns for the FPPF's emerging markets equity portfolio, if actively managed, is not expected to exceed the 1.5 times the annual standard deviation of the returns for the Emerging Markets Equity Benchmark Index.

Domestic Fixed Income Portfolio – The annual standard deviation of returns for the FPPF's domestic fixed income portfolio, if actively managed, is not expected to exceed 1.3 times the annual standard deviation of the returns for the Lehman Brothers Aggregate Bond Index. If passively managed, the portfolio is not expected to exceed 1.2 times the annual standard deviation of the returns for the Lehman Brothers Aggregate Bond Index.

Real Estate Portfolio – The annual standard deviation of returns for the FPPF's domestic core – plus fixed income portfolio, if actively managed, is not expected to exceed 1.5 times the annual standard deviation of the returns for the NCREIF Index.

Domestic Cash Equivalents Investments – The risk objective shall be to stay within an acceptable risk level, as measured by standard deviations, which is equal to that of the 91-day Treasury bill rate.

NOTE 2. CASH AND INVESTMENTS (Continued)

Cash, Investments and Security Lending – FPPF (Continued)

As of December 31, 2012, the FPPF fixed income portfolio had the following ratings and maturities:

<u>Rating</u>	<u>Amount</u>	<u>Maturity</u>	<u>Amount</u>
US Tsy (incl GNMA MBS)	\$ 49,187,472	< 1 year	\$ 14,829,966
US Agcy (incl FN/FH MBS)	30,433,682	1 - 3 years	104,495,072
A1	1,126,841	3 - 5 years	69,569,521
AAA	135,171,699	5 - 7 years	113,689,985
AA	16,150,371	7 - 10 years	10,463,000
A	60,583,859	10 - 20 years	11,186,006
BBB	31,173,197	20 - 30 years	14,373,869
BB	8,563,991	> 30 years	489,031
B	2,028,314		<u>\$ 339,096,450</u>
Below B	3,380,523		
Committed Cash	<u>1,296,501</u>		
	<u>\$ 339,096,450</u>		

The FPPF's exposure to foreign currency risk at December 31, 2012 was as follows:

<u>Investment</u>	<u>Currency</u>	<u>Fair Value</u>
Cash and equivalents	European Union Euro	\$ 191
Partnerships	European Union Euro	<u>16,571,629</u>
		<u>\$ 16,571,820</u>

Securities Lending Transactions

The FPPF has a securities lending agreement with its custodian, the Northern Trust Company (the Lending Agent), under which FPPF owned investments are lent to one or more borrowers for a fee. The Lending Agent is responsible for collecting all required collateral in the form of U.S. dollar cash, securities issued or guaranteed by the United States Government or its agencies or instrumentalities, or irrevocable letters of credit issued by banks independent of the borrowers.

The lending agent is authorized to enter into securities lending transactions of U.S. and non-U.S. Securities (securities) in accordance with the terms of the Securities Lending Authorization Agreement (the agreement). The Lending Agent is authorized to lend the Funds securities to one or more borrowers as seen appropriate but limited to the listed or described borrowers as listed in the attachment to the aforementioned agreement.

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash, Investments and Security Lending – FPPF (Continued)****Securities Lending Transactions (Continued)**

The Lending Agent shall indemnify, defend and hold the Fund harmless from and against any losses, damages, costs and expenses (other than special, incidental, indirect or consequential losses, damages, costs or expenses) the Fund may incur if the Lending Agent is unable to recover borrowed securities and distributions made during the term of the loans with respect to those securities as a result of the Lending Agent's failure (a) to make a reasoned determination of the credit-worthiness of a borrower, (b) to demand adequate and appropriate collateral on a prompt and timely basis and (c) to perform its duties and responsibilities under the agreement.

The agreement states that collateral must have a market value equal to no less than 100% of the market value of the borrowed securities.

Each business day the Lending Agent and the Fund shall determine the market value of the collateral and the borrowed securities. If on any business day the market value of all the collateral shall be less than the required value, the Lending Agent shall demand from the borrower, subject to a de minimis rule of change in value appropriate to the type of borrowed securities, additional collateral so that the market value of the additional collateral, when added to the market value of the collateral previously delivered to the Lending Agent, shall equal the required value.

If on any business day the market value of all the collateral shall be greater than the required value, the Lending Agent shall, upon request from the borrower, subject to a de minimis rule of change in value appropriate to the type of borrowed securities, redeliver the borrower such amount of collateral selected by the borrower so that the market value of all collateral equals the required value. Credit risk is deflated as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund's policy requires investment grade securities.

The Fund is authorized to enter into securities lending transactions under Texas State Statutes Section 2256.0015.

At December 31, 2012, \$71,284,681 of FPPF owned investments were loaned to others.

Cash and Investments – EPWU

EPWU has adopted an investment policy to minimize the inherent risks associated with deposits and investments. The Public Funds Investment Act (Texas Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires EPWU to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities and (9) bid solicitation preferences for certificates of deposit.

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash, Investments, and Security Lending – FPPF (Continued)****Cash and Investments – EPWU (Continued)**

Texas statutes and ordinances of the City of El Paso authorize EPWU to expend funds for the operation of EPWU, including the purchase of investments. EPWU is permitted to invest available funds in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market mutual funds, (5) investment pools, (6) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the state of Texas or the United States; obligations of states, agencies, counties, cities, and other political subdivisions of any state having a rating of not less than A or its equivalent and (7) fully collateralized repurchase agreements having a defined termination date and secured by obligations of the United States or its agencies and instrumentalities.

The Act also requires EPWU to have independent auditors perform test procedures related to investment practices as provided by the Act. EPWU is in substantial compliance with the requirements of the Act and with local policies.

EPWU participates in TEXPOOL, which is a government investment pool in the state of Texas. The State Comptroller of Public Accounts maintains oversight responsibility for TEXPOOL. This responsibility includes the ability to influence operations, designation of management and accountability for fiscal matters. Federated Investors manage the daily operations of the pool under a contract with the State Comptroller. Although TEXPOOL is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC's Rule 2(a) of the Investment Company Act of 1940. GASB Statement Number 31 allows 2(a)7-like pools to use amortized cost (which excludes unrealized gains and losses) rather than fair value to report net position to compute share price. The fair value of EPWU's position in TEXPOOL is the same as the value of TEXPOOL shares.

EPWU also participates in TexSTAR, which is an investment service created by local governments for local governments. TexSTAR was organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. These acts provide for the creation of public funds investment pools such as TexSTAR and authorize eligible governmental entities to invest their public funds in investment pools.

State statutes permit EPWU to enter into certain repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. All sales of investments under reverse repurchase agreements must be for fixed terms. In investing the proceeds of reverse repurchase agreements, the term to maturity of the investments is the same as the term of reverse repurchase agreement. During fiscal year 2013, EPWU did not enter into any reverse repurchase agreements.

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash and Investments – EPWU (Continued)**

Credit risk is the risk of loss due to failure of an issuer not fulfilling its obligations. EPWU minimizes credit risk by limiting investments to the safest types of securities as authorized by its investment policy and by pre-qualifying the financial institutions and broker/dealers with which the EPWU will do business.

EPWU minimizes concentration of credit risk by diversifying the investment portfolio so that potential losses on individual securities will be minimized. In addition, they also invest in securities with varying maturities, and are continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs) and money market funds.

Diversification by investment type shall be established by the following maximum percentages of investment type to the total EPWU portfolio:

U.S. government securities	100%
State, agencies, counties, cities and other	50%
Certificates of deposit	50%
Money market mutual funds	80%
Eligible investment pools	100%

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, EPWU will not be able to recover deposits or collateral securities that are in the possession of an outside party. For investments, the custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, EPWU will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

Cash and Investments – Component Unit – EPWU

EPWU minimizes depository custodial credit risk by depositing and investing under the terms of a contract, contents of which are set out in the depository contract. The depository bank places approved pledged securities for safekeeping and trust with EPWU's agent bank in an amount sufficient to protect EPWU funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

EPWU minimizes investment custodial credit risk by requiring that all collateral securities be held by a third-party institution. The EPWU requires full collateralization of all EPWU investments, other than investments which are obligations of the U.S. government and its agencies and instrumentalities, or by the Federal Reserve Bank, except the collateral for certificates of deposits in banks. The collateral for certificates of deposits in banks will be registered in EPWU's name in the bank's trust department or, alternatively, in a Federal Reserve Bank account in EPWU's name.

NOTE 2. CASH AND INVESTMENTS (Continued)**Cash and Investments – Component Unit – EPWU (Continued)**

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of investments. EPWU minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. It is also minimized by investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. The operating funds portfolio should have a weighted-average maturity less than 270 days with a maximum of two years for any investment.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. EPWU does not directly invest in foreign securities; however, the escrow accounts money market fund might invest a minimal amount of the fund's portfolio in foreign securities.

At February 28, 2013, investments of EPWU are as follows:

Investment Type	Fair Value	Maturity in years		Rating/Agency
		Less Than 1	1 - 5	
Investment Pools	\$ 73,443,328	\$ 73,443,328	\$ -	AAAm/S&P
Mutual Funds:				
Fidelity Treasury Money Market Fund	35,194,988	35,194,988	-	AAAm/S&P
Government Money Market Fund	17,419,848	17,419,848	-	AAAm/S&P
Securities	51,934,600	17,681,371	34,253,229	AA/S&P
	<u>\$ 177,992,764</u>	<u>\$ 143,739,535</u>	<u>\$ 34,253,229</u>	

Cash and Investments – Component Unit – EPHFC

EPHFC maintains cash in one financial institution, WestStar Bank. Collateral is held in safekeeping at the Federal Reserve Bank or member bank other than the depository bank, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds, with the exception of deposit insurance by the Federal Deposit Insurance Corporation.

At December 31, 2012, cash collateral of EPHFC is as follows:

Investment Type	WestStar Bank
Cash account	\$ 24,479
Certificates of deposit	1,621,798
FDIC coverage	(250,000)
Total uninsured public funds	<u>1,396,277</u>
Pledged securities	2,252,664
Excess collateral	(1,396,277)
	<u>\$ 856,387</u>

NOTE 2. CASH AND INVESTMENTS (Continued)

Cash and Investments – Component Unit – EPWU (Continued)

Custodial credit risk is the risk that, in the event of a bank failure EPHFC deposits may not be returned to it. It requires financial institutions that hold corporation deposits in excess of the FDIC insured amount will be required to sign a depository agreement with EPHFC and the corporation’s safekeeping agent. Bank balances of \$250,000 are covered by the FDIC. As of December 31, 2012, none of the EPHFC bank balances were exposed to custodial risk.

EPHFC had the following investments at December 31, 2012:

<u>Investment Type</u>	<u>Fair Market Value</u>	<u>Maturity</u>
TexSTAR/investment pool	<u>\$ 5,648,944</u>	49 days

NOTE 3. PROPERTY TAXES

The City’s property tax is levied each October 1 on the assessed value listed as of January 1 for all real and personal property located in the City. A receivable for property taxes is recognized and recorded at the levy date. The adjusted assessed value for the roll as of January 1, 2012, upon which the 2013 levy was based, was \$31,822,616,764.

Taxes are due by January 31 following the October 1 levy date. During the fiscal year, 98.1% of the current tax levy (October 2012) was collected. The statutory lien date is January 1.

The methods of property assessment and tax collection are determined by Texas statute. The statutes provide for a property tax code, countywide appraisal districts and certain exemptions from taxation, such as intangible personal property, household goods and family-owned automobiles.

The appraisal of property within the City is the responsibility of the El Paso Central Appraisal District. The El Paso Central Appraisal District is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every three years; however, the City may require more frequent reviews of appraised values at its own expense. The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action.

The City is authorized to set tax rates on property within the City limits. However, if the adopted tax rate for operations exceeds the effective operating rate as calculated pursuant to the property tax code for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate increase to no more than 8%.

CITY OF EL PASO, TEXAS**NOTES TO FINANCIAL STATEMENTS****Year Ended August 31, 2013****NOTE 3. PROPERTY TAXES (Continued)**

Through a contractual arrangement, the City of El Paso bills and collects property taxes for several other governmental entities as well as the City. The City is permitted by Article 11, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. Under the City Charter, a limit on taxes levied for general governmental services, exclusive of payments of principal and interest on general obligation long-term debt, has been established at \$1.85 per \$100 assessed valuation.

The tax rate to finance general governmental purposes, other than the payment of principal and interest on general obligation long-term debt, for the year ended August 31, 2013, was \$.442 per \$100 assessed valuation. The City has a tax margin for general governmental purposes of \$1.408 per \$100 assessed valuation and could levy \$448,062,444 in additional taxes from the assessed valuation of \$31,822,616,764 before the legislative limit is reached.

Property taxes that are measurable and available (receivable within the current period and collected within the current period or within 60 days thereafter to be used to pay liabilities of the current period) are recognized as revenue in the year of levy. Property taxes that are measurable, but not available, are recorded, net of estimated uncollectible amounts, as deferred inflows of resources. Such deferred inflows of resources are recognized as revenue in the fiscal year in which they become available.

The balance of delinquent property taxes receivable and property tax assessments included in deferred inflows at August 31, 2013, is as follows:

	General Fund	Debt Service Fund
Property taxes receivable	\$ 9,716,015	\$ 4,454,852
Less allowance for uncollectibles	<u>1,793,914</u>	<u>821,862</u>
Net property taxes receivable	<u><u>7,922,101</u></u>	<u><u>3,632,990</u></u>
Deferred ad valorem taxes	<u><u>\$ 7,040,938</u></u>	<u><u>\$ 3,200,570</u></u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 4. RECEIVABLES

Receivables and deferred inflows are summarized below:

	Governmental Activities						Total
	General Fund	Community Development Block Grants Fund	Debt Service	Capital Projects	Nonmajor Funds	Internal Service Funds	
Property taxes	\$ 9,716,015	\$ -	\$ 4,454,852	\$ -	\$ 238,136	\$ -	\$ 14,409,003
Sales taxes	12,234,838	-	-	-	-	-	12,234,838
Trade	2,924,839	-	-	89,782	344,570	7,747	3,366,938
Interest	314,529	465,070	190,303	46,787	146	4,790	1,021,625
Franchise fees	6,102,814	-	-	-	-	-	6,102,814
Fines and forfeits	1,646,222	-	-	-	-	-	1,646,222
Emergency medical response	1,397,338	-	-	-	2,514,962	-	3,912,300
Due from other government agencies	146,971	2,004,282	-	5,953,047	10,355,228	-	18,459,528
Notes receivable – economic development	-	-	-	-	166,819	-	166,819
Notes receivable – low income housing loans	-	33,408,116	-	-	-	-	33,408,116
Allowance for doubtful accounts	(3,857,874)	(1,899,397)	(821,862)	-	-	-	(6,579,133)
Receivables, net of allowances	<u>\$ 30,625,692</u>	<u>\$ 33,978,071</u>	<u>\$ 3,823,293</u>	<u>\$ 6,089,616</u>	<u>\$ 13,619,861</u>	<u>\$ 12,537</u>	<u>\$ 88,149,070</u>

	Business-type Activities				
	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Total
Sales taxes	\$ -	\$ -	\$ 5,830,145	\$ -	\$ 5,830,145
Trade	5,222,101	2,298,320	8,641	92,968	7,622,030
Interest	26,860	74,291	19,027	3,061	123,239
Due from other government agencies	205,800	-	11,581,657	-	11,787,457
Allowance for doubtful accounts	(2,297,793)	(324,939)	-	-	(2,622,732)
Receivables, net of allowances	<u>\$ 3,156,968</u>	<u>\$ 2,047,672</u>	<u>\$ 17,439,470</u>	<u>\$ 96,029</u>	<u>\$ 22,740,139</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 5. CAPITAL ASSETS

Capital asset activity for the government-wide financial statements was as follows:

	Balances August 31, 2012	Transfers	Increases	Decreases	Balances August 31, 2013
Governmental Activities:¹					
Land	\$ 165,807,623	\$ -	\$ 1,901,212	\$ -	\$ 167,708,835
Buildings not in use	1,633,000	-	-	-	1,633,000
Construction in progress	147,321,820	(85,501,247)	117,401,667	-	179,222,240
Total capital assets not being depreciated	<u>314,762,443</u>	<u>(85,501,247)</u>	<u>119,302,879</u>	<u>-</u>	<u>348,564,075</u>
Capital assets being depreciated:					
Buildings	308,269,281	8,876,509	-	-	317,145,790
Improvements other than buildings	20,178,552	-	-	-	20,178,552
Vehicles and major equipment	114,156,460	21,757,579	-	(2,955,101)	132,958,938
Data processing equipment and software	35,986,989	13,531,228	-	-	49,518,217
Other capital assets	2,845,308	-	-	-	2,845,308
Infrastructure	832,312,089	41,335,931	-	-	873,648,020
Total capital assets, being depreciated	<u>1,313,748,679</u>	<u>85,501,247</u>	<u>-</u>	<u>(2,955,101)</u>	<u>1,396,294,825</u>
Less accumulated depreciation for:					
Buildings	143,094,009	-	9,138,433	-	152,232,442
Improvements other than buildings	19,261,143	-	73,962	-	19,335,105
Vehicles and major equipment	83,795,677	-	8,611,444	(2,955,101)	89,452,020
Data processing equipment and software	23,004,400	-	7,152,762	-	30,157,162
Other capital assets	2,845,308	-	-	-	2,845,308
Infrastructure	514,945,173	-	12,895,233	-	527,840,406
Total accumulated depreciation	<u>786,945,710</u>	<u>-</u>	<u>37,871,834</u>	<u>(2,955,101)</u>	<u>821,862,443</u>
Total capital assets, being depreciated, net	<u>526,802,969</u>	<u>85,501,247</u>	<u>(37,871,834)</u>	<u>-</u>	<u>574,432,382</u>
Governmental activities capital assets, net	<u>\$ 841,565,412</u>	<u>\$ -</u>	<u>\$ 81,431,045</u>	<u>\$ -</u>	<u>\$ 922,996,457</u>

Depreciation expense was charged to governmental functions/programs in the government-wide financial statements as follows:

Governmental Activities:¹	
General government	\$ 3,262,351
Public safety	3,603,787
Public works	15,662,465
Public health	660,319
Parks	3,767,528
Library	5,343,964
Culture and recreation	3,961,686
Community and economic development	1,598,908
Total depreciation expense – governmental activities	<u>37,861,008</u>
Internal service funds	10,826
Depreciation expense	<u>\$ 37,871,834</u>

¹The capital assets of Internal Service Funds are included in governmental activities. In FY 2013, Internal Service Funds capital net asset additions and deletions were \$35,513, resulting in a total cost of \$1,777,689. Depreciation expense of \$10,826 resulted in an ending accumulated depreciation balance of \$1,684,419 to arrive at a net book value of \$93,270.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 5. CAPITAL ASSETS (Continued)

Business-type Activities	Balance August 31, 2012	Transfers	Increases	Decreases	Balance August 31, 2013
El Paso International Airport					
Capital assets not being depreciated:					
Land	\$ 1,382,217	\$ -	\$ -	\$ (1,118)	\$ 1,381,099
Artwork	979,637	-	-	-	979,637
Construction in progress	4,135,578	(15,184,757)	28,955,446	-	17,906,267
Total capital assets not being depreciated	6,497,432	(15,184,757)	28,955,446	(1,118)	20,267,003
Capital assets being depreciated:					
Buildings	134,645,309	1,335,850	-	(2,013,490)	133,967,669
Improvements other than buildings	227,635,208	13,848,907	-	-	241,484,115
Vehicles and major equipment	15,882,718	-	1,745,743	(94,539)	17,533,922
Total capital assets being depreciated	378,163,235	15,184,757	1,745,743	(2,108,029)	392,985,706
Less accumulated depreciation for:					
Buildings	63,239,012	-	4,790,615	(2,013,489)	66,016,138
Improvements other than buildings	127,150,903	-	9,706,648	-	136,857,551
Vehicles and major equipment	13,109,039	-	865,423	(94,539)	13,879,923
Total accumulated depreciation	203,498,954	-	15,362,686	(2,108,028)	216,753,612
Total capital assets, being depreciated, net	174,664,281	15,184,757	(13,616,943)	(1)	176,232,094
El Paso International Airport capital assets, net	\$ 181,161,713	\$ -	\$ 15,338,503	\$ (1,119)	\$ 196,499,097
Environmental Services					
Capital assets not being depreciated:					
Land	\$ 821,909	\$ -	\$ 574,052	\$ -	\$ 1,395,961
Vehicles not in service	192,191	-	-	-	192,191
Construction in progress	7,453	(22,123)	1,457,000	-	1,442,330
Total capital assets not being depreciated	1,021,553	(22,123)	2,031,052	-	3,030,482
Capital assets being depreciated:					
Buildings	5,509,645	-	46,469	-	5,556,114
Improvements other than buildings	27,473,917	22,123	753,682	-	28,249,722
Vehicles and major equipment	65,541,975	-	8,166,398	(3,675,924)	70,032,449
Total capital assets being depreciated	98,525,537	22,123	8,966,549	(3,675,924)	103,838,285
Less accumulated depreciation for:					
Buildings	621,414	-	79,333	-	700,747
Improvements other than buildings	17,081,650	-	2,950,358	-	20,032,008
Vehicles and major equipment	43,432,429	-	6,507,748	(3,675,924)	46,264,253
Total accumulated depreciation	61,135,493	-	9,537,439	(3,675,924)	66,997,008
Total capital assets, being depreciated, net	37,390,044	22,123	(570,890)	-	36,841,277
Environmental Services capital assets, net	\$ 38,411,597	\$ -	\$ 1,460,162	\$ -	\$ 39,871,759
Mass Transit					
Capital assets not being depreciated:					
Land	\$ 11,456,338	\$ -	\$ -	\$ -	\$ 11,456,338
Construction in progress	14,060,415	-	6,209,277	(176,055)	20,093,637
Total capital assets not being depreciated	25,516,753	-	6,209,277	(176,055)	31,549,975
Capital assets being depreciated:					
Buildings	51,989,452	-	35,520	-	52,024,972
Improvements other than buildings	33,087,139	-	59,004	-	33,146,143
Vehicles and major equipment	88,661,831	-	2,193,453	(519,184)	90,336,100
Total capital assets being depreciated	173,738,422	-	2,287,977	(519,184)	175,507,215
Less accumulated depreciation for:					
Buildings	15,020,514	-	1,924,588	-	16,945,102
Improvements other than buildings	20,445,784	-	1,634,344	-	22,080,128
Vehicles and major equipment	52,466,970	-	5,663,910	(519,184)	57,611,696
Total accumulated depreciation	87,933,268	-	9,222,842	(519,184)	96,636,926
Total capital assets, being depreciated, net	85,805,154	-	(6,934,865)	-	78,870,289
Mass Transit capital assets, net	\$ 111,321,907	\$ -	\$ (725,588)	\$ (176,055)	\$ 110,420,264

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 5. CAPITAL ASSETS (Continued)

	Balance August 31, 2012	Transfers	Increases	Decreases	Balance August 31, 2013
International Bridges					
Capital assets not being depreciated:					
Land	\$ 2,469,531	\$ -	\$ -	\$ -	\$ 2,469,531
Construction in progress	14,124,625	(14,103,182)	652,898	(21,443)	652,898
Total capital assets not being depreciated	<u>16,594,156</u>	<u>(14,103,182)</u>	<u>652,898</u>	<u>(21,443)</u>	<u>3,122,429</u>
Capital assets being depreciated:					
Improvements other than buildings	11,130,729	13,425,691	27,689	-	24,584,109
Vehicles and major equipment	3,013,192	677,489	2,140,854	-	5,831,535
Total capital assets being depreciated	<u>14,143,921</u>	<u>14,103,180</u>	<u>2,168,543</u>	<u>-</u>	<u>30,415,644</u>
Less accumulated depreciation for:					
Improvements other than buildings	8,682,380	-	301,714	-	8,984,094
Vehicles and major equipment	3,001,726	-	279,791	-	3,281,517
Total accumulated depreciation	<u>11,684,106</u>	<u>-</u>	<u>581,505</u>	<u>-</u>	<u>12,265,611</u>
Total capital assets, being depreciated, net	<u>2,459,815</u>	<u>14,103,180</u>	<u>1,587,038</u>	<u>-</u>	<u>18,150,033</u>
International Bridges capital assets, net	<u>\$ 19,053,971</u>	<u>\$ (2)</u>	<u>\$ 2,239,936</u>	<u>\$ (21,443)</u>	<u>\$ 21,272,462</u>
All business-type activities					
Capital assets not being depreciated:					
Land	\$ 16,129,995	\$ -	\$ 574,052	\$ (1,118)	\$ 16,702,929
Artwork	979,637	-	-	-	979,637
Vehicles not in service	192,191	-	-	-	192,191
Construction in progress	32,328,071	(29,310,062)	37,274,621	(197,498)	40,095,132
Total capital assets not being depreciated	<u>49,629,894</u>	<u>(29,310,062)</u>	<u>37,848,673</u>	<u>(198,616)</u>	<u>57,969,889</u>
Capital assets being depreciated:					
Buildings	192,144,406	1,335,850	81,989	(2,013,490)	191,548,755
Improvements other than buildings	299,326,993	27,296,721	840,375	-	327,464,089
Vehicles and major equipment	173,099,716	677,489	14,246,448	(4,289,647)	183,734,006
Total capital assets being depreciated	<u>664,571,115</u>	<u>29,310,060</u>	<u>15,168,812</u>	<u>(6,303,137)</u>	<u>702,746,850</u>
Less accumulated depreciation for:					
Buildings	78,880,940	-	6,794,536	(2,013,489)	83,661,987
Improvements other than buildings	173,360,717	-	14,593,064	-	187,953,781
Vehicles and major equipment	112,010,164	-	13,316,872	(4,289,647)	121,037,389
Total accumulated depreciation	<u>364,251,821</u>	<u>-</u>	<u>34,704,472</u>	<u>(6,303,136)</u>	<u>392,653,157</u>
Total capital assets, being depreciated, net	<u>300,319,294</u>	<u>29,310,060</u>	<u>(19,535,660)</u>	<u>(1)</u>	<u>310,093,693</u>
All business-type activities capital assets, net	<u>\$ 349,949,188</u>	<u>\$ (2)</u>	<u>\$ 18,313,013</u>	<u>\$ (198,617)</u>	<u>\$ 368,063,582</u>

Depreciation expense was charged to business-type activities as follows:

International airport operations	\$ 15,362,686
Solid waste operations	9,537,439
Mass transit operations	9,222,842
International bridges operations	581,505
	<u>\$ 34,704,472</u>

Interest expense for business-type activities in 2013 is \$3,451,974. Interest cost as a component of the cost of construction in progress, is reported in accordance with FASB Accounting Standards Codification (ASC) 835-20. No interest was capitalized in 2013.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 5. CAPITAL ASSETS (Continued)

Construction Commitments

As of August 31, 2013:

	Fund Equity and Other Sources Available	Remaining Commitment
Governmental funds	\$ 11,001,489	\$ 127,631,678
Proprietary funds	39,693,181	23,916,081
Total	<u>50,694,670</u>	<u>\$ 151,547,759</u>

Component Unit – EPWU

Capital asset activity for EPWU was as follows:

	Balance February 29, 2012	Additions	Transfers	Deletions	Balance February 28, 2013
Capital assets, not being depreciated:					
Land and right-of-way	\$ 11,475,013	\$ -	\$ 1,177,147	\$ 882,822	\$ 11,769,338
Land not in service	58,201,850	5,912,038	-	27,109	64,086,779
Construction work in progress	54,849,062	54,672,399	(32,778,944)	32,145	76,710,372
Total utility plant, not being depreciated:	<u>124,525,925</u>	<u>60,584,437</u>	<u>(31,601,797)</u>	<u>942,076</u>	<u>152,566,489</u>
Utility plant and irrigation water rights being depreciated:					
Irrigation water rights contracts	9,113,581	17,640	-	-	9,131,221
Drainage implementation costs	544,106	-	-	-	544,106
Buildings and shops	14,811,468	-	26,219	-	14,837,687
Vehicles	17,731,696	80,750	2,549,133	209,813	20,151,766
Equipment and tools	32,823,528	119,006	4,485,670	129,055	37,299,149
Drainage system	39,219,912	-	1,191,902	7,179	40,404,635
Water system	955,444,347	7,088,830	14,101,903	735,460	975,899,620
Wastewater system	708,186,681	4,387,816	9,246,970	35,371	721,786,096
Total utility plant, being depreciated	<u>1,777,875,319</u>	<u>11,694,042</u>	<u>31,601,797</u>	<u>1,116,878</u>	<u>1,820,054,280</u>
Less accumulated depreciation for: being depreciated:					
Irrigation water rights contracts	759,072	121,632	-	-	880,704
Drainage implementation costs	365,788	108,821	-	-	474,609
Buildings and shops	7,584,171	613,385	-	-	8,197,556
Vehicles	15,412,412	1,381,982	-	209,813	16,584,581
Equipment and tools	29,919,441	1,123,845	-	126,261	30,917,025
Drainage system	2,078,261	806,579	-	-	2,884,840
Water system	351,118,204	27,314,331	-	735,460	377,697,075
Wastewater system	310,994,579	19,811,051	-	35,371	330,770,259
Total accumulated depreciation	<u>718,231,928</u>	<u>51,281,626</u>	<u>-</u>	<u>1,106,905</u>	<u>768,406,649</u>
Total utility plant and irrigation water rights being depreciated, net	<u>1,059,643,391</u>	<u>(39,587,584)</u>	<u>31,601,797</u>	<u>9,973</u>	<u>1,051,647,631</u>
Utility plant	<u>\$ 1,184,169,316</u>	<u>\$ 20,996,853</u>	<u>\$ -</u>	<u>\$ 952,049</u>	<u>\$ 1,204,214,120</u>

Total depreciation charged to operations was \$51,281,626. Interest incurred on revenue bonds was \$22,331,710 of which \$165,588 was capitalized on construction projects.

NOTE 5. CAPITAL ASSETS (Continued)

Component Unit – EPWU (Continued)

Land not in service is essentially unimproved land that EPWU has purchased for its surface and ground water rights. EPWU owns a total of 102,435.04 acres of land which includes 26,887.91 acres in El Paso County, 74,678.68 acres in Hudspeth, Presidio, Jeff Davis and Culberson counties and 868.45 acres in New Mexico.

EPWU was committed to open contracts related to construction projects totaling \$116,270,621.

Component Unit – EPHFC

Capital asset activity for EPHFC was as follows:

	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012
Capital assets, being depreciated				
Furniture and equipment	\$ 10,171	\$ -	\$ -	\$ 10,171
Less accumulated depreciation for:				
Furniture and equipment	8,679	373	-	9,052
Capital assets, net	<u>\$ 1,492</u>	<u>\$ (373)</u>	<u>\$ -</u>	<u>\$ 1,119</u>

Depreciation expense for the year ended December 31, 2012 was \$373.

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A. Interfund Receivables and Payables

Interfund receivable and payable balances at August 31, 2013, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Mass Transit	\$ 3,782,849 ¹
	Capital Projects	4,581,884 ¹
Capital Projects	El Paso International Airport	1,588,342 ¹
	Environmental Services	2,559,289 ¹
	Mass Transit	2,056,919 ¹
	International Bridges	494,043 ¹
Nongrants	Other Federal Grants	5,873,067 ¹
	Grants	911,103 ¹
	State Grants	1,256,691 ¹
	Public Health	1,331,050 ¹
Mass Transit	Capital Projects	8,088,928 ²
Total		<u>\$ 32,524,165</u>

¹Overdraft in Pooled Cash

²Unspent proceeds from issuance of debt

CITY OF EL PASO, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

B. Transfers

Transfers are made as required by the annual budget resolution or subsequent City Council action. Interfund transfers made during the year were as follows:

Transfer Out:	Transfer In:				Total
	Governmental Activities			Nonmajor Governmental Funds	
	General Fund	Debt Service	Capital Projects		
Governmental Activities:					
General Fund	\$ -	\$ -	\$ 473,740 (6)	\$ 238,611 (4)	\$ 712,351
Capital Projects	-	2,345,170 (5)	-	-	2,345,170
Downtown Development Corporation	-	-	12,288,225 (7)	-	12,288,225
Nonmajor Governmental Funds	-	-	2,500,000 (6)	-	2,500,000
Total Governmental Activities	-	2,345,170	15,261,965	238,611	17,845,746
Business-type Activities:					
El Paso International Airport	1,572,084 (1)	-	-	-	1,572,084
International Bridges	11,661,330 (2)	-	-	-	11,661,330
Environmental Services	2,413,448 (3)	-	-	-	2,413,448
Mass Transit	3,300,000 (1)	-	-	-	3,300,000
Total Business-type Activities	18,946,862	-	-	-	18,946,862
Total	\$ 18,946,862	\$ 2,345,170	\$ 15,261,965	\$ 238,611	\$ 36,792,608
(1) Indirect cost (PILOT):					
Airport			\$ 1,572,084		
Mass Transit			3,300,000		
			<u>\$ 4,872,084</u>		
(2) Unrestricted net position			<u>\$ 11,661,330</u>		
(3) Cost recovery for street usage			<u>\$ 2,413,448</u>		
(4) Council Special Projects					
To fund Día de los Niños - from Council discretionary funds			\$ 137,400		
To fund Projects for the Council Districts			101,211		
To fund Economic Development - Centro Mayapan			<u>\$ 238,611</u>		
(5) Convention and Visitors Bureau share of debt			<u>\$ 2,345,170</u>		
Transfer unexpended debt issuance proceeds					
(6) Interest earnings on \$16mm cash reserve			\$ 32,634		
Vehicle replacement and municlerk furniture			441,106		
Repayment of debt			2,500,000		
			<u>\$ 2,973,740</u>		
(7) To fund Downtown façade program			<u>\$ 55,979</u>		
To fund Southside Park Improvements					
			<u>\$ 55,979</u>		
(7) Baseball Park Venue			<u>\$ 12,288,225</u>		

NOTE 7. OPERATING LEASES**A. Primary Government**

The City, as lessee, leases buildings, office space, and equipment under various lease agreements. Generally, these lease agreements provide for cancellation in the event the City Council does not appropriate funding in subsequent fiscal years. Therefore, the City is not obligated beyond each fiscal year. Management expects the leases to continue. These leases are treated as operating leases for accounting purposes. Operating lease expenditures for the year ended August 31, 2013, amounted to \$3,058,264.

Additionally, the City, as lessor, leases certain buildings and equipment under various monthly lease agreements, which are cancelable.

A substantial portion of the airport terminal building and other areas are leased to third parties through operating leases. The majority of these include certified passenger airline leases, commercial and noncommercial aviation ground leases, industrial site leases, auto rental concession leases and food and beverage concession leases. These leases are for varying periods and require the payment of minimum annual rentals. Leases with concessionaires also require payment of percentage rents based on sales in excess of stipulated amounts. Rental income in connection with these operating leases and various other monthly rental agreements for the year ended August 31, 2013, was \$15,748,510 including percentage contingent rents of \$2,361,370.

The following is a schedule of airport revenue from future minimum rentals on noncancelable operating leases as of August 31, 2013:

<u>Year Ending</u>	
2014	\$ 12,545,721
2015	10,890,942
2016	10,752,518
2017	10,354,414
2018	8,230,719
2019 - 2023	32,870,392
2024 - 2028	20,111,215
2029 - 2033	14,463,213
2034 - 2038	6,228,137
2039 - 2043	3,498,832
2044 - 2048	2,462,569
2049 - 2050	786,432
Total	<u>\$ 133,195,104</u>

Historical costs of these leased assets and related accumulated depreciation were \$154,594,771 and \$82,978,071, respectively, as of August 31, 2013.

NOTE 7. OPERATING LEASES (Continued)

B. Component Unit – EPWU

1. Leasing Arrangements with EPWU as Lessor

EPWU, as lessor, leases real properties under various long-term lease agreements under the operating method of accounting for leases. Minimum future rentals to be received on noncancelable leases as of February 28, 2013, for each of the next five years and for each of the five-year periods thereafter:

<u>Year Ended the Last Day of February</u>	<u>Amount</u>
2014	\$ 1,878,484
2015	1,686,945
2016	1,617,509
2017	1,587,992
2018	1,550,848
2019 - 2023	5,810,691
2024 - 2028	3,364,894
2029 - 2033	2,045,786
2034 - 2037	215,117
Total Minimum Future Rentals	<u>\$ 19,758,266</u>

2. Leasing Arrangements with EPWU as Lessee

EPWU leases buildings, land, computer equipment and copiers under various long-term lease agreements under the operating method of accounting for leases. Rental expense for the year ended February 28, 2013, was \$1,113,768. Minimum future payments as of February 28, 2013 for each of the next five years and for each of the five-year periods thereafter are:

<u>Year Ended the last day of February</u>	<u>Amount</u>
2014	\$ 812,552
2015	745,139
2016	630,190
2017	545,824
2018	544,906
2019 - 2023	2,108,835
2024 - 2028	2,047,500
2029 - 2033	2,047,500
2034 - 2038	2,047,500
2039 - 2043	2,047,500
2044 - 2048	2,047,500
2049 - 2053	2,047,500
2054 - 2058	2,047,500
2059 - 2060	511,875
Total Minimum Future Rentals	<u>\$ 20,231,821</u>

NOTE 8. LONG-TERM OBLIGATIONS**A. Primary Government****1. General Obligation Debt – Capital Projects Funding**

The Capital Projects Fund is used to account for the acquisition and construction of general government capital assets. Capital projects are funded primarily by the issuance of general obligation debt, other tax supported debt and intergovernmental revenues.

General obligation debt, which includes general obligation bonds, certificates of obligation and contractual obligations, is collateralized by the full faith and credit of the City and is reported as an obligation in the Statements of Net Position, Governmental and Business-type Activities. The City intends to retire its general obligation debt, plus interest, from future ad valorem tax levies and is required by ordinance to create from such tax revenues a sinking fund sufficient to pay the current interest due thereon and each installment of principal as it becomes due. The tax rate to finance the payment of principal and interest on general obligation long-term debt for the year ended was \$.2163 per \$100 assessed valuation.

The City Charter states that all indebtedness of the City that is supported by property tax shall not exceed ten percent of the total assessed valuation of the City's tax rolls. Ten percent of the FY 2013 total assessed valuation base equals approximately \$3,182,261,676. The City's legal debt margin was \$2,270,266,050. General obligation debt sold to fund assets of proprietary funds is reported as an obligation of those proprietary funds, although they are not obligated by the applicable bond indentures to repay any portion of principal and interest on outstanding general obligation debt. However, the City intends for the proprietary funds to meet the debt service requirements.

There are a number of limitations and restrictions contained in the various general obligation bond indentures. The City believes it is in compliance with all significant limitations and restrictions.

2. Revenue Bonds

The City issues revenue bonds for which income derived from the assets acquired or constructed with the debt proceeds are pledged to repay the principal and interest on bonds. The bond ordinance for the Plaza Theatre combination tax and revenue certificates of obligation bonds pledges revenues of the International Bridges Fund. The City believes it is in compliance with all significant limitations and restrictions of its revenue bond ordinances.

3. Special Revenue Bonds

The City has been associated with the issuance of special revenue bonds to provide financial assistance for the acquisition and construction of facilities deemed to be in the public interest.

For the construction of the downtown ballpark venue project, City utilized funds provided by the proceeds from two special revenue bond issuances.

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

4. Notes Payable

The City has obtained loans in the International Bridges Fund for which income derived from the assets acquired or constructed with the loan proceeds are pledged to repay the principal and interest on loans. These loans are repayable from bridge tolls collected by the City and are not repayable from general revenues of the City.

5. Long-term Debt

The following summarizes significant facts about general obligation bonds, certificates of obligation, revenue bonds, notes payable, and capital lease obligations:

	<u>Interest Rates</u>		<u>Balance</u>
	<u>at Issue Date</u>	<u>August 31, 2013</u>	
Governmental activities	3.00 - 7.25%	3.00 - 7.25%	\$ 947,110,749
Business-type activities	3.00 - 5.30%	3.625 - 5.00%	100,954,056
			<u>\$ 1,048,064,805</u>

6. Indebtedness Incurred during Fiscal Year Ended August 31, 2013

On November 20, 2012, the City closed on the issuance of \$58,730,000 of Combination Tax and Revenue Certificate of Obligation Bonds. These bonds were issued at a premium of \$4,570,158 with issuance costs of \$555,306 and interest rates between 3% and 4% with a final maturity of August 15, 2038.

On November 20, 2012, the City closed on the issuance of \$20,710,000 of General Obligation Refunding Bonds. These bonds were issued at a premium of \$2,002,145 with issuance costs of \$243,026 and interest rates between 2% and 4% with a final maturity of August 15, 2028. These bonds were issued in order to lower the overall annual debt service requirements by \$3,227,501 and obtain an economic gain of \$2,784,389. The accounting loss of \$767,105 has been deferred to the government wide financial statements and will be amortized over the remaining life of the refunded funds using a method approximating the effective interest method.

On August 29, 2013, the City closed on the issuance of two Special Revenue Bonds for \$45,125,000 and \$15,660,000. These bonds combined were issued at a premium of \$4,270,569 and \$18,322, respectively. Issuance cost consisted of \$969,248 and \$336,364, respectively. The interest rates are 6.78% to 7.25% and 7.25%, respectively.

On October 12, 2012, Council authorized the City to enter into an Escrow Agreement with Motorola Solutions, Inc. and the Bank of New York Mellon Trust Company (Escrow Agent) to establish a special trust fund designated for the acquisition of equipment in the amount of \$20,063,362. The lease interest rate is fixed at 2.26% with a final maturity of September 1, 2022.

On April 2, 2013, Council authorized the City to enter into a lease agreement with Compass Mortgage Corporation in the amount of \$5,020,000. The Proceeds will be used for equipment acquisition for the Fire Department. The lease agreement carries an interest rate of 1.52% and a final maturity of April 2, 2020.

CITY OF EL PASO, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

7. Bonds Authorized and Unissued

There were no authorized, unissued bonds at August 31, 2013.

Bonded Debt Requirements (General Obligation Bonds and Certificate of Obligation Bonds)

Year Ending August 31	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 144,565,939	\$ 39,364,848	\$ 1,314,061	\$ 1,323,601	\$ 145,880,000	\$ 40,688,449
2015	33,113,145	33,757,303	1,351,855	1,251,727	34,465,000	35,009,030
2016	37,444,727	32,179,414	2,010,273	1,177,149	39,455,000	33,356,563
2017	34,375,318	30,517,532	1,299,682	1,087,971	35,675,000	31,605,503
2018	35,970,544	28,971,413	1,329,456	1,037,917	37,300,000	30,009,330
2019 - 2023	180,166,302	121,051,259	7,248,698	4,429,679	187,415,000	125,480,938
2024 - 2028	178,894,085	77,530,794	6,545,915	3,114,155	185,440,000	80,644,949
2029 - 2033	172,147,069	34,234,064	7,182,931	1,845,003	179,330,000	36,079,067
2034 - 2038	42,392,571	3,596,923	5,307,429	512,271	47,700,000	4,109,194
Total	<u>\$ 859,069,700</u>	<u>\$ 401,203,550</u>	<u>\$ 33,590,300</u>	<u>\$ 15,779,473</u>	<u>\$ 892,660,000</u>	<u>\$ 416,983,023</u>

8. Debt Service Requirements

Revenue Bonds and Special Revenue Bond Debt Service Requirements

Year Ending August 31,	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ -	\$ 4,143,903	\$ 1,855,000	\$ 1,650,675	\$ 1,855,000	\$ 5,794,578
2015	-	4,311,575	1,940,000	1,565,394	1,940,000	5,876,969
2016	-	4,311,575	2,035,000	1,474,619	2,035,000	5,786,194
2017	-	4,311,575	1,445,000	1,377,763	1,445,000	5,689,338
2018	-	4,311,575	1,510,000	1,312,313	1,510,000	5,623,888
2019 - 2023	17,930,000	21,516,551	8,615,000	5,513,588	26,545,000	27,030,139
2024 - 2028	7,645,000	14,433,826	10,835,000	3,286,381	18,480,000	17,720,207
2029 - 2033	11,340,000	11,233,516	6,090,000	975,450	17,430,000	12,208,966
2034 - 2038	16,990,000	6,361,516	-	-	16,990,000	6,361,516
2039 - 2043	6,880,000	1,566,364	-	-	6,880,000	1,566,364
Total	<u>\$ 60,785,000</u>	<u>\$ 76,501,976</u>	<u>\$ 34,325,000</u>	<u>\$ 17,156,181</u>	<u>\$ 95,110,000</u>	<u>\$ 93,658,157</u>

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

8. Debt Service Requirements (Continued)

Capital Leases

Year Ending August 31,	Business-type Activities		Governmental Activities	
	Principal	Interest	Principal	Interest
2014	\$ 1,609,454	\$ 40,583	\$ 1,878,062	\$ 377,653
2015	-	-	1,844,727	410,988
2016	-	-	1,886,418	369,297
2017	-	-	1,929,051	326,664
2018	-	-	1,972,647	283,067
2019 - 2023	-	-	10,552,459	726,114
Total	<u>\$ 1,609,454</u>	<u>\$ 40,583</u>	<u>\$ 20,063,362</u>	<u>\$ 2,493,783</u>

Notes Payable

Year Ending August 31,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2014	\$ 3,738,682	\$ 621,632	\$ 1,956,845	\$ 427,722
2015	3,905,314	519,057	2,018,116	350,441
2016	4,065,323	425,029	1,189,550	270,668
2017	4,231,365	326,941	1,217,182	226,666
2018	4,392,502	224,670	1,245,669	181,624
2019 - 2023	6,904,449	223,426	3,738,577	367,113
Total	<u>\$ 27,237,635</u>	<u>\$ 2,340,755</u>	<u>\$ 11,365,939</u>	<u>\$ 1,824,234</u>

In prior years, the City legally defeased certain outstanding general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust accounts and the legally defeased bonds are not included in the City's financial statements.

At August 31, 2013, the remaining outstanding balance of legally defeased bonds is \$92,980,000.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

9. Long-Term Obligations and Amounts Due Within One Year

Governmental Activities:

	Balance August 31, 2012	Additions	Reductions	Balance August 31, 2013	Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 560,608,319	\$ 20,710,000	\$ 26,932,737	\$ 554,385,582	\$ 136,638,202
Certificates of Obligation	288,650,135	46,190,000	30,156,017	304,684,118	7,927,737
Special Revenue Bonds	-	60,785,000	-	60,785,000	-
Add: Unamortized Premium	<u>15,523,136</u>	<u>10,182,056</u>	<u>2,924,468</u>	<u>22,780,723</u>	<u>2,792,785</u>
Total Bonds (1)	864,781,590	137,867,056	60,013,222	942,635,423	147,358,724
Energy Conservation Notes Payable (2)	24,516,303	5,020,000	2,298,668	27,237,635	3,738,682
Capital Lease Obligation	-	20,063,362	-	20,063,362	1,878,062
Compensated Absences (4)	57,945,963	43,280,333	45,197,851	56,028,445	43,702,187
Arbitrage Rebate Liability (1)	-	-	-	-	-
Accrued Self- Insurance Claims (3)	17,490,474	43,844,079	45,519,453	15,815,100	15,498,798
Net Pension Obligation - CEPF (1)	667,209	13,194,278	12,642,819	1,218,668	-
Other Postemployment Benefits (3)	43,975,644	10,087,707	-	54,063,351	-
Claims and Judgments (2)	500,000	-	-	500,000	-
Governmental Activities long-term liabilities	<u>\$ 1,009,877,183</u>	<u>\$ 273,356,815</u>	<u>\$ 165,672,013</u>	<u>\$ 1,117,561,984</u>	<u>\$ 212,176,453</u>

The city estimates payment of long-term liabilities from funds as follows:

- (1) Debt Service Fund
- (2) General Fund
- (3) Internal Service Funds
- (4) General Fund, Community Development Block Grants, Federal Grants, State Grants and Internal Service Funds

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

10. Long-Term Obligations and Amounts Due Within One Year (Continued)

Business-type Activities:

	Balance August 31, 2012	Additions	Reductions	Balance August 31, 2013	Due Within One Year
El Paso International Airport:					
Revenue Bonds	\$ 21,220,000	\$ -	\$ 1,145,000	\$ 20,075,000	\$ 1,195,000
Add: Unamortized Premium	34,544	-	1,645	32,899	1,645
Less: Unamortized Discount	(397,901)	-	(99,475)	(298,426)	(99,475)
Total Bonds Payable	<u>20,856,643</u>	<u>-</u>	<u>1,047,170</u>	<u>19,809,473</u>	<u>1,097,170</u>
Compensated Absences	2,705,771	1,775,225	2,110,501	2,370,495	1,848,986
Net Pension Obligation - CEPF	78,545	1,269,847	1,152,348	196,044	-
Net Pension Obligation - FPPF	1,173,186	691,578	552,032	1,312,732	-
Other Post Employment Benefits	2,936,561	672,840	-	3,609,401	-
Total El Paso International Airport	<u>27,750,706</u>	<u>4,409,490</u>	<u>4,862,051</u>	<u>27,298,145</u>	<u>2,946,156</u>
Environmental Services:					
Certificates of Obligation	2,414,865	-	288,983	2,125,882	181,798
General Obligation	3,461,681	-	247,263	3,214,418	247,263
Revenue Bonds	14,880,000	-	630,000	14,250,000	660,000
Add: Unamortized Premium	270,021	-	28,224	241,797	27,039
Total Bonds/Notes Payable	<u>21,026,567</u>	<u>-</u>	<u>1,194,470</u>	<u>19,832,097</u>	<u>1,116,100</u>
Landfill Closure and Post-Closure	17,942,353	7,767,183	7,975,547	17,733,989	992,875
Delta Transfer Station Post-Closure	117,404	10,231	8,469	119,166	-
Compensated Absences	1,377,209	1,009,917	1,074,223	1,312,903	1,024,064
Net Pension Obligation - CEPF	95,700	2,262,020	2,196,083	161,637	-
Other Post Employment Benefits	3,790,316	973,783	-	4,764,099	-
Total Environmental Services	<u>44,349,549</u>	<u>12,023,134</u>	<u>12,448,792</u>	<u>43,923,891</u>	<u>3,133,039</u>
Mass Transit:					
Certificates of Obligation	16,555,000	12,540,000	845,000	28,250,000	885,000
Capital Lease Obligation	3,944,430	-	2,334,975	1,609,454	1,609,454
Add: Unamortized Premium	349,284	679,138	162,145	866,277	166,895
Total Bonds/Notes Payable	<u>20,848,714</u>	<u>13,219,138</u>	<u>3,342,120</u>	<u>30,725,731</u>	<u>2,661,349</u>
Compensated Absences	1,825,558	1,450,198	1,423,935	1,851,821	1,444,420
Claims and Judgements	395,695	46,992	-	442,687	442,687
Net Pension Obligation - CEPF	213,982	3,553,231	3,449,655	317,558	-
Other Post Employment Benefits	6,353,179	1,326,106	-	7,679,285	-
Total Mass Transit	<u>29,637,128</u>	<u>19,595,665</u>	<u>8,215,710</u>	<u>41,017,082</u>	<u>4,548,456</u>
International Bridges:					
Notes Payable	13,263,737	-	1,897,798	11,365,939	1,956,845
Total Bonds/Notes Payable	<u>13,263,737</u>	<u>-</u>	<u>1,897,798</u>	<u>11,365,939</u>	<u>1,956,845</u>
Compensated Absences	291,594	156,637	227,443	220,788	172,215
Net Pension Obligation - CEPF	14,198	19,014	11,074	22,138	-
Other Post Employment Benefits	593,659	607,409	463,054	738,014	-
Total International Bridges	<u>14,163,188</u>	<u>783,060</u>	<u>2,599,369</u>	<u>12,346,879</u>	<u>2,129,060</u>
Business-type activities long-term liabilities	<u>\$ 115,900,571</u>	<u>\$ 36,811,349</u>	<u>\$ 28,125,922</u>	<u>\$ 124,585,997</u>	<u>\$ 12,756,711</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

11. Long-Term-Debt Outstanding

	Date Issued	Amount (000's Omitted)	Interest Rate Range	August 31, 2012	Issued	Reduction	August 31, 2013
Certificate of Obligation Bonds:							
SERIES 2003	03/01/03	\$ 44,010	3 - 5%	\$ 23,495,000	\$ -	\$ 23,495,000	\$ -
SERIES 2005 - Plaza Theatre (1)	08/15/05	17,315	2.95 - 4.97%	13,475,000	-	720,000	12,755,000
SERIES 2007	05/01/07	35,000	4 - 5%	33,475,000	-	1,080,000	32,395,000
SERIES 2009	01/15/09	57,615	3 - 5.5%	55,605,000	-	2,070,000	53,535,000
SERIES 2009 A	09/15/09	27,210	4 - 5%	23,475,000	-	3,925,000	19,550,000
SERIES 2009 B	09/15/09	45,740	4.78 - 6.16%	45,740,000	-	-	45,740,000
SERIES 2009 C	09/15/09	3,230	6.16 - 6.16%	3,230,000	-	-	3,230,000
SERIES 2010A	11/01/10	2,010	3 - 3%	2,010,000	-	-	2,010,000
SERIES 2010B	11/01/10	74,340	3.22 - 6.7%	74,340,000	-	-	74,340,000
SERIES 2011	09/01/11	32,775	3.5 - 5%	32,775,000	-	-	32,775,000
SERIES 2012	10/01/12	58,730	3 - 4%	-	58,730,000	-	58,730,000
Total Certificate of Obligation Bonds				<u>307,620,000</u>	<u>58,730,000</u>	<u>31,290,000</u>	<u>335,060,000</u>
General Obligation Bonds:							
SERIES 2005 REFUNDING BONDS	04/01/05	152,190	3.5 - 5.25%	108,805,000	-	11,130,000	97,675,000
SERIES 2006	04/15/06	56,350	3.625 - 5%	48,960,000	-	1,605,000	47,355,000
SERIES 2007 REFUNDING	02/15/07	95,190	4 - 5%	95,190,000	-	2,970,000	92,220,000
SERIES 2007A	05/01/07	40,000	4 - 5%	36,700,000	-	1,190,000	35,510,000
SERIES 2007 PENSION BONDS	06/15/07	101,240	5.512 - 6%	95,700,000	-	2,060,000	93,640,000
SERIES 2008	02/15/08	56,455	3.5 - 5%	52,575,000	-	1,540,000	51,035,000
SERIES 2009 PENSION BONDS	05/15/09	111,545	3.11 - 3.61%	110,125,000	-	1,515,000	108,610,000
SERIES 2009 REFUNDING BONDS	06/01/09	16,020	3 - 5%	10,155,000	-	4,475,000	5,680,000
SERIES 2011 REFUNDING BONDS	09/01/11	5,860	2 - 3%	5,860,000	-	695,000	5,165,000
SERIES 2012 REFUNDING BONDS	10/01/12	20,710	2 - 4%	-	20,710,000	-	20,710,000
Total General Obligation Bonds				<u>564,070,000</u>	<u>20,710,000</u>	<u>27,180,000</u>	<u>557,600,000</u>
TOTAL TAX SUPPORTED DEBT				<u>\$ 871,690,000</u>	<u>\$ 79,440,000</u>	<u>\$ 58,470,000</u>	<u>\$ 892,660,000</u>
Energy Conservation Notes:							
State Infrastructure Bank		\$ 5,318		\$ 4,013,068	\$ -	\$ 523,193	\$ 3,489,875
Banc of America Public Capital Corp.		9,767		12,654,235	-	1,007,474	11,646,761
Compass Mortgage Corp.		5,025		5,025,000	-	508,592	4,516,408
State Energy Conservation Office		2,824		2,824,000	-	259,409	2,564,591
Compass Mortgage Corp.		5,020		-	5,020,000	-	5,020,000
TOTAL ENERGY CONSERVATION NOTES				<u>\$ 24,516,303</u>	<u>\$ 5,020,000</u>	<u>\$ 2,298,668</u>	<u>\$ 27,237,635</u>
Notes Payable:							
FED LOAN-International Bridges	12/01/91	\$ 3,000	variable	\$ 950,000	\$ -	\$ 100,000	\$ 850,000
SIB LOAN-International Bridges	10/04/99	3,634	4.30%	2,461,772	-	786,296	1,675,476
SIB LOAN-International Bridges	01/01/08	6,107	4.10%	4,819,547	-	355,516	4,464,031
SIB LOAN-International Bridges	10/22/10	6,356	3.25%	5,032,418	-	655,986	4,376,432
TOTAL NOTES PAYABLE				<u>\$ 13,263,737</u>	<u>\$ -</u>	<u>\$ 1,897,798</u>	<u>\$ 11,365,939</u>
Capital Lease Obligations Payable:							
Mass Transit		\$ 15,000	3.679 - 4.25%	\$ 3,944,430	\$ -	\$ 2,334,976	\$ 1,609,454
Motorola (P25)		-		-	20,063,362	-	20,063,362
TOTAL CAPITAL LEASE OBLIGATIONS PAYABLE				<u>\$ 3,944,430</u>	<u>\$ 20,063,362</u>	<u>\$ 2,334,976</u>	<u>\$ 21,672,816</u>
Revenue Bonds:							
RB 2003 - El Paso International Airport	09/15/03	\$ 18,000	3 - 4.625%	\$ 4,890,000	\$ -	\$ 1,145,000	\$ 3,745,000
RB 2004 - Solid Waste Management	07/14/04	22,120	3 - 5.125%	14,880,000	-	630,000	14,250,000
RB 2011 - El Paso International Airport	07/06/11	16,330	3.25 - 5.25%	16,330,000	-	-	16,330,000
TOTAL REVENUE BONDS				<u>\$ 36,100,000</u>	<u>\$ -</u>	<u>\$ 1,775,000</u>	<u>\$ 34,325,000</u>
Special Revenue Bonds:							
Special Revenue Bonds, Series 2013A	08/29/13	\$ 45,125	6.78 - 7.25%	\$ -	\$ 45,125,000	\$ -	\$ 45,125,000
Special Revenue Bonds, Taxable Series 2013B	08/29/13	15,660	7.25%	-	15,660,000	-	15,660,000
TOTAL SPECIAL REVENUE BONDS				<u>\$ -</u>	<u>\$ 60,785,000</u>	<u>\$ -</u>	<u>\$ 60,785,000</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Component Unit – EPWU

1. Revenue Bonds

Water and Sewer Revenue Bonds, in the amount of \$492,785,000 at February 28, 2013, are equally and ratably secured by and payable from an irrevocable first lien on and pledge of the net revenue of EPWU.

2. Changes in Long-term-Debt

Revenue Bonds changes during fiscal year 2013 and balances, excluding deferred gains and losses, include the following individual issues:

	Original Amount	Interest Rate Range	February 29, 2012	Issued	Reduction	February 28, 2013
Revenue Bonds:						
1990 - B	\$ 8,000,000	no interest	\$ 8,000,000	\$ -	\$ -	\$ 8,000,000
2001	16,265,000	2.45 - 4.50%	770,000	-	770,000	-
2001 - A	88,780,000	4.00 - 6.00%	3,055,000	-	3,055,000	-
2002	7,520,000	0.15 - 3.35%	360,000	-	360,000	-
2003 Refunding	89,745,000	4.99%	6,385,000	-	4,230,000	2,155,000
2003 - A	1,000,000	no interest	650,000	-	50,000	600,000
2003 - B	10,000,000	0.00 - 4.49%	9,970,000	-	9,960,000	10,000
2004 Refunding	36,070,000	2.50 - 5.00%	29,485,000	-	25,675,000	3,810,000
2004 - A Refunding	14,360,000	2.50 - 5.25%	11,350,000	-	10,120,000	1,230,000
2005 - A	45,660,000	3.00 - 5.00%	43,820,000	-	420,000	43,400,000
2005 - B	36,515,000	4.00 - 5.25%	35,585,000	-	970,000	34,615,000
2005 - C	10,000,000	1.95 - 3.80%	8,020,000	-	425,000	7,595,000
2006	37,745,000	3.75 - 5.00%	21,310,000	-	1,290,000	20,020,000
2006 - A	45,200,000	4.00 - 5.00%	33,450,000	-	2,895,000	30,555,000
2007	35,500,000	4.00 - 5.00%	35,500,000	-	1,510,000	33,990,000
2008	30,520,000	3.50 - 5.00%	18,755,000	-	3,290,000	15,465,000
2008 - A	14,000,000	1.50 - 3.95%	13,990,000	-	5,000	13,985,000
2008 - B	22,000,000	1.50 - 3.95%	21,990,000	-	5,000	21,985,000
2008 - C	35,000,000	2.38 - 5.50%	35,000,000	-	-	35,000,000
2009 Drainage Bond	53,000,000	5.38%	51,355,000	-	1,740,000	49,615,000
2009 - A Drainage Bond	2,163,000	no interest	2,163,000	-	110,000	2,053,000
2010 Refunding	22,115,000	2.00 - 4.50%	20,895,000	-	1,280,000	19,615,000
2010	15,000,000	4.75%	15,000,000	-	-	15,000,000
2010 - A	42,580,000	3.00 - 5.00%	42,580,000	-	-	42,580,000
2011	14,680,000	2.00 - 5.00%	14,680,000	-	-	14,680,000
2012	52,780,000	2.00 - 5.00%	52,780,000	-	-	52,780,000
2012	14,075,000	2.00 - 5.00%	-	14,075,000	-	14,075,000
2012 - A	75,715,000	2.00 - 5.00%	-	75,715,000	-	75,715,000
Total Revenue Bonds			<u>536,898,000</u>	<u>89,790,000</u>	<u>68,160,000</u>	<u>558,528,000</u>
Deferred premium net of loss on refunding bonds			21,638,494	11,597,612	3,295,943	29,940,163
Land notes payable	10,372,878	3.95 - 5.00%	5,651,896	-	728,433	4,923,463
Commercial paper payable			13,000,000	10,000,000	15,000,000	8,000,000
Other governments payable			3,001,914	-	117,854	2,884,060
Other post-employment benefits			5,143,244	889,367	-	6,032,611
Self-insurance claims			1,267,609	4,823,825	4,822,316	1,269,118
Accrued vacation			2,690,111	1,950,707	1,697,533	2,943,285
Total Component Unit - EPWU			<u>\$ 589,291,268</u>	<u>\$ 119,051,511</u>	<u>\$ 93,822,079</u>	<u>\$ 614,520,700</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

B. Component Unit – EPWU (Continued)

Interest costs incurred on revenue bonds totaled \$22,331,710 of which \$165,588 was capitalized.

3. Annual Revenue Bond, Land Notes and Other Government Payable Debt Service Requirements

Year Ending Last Day of February	Principal				Interest				Total Principal and Interest
	Revenue Bonds	Land Note	Other Government Payable	Total	Revenue Bonds	Other Government Payable	Land Note	Total	
2014	\$ 25,100,000	\$ 764,375	\$ 123,268	\$ 25,987,643	\$ 19,701,511	\$ 127,261	\$ 148,155	\$ 19,976,927	\$ 45,964,570
2015	25,150,000	752,694	128,931	26,031,625	19,692,715	121,598	124,773	19,939,086	45,970,711
2016	26,480,000	790,328	134,854	27,405,182	18,690,271	115,675	102,192	18,908,138	46,313,320
2017	27,920,000	829,844	141,049	28,890,893	17,641,120	109,480	78,482	17,829,082	46,719,975
2018	30,110,000	871,337	147,529	31,128,866	16,514,109	103,000	53,587	16,670,696	47,799,562
2019 - 2023	157,655,000	914,885	845,754	159,415,639	62,504,339	406,892	27,447	62,938,678	222,354,317
2024 - 2028	138,545,000	-	1,058,711	139,603,711	29,215,342	193,935	-	29,409,277	169,012,988
2029 - 2033	58,415,000	-	303,964	58,718,964	5,306,274	9,199	-	5,315,473	64,034,437
2034 - 2038	3,410,000	-	-	3,410,000	73,050	-	-	73,050	3,483,050
Total	<u>\$ 492,785,000</u>	<u>\$ 4,923,463</u>	<u>\$ 2,884,060</u>	<u>\$ 500,592,523</u>	<u>\$ 189,338,731</u>	<u>\$ 1,187,040</u>	<u>\$ 534,636</u>	<u>\$ 191,060,407</u>	<u>\$ 691,652,930</u>

4. Debt Covenants

The bond ordinances require EPWU to maintain revenues in each fiscal year, after deduction for maintenance and operation expenses, in the amount of at least 1.5 times the debt service requirements in such year. EPWU believes it is in compliance with this covenant.

5. Commercial Paper

In October 1997, the EPWU and the City approved a Commercial Paper Program in the amount of \$50,000,000. The purpose of the Commercial Paper Program is to provide funds for the interim financing of a portion of the costs of capital improvements to the system.

The borrowings under the Commercial Paper Program are equally and ratably secured by and are payable from (i) the proceeds from the sale of bonds or additional borrowing under the Commercial Paper Program and (ii) borrowing under and pursuant to the revolving credit agreement.

EPWU through the City of El Paso and JP Morgan Chase Bank (the Bank) entered into a new revolving credit agreement (the Credit Agreement) in February 2009 pursuant to which the Bank is obligated under the Credit Agreement to loan to the City amounts not to exceed \$40,000,000 for the purpose of paying amounts due on the Commercial Paper Program. On February 1, 2011, the parties amended (the Credit Agreement) to extend the Final Date to August 3, 2013. As of February 28, 2013, the EPWU was in the process of finalizing a two year extension amendment to the credit agreement under the same terms and conditions. Any borrowing under the Credit Agreement is equally and ratably secured by and payable from the above-described sources pledged for payment of the Commercial Paper Program and from a pledge of the Net Revenues of the Water and Wastewater Utility, such pledge being subordinate to the pledge of Net Revenues securing all Senior Lien Obligations. Management intends to continue the remarketing of the tax exempt commercial paper notes as it intends to maintain a portion of its debt in variable rates.

NOTE 8. LONG-TERM OBLIGATIONS (Continued)**B. Component Unit – EPWU (Continued)****5. Commercial Paper (Continued)**

Since the commercial paper represents activity that is the result of EPWU's long-term financing plan, the amounts outstanding are presented as long-term. The "paper" can be sold in \$100,000 increments and matures from one to 270 days. As of February 29, 2012, there was \$13,000,000 outstanding and as of February 28, 2013 the following amount was outstanding:

	<u>Amount</u>	<u>Maturity Date</u>	<u>Coupon Rate</u>
\$	8,000,000	April 2, 2013	0.16%

6. Indebtedness Incurred During Fiscal Year

On November 15, 2012, the Public Service Board - El Paso Water Utilities issued \$75,715,000 in Water and Sewer Revenue Refunding and Improvement Bonds, Series 2012A with an average interest rate of 4.12% to refund \$15,000,000 of Water and Sewer Commercial Paper Notes with an average interest rate of .24%, \$25,000,000 to fund Emergency backup power generation, and advance refund the following outstanding bonds:

<u>Series</u>	<u>Amount</u>	<u>Average Coupon</u>
2003B	\$ 9,955,000	4.16%
2004	23,870,000	5.23%
2004A	9,550,000	5.41%

The liabilities associated with these bonds were removed from the related payables. As of February 28, 2013, \$43,375,000 of bonds remained outstanding with an estimated related escrow balance of \$46,402,743. The refunding of the 2003B, 2004 and 2004A reduced debt service by \$7,283,471 and resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$6,521,301.

C. Solid Waste Landfill Closure and Postclosure Care Cost

The City owns and operates two landfills located in the East (Clint) and Northeast (McCombs) areas of the City of El Paso. Closure and postclosure care of the landfills are subject to the requirements of Subtitle D of the Resource Conservation and Recovery Act (P.L. 94/580) and Sections 330.250-256 of Title 30 of the *Texas Administrative Code* administered by the Texas Commission on Environmental Quality (TCEQ), formerly the Texas Natural Resource Conservation Commission (TNRCC). These regulations require the City to place a final cover on each landfill when it ceases to accept waste and to perform certain maintenance and monitoring functions for 30 years after the closure of each landfill.

NOTE 8. LONG-TERM OBLIGATIONS (Continued)**C. Solid Waste Landfill Closure and Postclosure Care Cost (Continued)**

During FY 2004, the City hired independent consultants to prepare a revised estimate of the total closure and postclosure costs for the landfills. The estimated total closure and postclosure costs, adjusted by an inflation factor specified by the TCEQ, is \$70.8 million at August 31, 2013. The recognized portion of the total liability, \$17.6 million, is computed based on the percentage of landfill capacity used, approximately 34.84%, as of August 31, 2013. The remaining estimated total current cost of closure and postclosure care remaining to be recognized is \$53.2 million.

Clint Landfill (TCEQ Permit 1482) – The City closed this facility in FY 2010. Closure and postclosure costs are estimated at \$11.1 million. Approximately \$8.0 million has been expended with \$55 thousand expended in 2013, resulting in the recorded liability of \$2.6 million.

Clint Landfill (TCEQ Permit 2284) – This landfill is currently accepting solid waste and capacity used is 23.67% at August 31, 2013. The estimated closure and postclosure cost liability of \$6.7 million is included in the recorded liability.

McCombs Landfill (TCEQ Permit 729A) – This landfill is currently accepting solid waste and capacity used is 26.7% at August 31, 2013. The estimated closure and postclosure cost liability of \$8.3 million is included in the recorded liability. TCEQ's review of the revised closure and postclosure cost estimate is pending. Management believes TCEQ will accept the estimate.

Actual costs may be higher due to inflation, changes in technology or changes in regulations. The Department of Environmental Services, an enterprise fund and part of the City will meet closure and postclosure care financial requirements.

Sections 330.280-286 of Title 30 of the *Texas Administrative Code* requires landfill owners to demonstrate financial assurance that they will have sufficient financial resources to satisfy closure and postclosure care expenses at such time as these become payable. The regulations provide various means by which a municipality may demonstrate financial assurance. For the year ended August 31, 2013, the City met all of the financial tests required by the TCEQ and will demonstrate financial assurance to the TCEQ by way of the City's most recent bond rating and/or financial ratios computed using 2013 audited financial statements.

D. Solid Waste Transfer Station

The City owns and operates a transfer process facility for solid waste near Delta Street in El Paso (Delta Transfer Station – TCEQ Permit 728). Beginning in March 2000, Section 330.282 of Title 30, the *Texas Administrative Code*, administered by the TCEQ, required “a detailed written cost estimate, in current dollars, showing the cost of hiring a third-party to close the process facility by cleaning up the litter and debris from the site and the equipment, hauling the litter and debris to an approved landfill and to render the facility closed by dismantling vital operational parts and locking up the facility.” At August 31, 2013, the estimated total cost of closure of the Delta Transfer Station is \$119,166 and is recognized as a liability in these financial statements. The TCEQ, pending review and acceptance of this estimate, utilizes the previous estimate of \$92,272.

CITY OF EL PASO, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

E. Arbitrage Rebate Payable

At August 31, 2013, the City did not have earned interest revenue on unused bond proceeds in excess of amounts allowed by applicable federal regulations that may be subject to rebate to the Federal government.

NOTE 9. FUND EQUITY

Fund balance components of Governmental Funds are as follows:

Fund Balances	General Fund	Community Development Block Grants	Debt Service	Capital Projects	Downtown Development Corporation	Nonmajor Governmental Funds
Nonspendable:						
Inventory	\$ 3,533,759	\$ -	\$ -	\$ -	\$ -	\$ 72,445
Restricted for:						
Cash reserve	16,000,000	-	-	-	-	-
Debt service	-	-	711,954	-	-	-
Municipal court	-	-	-	-	-	3,591,186
Capital projects	-	-	-	-	51,137,497	2,430,730
PEG	-	-	-	-	-	3,632,504
Civic center	-	-	-	-	-	2,460,742
Library	-	-	-	-	-	163,633
Art museum	-	-	-	-	-	555,107
Police	-	-	-	-	-	4,909,566
Economic development	-	-	-	-	-	442,013
Public health	-	-	-	-	-	229,656
Committed to:						
Claims and legal counsel	1,000,000	-	-	-	-	-
Parks	-	-	-	-	-	1,589,739
Economic development	-	-	-	-	-	3,705,807
Mayor and City Council	-	-	-	-	-	141,099
Fire	-	-	-	-	-	66,184
Police	-	-	-	-	-	185,833
Assigned to:						
General government	800,000	-	-	-	-	-
Unassigned	15,921,724	-	-	(11,748,935)	-	(669,062)
Total fund balances	\$ 37,255,483	\$ -	\$ 711,954	\$ (11,748,935)	\$ 51,137,497	\$ 23,507,182

NOTE 9. FUND EQUITY (Continued)

El Paso International Airport

The Airport has various assets that are restricted for specific use in accordance with an agreement with the United States Government entered into in 1950 whereby 1,907 acres of land were donated to the Airport. Any revenues derived from the sale, lease or other use of this land must be utilized for the development, improvement, operation and maintenance of the Airport subject to the approval of the Federal Aviation Administration. Earnings from invested funds may be used for the purposes previously described. Under this agreement, advances to other Airport funds for development and improvement of Airport facilities are permitted, subject to approval from the Federal Aviation Administration.

Business-type Activities

The balances of the restricted net position accounts in the enterprise funds are as follows:

Restricted by Federal Aviation Administration:	
El Paso International Airport	\$ 11,521,595
Restricted for customer facility charge:	
El Paso International Airport	5,151,998
Restricted for passenger facilities:	
El Paso International Airport	11,086,094
Total restricted net position	<u>\$ 27,759,687</u>

Component Unit – EPWU

Based upon certain bond covenants and other requirements, EPWU is required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt and other specifically restricted activities (construction, improvements and customer deposits).

NOTE 10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Claim liabilities are estimated considering the effects of inflation, recent claim settlement trends (including frequency and amounts of payouts) and other economic and social factors (including the effects of specific, incremental claim adjustment expense, salvage and subrogation).

A. Internal Service Funds

Provisions under various types of risk are presented below:

Internal Service Funds account for certain self-insured activities. These include Workers' Compensation, Group Health and Unemployment Compensation. The premiums are recognized as revenues in the Internal Service Funds and as expenditures or expenses in the Governmental and Proprietary fund types, as appropriate. Accruals for unpaid claims and claims incurred but not reported are reflected in the accompanying proprietary funds balance sheet as Claims and Judgments.

NOTE 10. RISK MANAGEMENT (Continued)

A. Internal Service Funds (Continued)

This provision is based upon City experience, including recoveries, since the inception of the insurance programs and represents the loss and an allocated loss expense. The total estimated claims payable at August 31, 2013, is \$15,815,100 of which \$12,840,693 represents workers' compensation claims reserve losses. Employees of EPWU (the proprietary component unit) also participate in the group health plan that is managed by the City. The total claims liability reported in the Internal Service Funds at August 31, 2013, is based on the requirements of GASB Statement Number 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. No settlements in excess of insurance coverage were made in any of the prior three fiscal years.

Changes in the Funds' claims liability amount in fiscal 2013 and 2012 were:

	Workers' Compensation	Group Health	Unemployment Compensation	Total
Claims liability at August 31, 2011	\$ 13,301,793	\$ 3,131,436	\$ -	\$ 16,433,229
Incurred claims	5,578,624	44,041,170	325,888	49,945,682
Payment on claims	<u>(5,038,349)</u>	<u>(43,524,200)</u>	<u>(325,888)</u>	<u>(48,888,437)</u>
Claims liability at August 31, 2012	13,842,068	3,648,406	-	17,490,474
Incurred claims	6,512,425	37,070,844	260,810	43,844,079
Payment on claims	<u>(7,513,800)</u>	<u>(37,744,843)</u>	<u>(260,810)</u>	<u>(45,519,453)</u>
Claims liability at August 31, 2013	<u>\$ 12,840,693</u>	<u>\$ 2,974,407</u>	<u>\$ -</u>	<u>\$ 15,815,100</u>

B. General Liability Insurance

The City is self-insured for general, police officers and certain automobile liability, with the exception of the Mass Transit Department's fleet of vehicles, liability for the Airport, certain automobile liability and certain other catastrophic liability for which the City is insured. Expenditures for self-insured liabilities are accounted for in the General Fund, which will pay any liabilities incurred.

The City has joined together with other governments in the Texas Municipal League Intergovernmental Risk Pool (TML). The City pays an annual premium to TML for auto vehicle insurance coverage. The agreement with TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 to \$1,000,000 for each insurance event. The City anticipates no contingent losses.

TML has published its own financial report that can be obtained from the Texas Municipal League Intergovernmental Risk Pool, Austin, Texas.

The City continues to carry commercial fidelity bonds for elected officials and for management.

C. Property and Casualty Insurance

Property, casualty, boiler and machinery insurance is provided by a commercial carrier.

D. Workers' Compensation Insurance

The City self-insures against workers' compensation claims.

NOTE 10. RISK MANAGEMENT (Continued)

E. Group Health and Life Insurance

The City maintains a group health insurance plan for active and retired employees and their eligible dependents through a self-insured plan of benefits. Aetna Inc. administers the plan. Reinsurance coverage limits the annual liability. Contributions to the fund are provided by both the City and participating employees. A commercial carrier provides the group life insurance plan. Costs are recorded in the fund from which the employees' compensation is paid.

F. Unemployment Compensation Insurance

The City self-insures for unemployment compensation claims through an agreement with the Texas Workforce Commission (TWC). Under the agreement, TWC administers all claims and is reimbursed by the City for claims incurred plus administrative charges.

G. Component Unit – EPWU

EPWU is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. EPWU, through the City, maintains insurance policies acquired from independent insurance carriers covering all structural property.

EPWU provides health benefits, life insurance and workers' compensation benefits under the City's self-insurance plan. Contributions to the plans are provided by both EPWU and participating employees. A commercial carrier provides the group life insurance plan.

The total estimated claims payable at February 28, 2013, is \$1,269,118 of which \$1,062,414 and \$206,704 represents workers' compensation claims and health benefits claims, respectively.

Changes in accrued liabilities for these claims follow:

Claims liability at February 28, 2011	\$ 1,060,795
Incurred claims	5,039,774
Payment on claims	<u>(4,832,960)</u>
Claims liability at February 29, 2012	1,267,609
Incurred claims	4,823,825
Payment on claims	<u>(4,822,316)</u>
Claims liability at February 28, 2013	<u><u>\$ 1,269,118</u></u>

NOTE 11. COMMITMENTS AND CONTINGENCIES**A. Litigation and Claims**

Various claims and lawsuits are pending against the City in addition to those accrued at August 31, 2013. Accruals have not been made for these lawsuits because it is considered to be reasonably possible the plaintiff will prevail. The City estimates this exposure to be between \$7,018,103 and \$7,118,103. The City believes that resolution of these matters will not have a material adverse effect on the financial condition of the City. Additionally, claims and lawsuits against the City that are deemed as probable are estimated at an exposure range between \$350,000 and \$950,000. The City has accrued \$942,687 as of August 31, 2013, related to probable classified lawsuits.

B. Grants

The City has received Federal and State financial assistance in the form of grants and entitlements that are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement by the grantor agency for expenditures disallowed under terms and conditions specified in the grant agreements. In the opinion of City management, such disallowances, if any, will not be significant.

C. Other Bond Issues

The City has, in prior years, participated in several issues of Industrial Revenue Bonds and International Airport Special Facilities Revenue and Refunding Bonds, issued for the purposes of constructing privately owned manufacturing, commercial and other related facilities within the City. These bonds are neither direct nor contingent liabilities of the City, as the revenue from the lease agreements and property purchased with the bond proceeds are pledged for the total payment of the principal and interest on the bonds and the bondholders can look only to these sources for repayment.

At August 31, 2013, no Industrial Revenue Bonds issued by the City were outstanding.

On April 15, 2007, the City issued \$400,000 in Public Improvement District #1 special assessment revenue bonds. This bond is not a general obligation of the City and does not give rise to a charge against the general credit or taxing powers of the City. At August 31, 2013, the outstanding liability of these bonds is \$245,000.

D. Unfunded Pension Liabilities

In February 2004, the voters of the City authorized the City to contract with the FPPF to make contributions to the FPPF solely for the purpose of addressing the unfunded liabilities of the FPPF, subject to receipt of certain agreements between the City and the FPPF. As of January 1, 2012, the latest actuarial valuation reflected unfunded liabilities of \$108,582,531 for the FPPF-Fireman Division and \$174,514,074 for the FPPF-Policeman Division.

NOTE 11. COMMITMENTS AND CONTINGENCIES (Continued)**D. Unfunded Pension Liabilities (Continued)**

In September 2003, the voters of Texas ratified an amendment to the Texas Constitution, Article 16, Sec. 66 which provides: "The political subdivision or subdivisions and the retirement system that finance benefits under the retirement system are jointly responsible for ensuring that benefits under this section are not reduced or otherwise impaired." In the event of a conflict between a City Charter provision and a provision of the Constitution, the Constitution provision would likely prevail, in which case the City could be obligated to make additional contributions to the FPPF. The nature and amount of underfunding of the FPPF and the amount the City may be required to contribute is unknown at this time.

E. Component Unit – EPWU

Through the ordinary course of its operations, EPWU becomes subject to various claims and litigation. As of the date of these financial statements, EPWU was named in various legal actions. To the extent the outcome of such litigation is determined to result in probable loss to the EPWU, such loss is accrued in the financial statements. However, as of February 28, 2013, no amounts have been accrued because legal counsel has not determined that the litigation will result in a probable loss to EPWU since the outcome cannot be determined at this time. Management and legal counsel are of the opinion that settlement of these claims and pending litigation will not have a materially adverse effect on EPWU's financial statements.

EPWU has received federal and state financial assistance for specific purposes that are subject to review and audit by the grantor agencies. Although management believes compliance with grant guidelines is adhered to, grantor audits could result in requests for reimbursement of expenditures determined to be disallowed. Management believes such disallowances, if any, will be immaterial.

NOTE 12. POST-EMPLOYMENT HEALTH CARE BENEFITS

Plan Description: The City sponsors and administers an informal single-employer defined benefit health care plan. Texas statute provides that retirees from a municipality with a population of 25,000 or more and that receive retirement benefits from a municipal retirement plan are entitled to purchase continued health benefits coverage for the retiree and the retiree's dependents unless the retiree is eligible for group health benefits coverage through another employer. The state of Texas has the authority to establish and amend the requirements of this statute. The City does not issue standalone financial statements of the health care plan but all required information is presented in this report.

Funding Policy: The contribution requirements of plan members are established by City ordinance and may be amended as needed. Retiree coverage is the same as the coverage provided to active City employees. Retirees pay premiums ranging from \$105.53 per month to \$1,318.56 per month depending on the coverage elected. The City's adopted budget policy maintains that retirees must pay 45% of the cost of premiums and the City will fund the remaining 55%. Retirees are responsible for the full cost of coverage for their dependents who participate in the plan. The cost of retiree healthcare benefits is recognized on a pay-as-you-go financing method and is recorded as an expense in the Internal Service Self-Insurance Fund as liabilities are incurred. Of 2,533 retirees eligible, there were 868 retirees covered under this plan at August 31, 2013. Dependent coverage was provided for 390 of the retirees. Total benefits paid by the City for retirees during the fiscal year were \$1,920,450. Retirees contributed

NOTE 12. POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

\$1,658,043 or 45% of the total current year cost.

Annual OPEB Cost and Net OPEB Obligation: The City’s annual other post-employment benefit (OPEB) expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement Number 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation:

Annual required contribution	\$ 18,613,108
Interest on net OPEB obligation	2,459,221
Adjustment to annual required contribution	<u>(3,538,942)</u>
Annual OPEB cost	17,533,387
Total annual employer contribution (pay-as-you-go)	<u>(4,328,596)</u>
Increase in net OPEB obligation	13,204,791
Net OPEB Obligation - September 1, 2012	<u>57,649,359</u>
Net OPEB Obligation - August 31, 2013	<u><u>\$ 70,854,150</u></u>

The components of the annual required contribution (ARC) calculation reflecting a 30-year amortization period is as follows:

Normal cost	\$ 6,647,624
Amortization cost	<u>11,965,484</u>
Interest	
ARC adjustment	
Annual required contribution (ARC)	<u><u>\$ 18,613,108</u></u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of August 31 is as follows:

Fiscal Year Ended August 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 17,533,387	24.7%	\$ 70,854,150
2012	\$ 17,901,191	22.0%	\$ 57,649,359
2011	\$ 14,573,672	22.9%	\$ 43,443,116

Funded Status and Funding Progress: As of September 1, 2011, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$194,917,737, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$194,917,737. The covered payroll (annual payroll of active employees covered by the plan) was \$264,636,000 and the ratio of the UAAL to the covered payroll was 73.7%.

NOTE 12. POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 1, 2011, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.5% investment rate of return based on the City's rate of return on investments for 2007, and an annual health care cost trend rate of 8.5% for 2011 and then reduced by decrements of one-half percent annually to an ultimate rate of 5% after five years. Both rates included a 4.5% inflation assumption. The UAAL is being amortized as a level dollar of projected payroll on an open basis. The remaining amortization period at August 31, 2011, was 30 years.

NOTE 13. PENSION PLANS

The employees of City of El Paso and EPWU participate in one of two single-employer defined benefit pension plans: the City Employees' Pension Fund (CEPF) and the Firemen and Policemen's Pension Funds (FPPF), which consists of separate divisions for firemen (FPPF-Firemen Division) and policemen (FPPF-Policemen Division). Separate boards of trustees administer these pension plans as described in *Note 1* (CEPF Board and FPPF Board, respectively). The CEPF was established in accordance with authority granted by Chapter 2.64 of the El Paso City Code and is a component unit (fiduciary fund type) of the City. The FPPF was established in accordance with authority granted by Article 6243b of *Vernon's Annotated Texas Statutes* and is a component unit (fiduciary fund type) of the City. Each pension plan issues stand-alone financial statements that may be obtained from the respective funds' administrative offices.

Firemen and Policemen's Pension Funds	201 E. Main Suite 1616 El Paso, TX 79901
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City Employees' Pension Fund	400 W. San Antonio Avenue Suite B El Paso, TX 79901
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NOTE 13. PENSION PLANS (Continued)

A. Membership

Membership of each plan consisted of the following:

	August 31, 2013	December 31, 2012	
	CEPF	FPPF-Firemen Division	FPPF-Police Division
Retirees and beneficiaries receiving benefits	2,545	671	901
Terminated plan members entitled to but not yet receiving benefits	82	7	6
Active plan members	4,208	889	1,065
Total	6,835	1,567	1,972

B. City Employees' Pension Fund

1. Plan Description

Substantially all full-time employees of the City are eligible to participate in the retirement plan, except for uniformed firefighters and police officers who are covered under separate plans. Nonemployer contributions are limited to participating employees of the CEPF.

The designated purpose of the CEPF is to provide retirement, death, and disability benefits to participants or their beneficiaries. The CEPF is administered by the CEPF Board, which is comprised of two citizens designated by the Mayor who are not officers or employees of the City, four elected City employees, a retiree, and two district representatives. The CEPF Board contracts with an independent pension custodian, investment managers, a pension consultant and an actuary to assist in managing the CEPF.

Through August 31, 2013, the City is the only contributing employer. The CEPF pays direct administrative costs. The City provides indirect administrative support such as office space, utilities, and payroll processing at no charge to the CEPF. The CEPF reimburses the City for various direct costs of processing pension checks, such as postage and supplies.

The CEPF is not required to maintain any legally required reserves.

Participation is mandatory for classified employees (except permanent part-time employees). For nonclassified employees, participation is mandatory for employees hired after July 1997. Classified employees include all persons who are permanent, full-time employees and are not otherwise excluded from the CEPF.

NOTE 13. PENSION PLANS (Continued)**B. City Employees' Pension Fund (Continued)****1. Plan Description (Continued)**

Members who were first participants prior to September 1, 2011, accrue benefits based on Tier I provisions as follows:

- Participants who leave the Plan before completion of five years of service receive a refund of their contributions. Participants leaving the Plan with more than five years but less than 10 years of service may receive a refund of their contributions plus interest at 5.5% compounded annually. Participants become fully vested after reaching 40 years of age and 10 years of service or 45 years of age and seven years of service. Normal retirement is the earlier of: (i) 55 years of age with 10 years of service, (ii) 60 years of age with seven years of service or (iii) 30 years of service, regardless of age. Participants who have met the minimum vesting requirements may retire, but defer receiving pension payments until they reach normal retirement age. Alternatively, such vested participants may elect an early retirement, which will provide an actuarially reduced pension benefit payment upon termination. Persons retiring and eligible to receive benefits receive monthly pension payments in the amount of 2.5% of average monthly gross earnings received by the employee during the three years immediately prior to retirement, or 2.5% of the average monthly base salary received by the employee during the year immediately prior to retirement, or 2.5% of the monthly base salary pay for the month immediately prior to retirement, whichever is greater, multiplied by the number of completed years of service, plus .2083 of 1% of such average for each additional completed or fractional part of a month of service.

Members who were first participants on or after September 1, 2011, accrue benefits based on Tier II provisions as follows:

- Participants who leave the Plan before completion of seven years of service receive a refund of their contributions. Participants leaving the Plan with more than seven years but less than 10 years of service may receive a refund of their contributions plus interest at 3% compounded annually. Participants become fully vested after reaching 45 years of age and seven years of service. Normal retirement is the earlier of: (i) 60 years of age with seven years of service, or (ii) 35 years of service, regardless of age. Participants who have met the minimum vesting requirements may retire, but defer receiving pension payments until they reach normal retirement age. Alternatively, such vested participants may elect an early retirement, which will provide an actuarially reduced pension benefit payment upon termination. Persons retiring and eligible to receive benefits receive monthly pension payments in the amount of 2.25% of average monthly gross earnings received by the employee during the three years immediately prior to retirement, multiplied by the number of completed years of service, plus .1875 of 1% of such average for each additional completed or fractional part of a month of service, limited to 90% of the three-year average final pay.

NOTE 13. PENSION PLANS (Continued)**B. City Employees' Pension Fund (Continued)****2. Basis of Accounting**

The accounting policies of the CEPF have been established to conform to GAAP for state and local governments as promulgated by authoritative pronouncements issued by the Governmental Accounting Standards Board. The CEPF is accounted for on an economic resources measurement focus using the accrual basis of accounting.

The preparation of financial statements in conformity with GAAP requires the CEPF's management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported changes in net position during the reporting period. Actual results may differ from those estimates.

3. Method Used to Value Investments

Investments are stated at fair value in the accompanying statements of plan net position. The fair value of marketable investments, including U.S. government securities, mutual funds, corporate bonds and stocks, is determined by the latest bid price or by the closing exchange price at statement of plan net position dates. The fair value of investments in bank collective investment, commingled and real estate investment funds are determined by the investment managers based on the fair values of the underlying securities in the funds. In general, the fair value of the underlying securities held in the real estate investment funds are based upon property appraisal reports prepared by independent real estate appraisers (members of the Appraisal Institute or an equivalent organization) within a reasonable amount of time following acquisition of the real estate and no less frequently than annually thereafter. Bank collective investment funds are governed by Section 9.18 of Regulation 9 issued by the Office of Comptroller of the Currency and by other applicable regulations as defined by the Mellon Bank, N.A. Employee Benefit Collective Investment Fund Plan.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Net appreciation in fair value of investments reflected in the accompanying statements of changes in plan net position represents gains or losses realized during the year plus or minus the change in the net unrealized gains or losses on investments. The change in net unrealized gains or losses on investments represents the change in the difference between the cost and fair value of investments at the beginning versus the end of the year.

NOTE 13. PENSION PLANS (Continued)

B. City Employees' Pension Fund (Continued)

4. Concentration of Investments

The following table presents the fair value of investments that represent 5% or more of the CEPF's net position available for benefits at August 31, 2013. These investments are in bank collective investment funds which consist of diversified portfolios of investments as described previously.

	Shares	Fair Value
EB MCM Aggregate Bond Index Fund		
Mellon Capital Management Corporation	158,694.917	\$ 54,994,655
Winslow Large Capital Growth Fund		
Wilmington Trust Company	1,718,266.974	45,379,431
Franklin Templeton Global Multisector Plus Trust		
Franklin Templeton Investments	3,017,241.379	35,452,586
MCM EB Daily Valued Treasury		
Mellon Capital Management Corporation	28,230.815	35,135,995
UBS Trumbull Property Fund		
UBS Realty Investors	3,856.484	33,787,948

Contributions Required and Contributions Made

Contribution rates for the CEPF are based upon local statutes and are not actuarially determined. However, each time a new actuarial valuation is performed, contribution requirements are compared to the actuarially determined amount necessary to fund service costs and amortize the unfunded actuarial accrued liability (using entry-age-normal cost method) over thirty years. As of the most recent actuarial valuation, the contribution rate was 21.20% of annual covered payroll.

Contributions for the year ended August 31, 2013, were made as follows:

	Amount	Stated Percentage of Covered Payroll
Employer contribution	\$ 20,314,439	12.85%
Employee contributions	<u>13,513,897</u>	8.35%
Total contributions	<u>\$ 33,828,336</u>	21.20%

NOTE 13. PENSION PLANS (Continued)

B. City Employees' Pension Fund (Continued)

6. Securities Lending Transactions

The CEPF enters into securities lending transactions with broker/dealers for which fees are paid to the CEPF. The Board may legally and contractually authorize the use of the CEPF's securities for lending transactions. Parameters are established by the CEPF's investment guidelines for securities lending transactions. These guidelines require that all securities lending occur with specified broker/dealers and that securities be collateralized using U.S. issuer securities at 102% and non-U.S. issuer securities at 105% of the fair value of the securities. U.S. issuer securities used as collateral are marked to market on a daily basis to ensure that the collateralization requirements of the fair value of investments is always maintained. The CEPF may not pledge or sell the collateral securities except on default of the borrower. Because of this, the CEPF administration believes there is minimal credit risk associated with securities lending transactions. There is no loss indemnification provided to the CEPF by the investment managers or broker/dealers.

At August 31, 2013, the fair value of securities loaned to others was \$20,943,954 consisting of corporate stocks.

7. Annual Pension Cost and Net Pension Obligation

The City's annual pension cost and net pension obligation to CEPF for the current year were as follows:

Annual Required Contribution (ARC)	\$ 21,075,292
Interest on Net Pension Obligation	98,880
Adjustment to ARC	<u>(73,695)</u>
Annual Pension Cost (APC)	21,100,477
Contributions Made	<u>20,502,828</u>
Increase in Net Pension Obligation	597,649
Net Pension Obligation, 8/31/2012	<u>1,318,396</u>
Net Pension Obligation, 8/31/2013	<u><u>\$ 1,916,045</u></u>

The City's annual pension cost, the percentage of annual pension cost contributed to the plan, and the net pension obligation for 2013 is as follows:

Fiscal Year Ended August 31	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
2013	\$ 21,100,477	97.2%	\$ 1,916,045
2012	\$ 19,634,700	99.4%	\$ 1,318,396
2011	\$ 18,375,476	97.7%	\$ 1,208,630

NOTE 13. PENSION PLANS (Continued)

B City Employees' Pension Fund (Continued)

8. Funded Status and Funding Progress

The funded status of the plan as of September 1, 2012, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 788,204,441
Actuarial value of plan assets	<u>581,725,101</u>
Unfunded AAL	\$ 206,479,340
Funded ratio (actuarial value of plan assets/AAL)	73.8%
Covered payroll (active plan members)	\$ 147,740,362
Unfunded AAL as a percentage of covered payroll	139.8%

9. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the September 1, 2012, actuarial valuation, the entry-age-normal cost method was used. The actuarial value of pension benefit assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The actuarial assumptions included a 7.5% investment rate of return (net of administrative expenses), projected salary increases of 4.0% to 5.70%, which includes an inflation rate of 3.50% and no costs of living increases. The remaining amortization period at September 1, 2012, was 21 years using a level percent, open basis, amortization period. There were no factors that significantly affected the identification of trends such as changes in benefits, actuarial methods or assumptions.

NOTE 13. PENSION PLANS (Continued)

C. Firemen and Policemen's Pension Fund

1. Plan Description

The designated purpose of the FPPF is to provide retirement, death and disability benefits to participants or their beneficiaries.

The FPPF is a defined benefit pension plan covering uniformed firefighters and police officers employed by the City of El Paso. Nonemployer contributions are limited to participating employees. The City of El Paso is the only participating employer. The City's contributions to the FPPF are limited to 18% of compensation as provided by the City Charter. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of the legal funding limitations.

The FPPF – Firemen Division is a defined benefit, contributory retirement plan covering uniformed employees of the Fire Department. Participants are required to contribute 15.28% of their compensation to the FPPF.

The FPPF – Policeman Division is a defined benefit, contributory retirement plan covering uniformed employees of the Police Department. Participants are required to contribute 13.89% of their compensation to the FPPF.

Under both divisions, membership is mandatory and effective upon commencement of the probationary period. Participant contributions are not refunded if a participant terminates with less than five years of service and all benefits under the FPPF are terminated. Participant contributions (without interest) are refunded upon request if a participant terminates with five or more years of service but less than 20 years of service. All benefits under the FPPF are terminated if contributions are refunded.

Upon completion of 10 or more years of service, a participant may terminate his service for reasons other than disability or death and receive a pension commencing at age 50 or immediately upon date of termination of service if at least 50 years of age at the time of termination. The pension benefit is equal to 2.75% times final compensation, times the number of years of service, not to exceed 28 years. Normal retirement occurs when employees reach age 45 and have 20 years of service. Retirement benefits are computed based upon 2.75% of the participant's final compensation times the number of years of service, not to exceed 77% of a participant's final compensation. A reduced pension benefit is permitted with 20 years of service and before age 45. The pension benefit is equal to 2.75% times final compensation times the number of years of service, not to exceed 28, multiplied by the appropriate actuarial reduction factor.

NOTE 13. PENSION PLANS (Continued)**C. Firemen and Policemen's Pension Fund (Continued)****1. Plan Description (Continued)**

Final compensation is based upon the participant's highest wages in any calendar month within the 12 months preceding retirement excluding overtime pay. Except for disability pensions, a participant's final rank must have been held for at least six months in order to use the monthly pay at the higher rank. A surviving spouse receives 100% of the retiree's pension subject to certain provisions. A participant may receive disability benefits resulting from a total and permanent disability from an injury in the line of duty or any injury not due to the member's own fault. The disability benefit is equal to 2.75% of final compensation times the number of years of service, not to exceed 28 years, with a minimum benefit of 50% of final compensation. Cost-of-living adjustments are granted to individuals retiring after March 23, 1980, subject to applicable waiting periods, except for deferred retirees. Participants who are 50 years old and have 20.5 years of service may elect the Back Deferred Retirement Option Program (BackDROP). The BackDROP benefit is a lump sum payment and a reduced monthly benefit. The BackDROP period must be at least six months and not more than 36 months.

The FPPF is maintained under the provisions of Article 6243b of Vernon's Annotated Texas Statutes. All current FPPF provisions are set forth in the City of El Paso Firemen and Policemen's Pension Fund Plan Document as Restated Effective July 1, 2007. Benefit provisions, contribution obligations and funding policy of the Fund are established and amended in accordance with authority granted by Article 6243b of Vernon's Annotated Texas Statutes. The costs of administering the Fund are paid out of the Fund's assets. The complete Plan Document containing benefit and vesting provision in their entity is available at the Pension office.

2. Basis of Accounting

The accounting policies of the FPPF have been established to conform to generally accepted accounting principles for state and local governments as promulgated by authoritative pronouncements issued by the Governmental Accounting Standards Board. The Fund is accounted for on an economic resources measurement focus using the accrual basis of accounting.

Employer and participant contributions are recognized in the period in which employees provide services to the entity. Benefits and refunds are recognized when paid in accordance with the terms of each plan.

NOTE 13. PENSION PLANS (Continued)

C. Firemen and Policemen's Pension Fund (Continued)

3. Method Used to Value Investments

Investments are stated at fair value in the accompanying combined statements of plan net position. The fair value of marketable investments is determined by the latest bid price, closing exchange price at year-end, institutional bid evaluation and net asset value as considered appropriate for each investment type by Northern Trust Company. The estimated fair value of alternative investments is based on the most recent valuations provided by the external investment managers. The Fund believes the carrying amount of these financial instruments is a reasonable estimate of the fair value. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed. Third-party investment managers administer substantially all marketable securities of the Fund. Gains and losses resulting from securities transactions are recorded in investment income.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

4. Contributions Required and Contributions Made

Funding policies providing for periodic employer contributions are determined by City Charter, and employee contributions as established by the Board of Trustees and a vote of active participants in accordance with Article 6243b (Act) of Vernon's Annotated Texas Statutes.

Actuarial valuations are prepared biennially for the Fund.

The Fund's actuary has indicated that, under the current contribution requirements, the FPPF will not accumulate sufficient assets to amortize the Unfunded Actuarial Accrued Liability (UAAL).

Based upon the results of the actuarial evaluations, if present contribution requirements are insufficient to accumulate sufficient assets to amortize the unfunded actuarial accrued liability, the FPPF's Board of Trustees, after approval by secret ballot of the rank and file policemen or firemen, could increase participant contributions or decrease participant benefits to maintain the actuarial integrity of the system. The City's contribution is determined by a formula set forth in the City Charter.

5. Securities Lending

The FPPF has a securities lending agreement with its custodian, the Northern Trust Company (the Lending Agent), under which FPPF owned investments are lent to one or more borrowers for a fee. The Lending Agent is responsible for collecting all required collateral in the form of U.S. dollar cash, securities issued or guaranteed by the United States Government or its agencies or instrumentalities, or irrevocable letters of credit issued by banks independent of the borrowers.

The lending agent is authorized to enter into securities lending transactions of U.S. and non-U.S. Securities (securities) in accordance with the terms of the Securities Lending Authorization Agreement (the agreement). The Lending Agent is authorized to lend the Funds securities to one or more borrowers as seen appropriate but limited to the listed or described borrowers as listed in the attachment to the aforementioned agreement.

NOTE 13. PENSION PLANS (Continued)

C. Firemen and Policemen’s Pension Fund (Continued)

5. Securities Lending (continued)

The Lending Agent shall indemnify, defend and hold the Fund harmless from and against any losses, damages, costs and expenses (other than special, incidental, indirect or consequential losses, damages, costs or expenses) the Fund may incur if the Lending Agent is unable to recover borrowed securities and distributions made during the term of the loans with respect to those securities as a result of the Lending Agent’s failure (a) to make a reasoned determination of the credit-worthiness of a borrower, (b) to demand adequate and appropriate collateral on a prompt and timely basis and (c) to perform its duties and responsibilities under the agreement.

The agreement states that collateral must have a market value equal to no less than 100% of the market value of the borrowed securities.

Each business day the Lending Agent and the Fund shall determine the market value of the collateral and the borrowed securities. If on any business day the market value of all the collateral shall be less than the required value, the Lending Agent shall demand from the borrower, subject to a de minimis rule of change in value appropriate to the type of borrowed securities, additional collateral so that the market value of the additional collateral, when added to the market value of the collateral previously delivered to the Lending Agent, shall equal the required value.

If on any business day the market value of all the collateral shall be greater than the required value, the Lending Agent shall, upon request from the borrower, subject to a de minimis rule of change in value appropriate to the type of borrowed securities, redeliver the borrower such amount of collateral selected by the borrower so that the market value of all collateral equals the required value. Credit risk is deflated as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund’s policy requires investment Grade Securities.

The Fund is authorized to enter into securities lending transactions under Texas State Statutes Section 2256.0015.

At December 31, 2012, \$71,284,681 of FPPF owned investments were loaned to others.

6. Annual Pension Cost and Net Pension Obligation

The City’s annual pension cost and net pension asset relating to FPPF for the current year were as follows:

Fireman Division:

Annual Required Contribution (ARC)	\$ 12,946,310
Interest on Net Pension Obligation (7.75%)	(4,126,847)
Adjustment to ARC (17.12)	<u>3,110,376</u>
Annual Pension Cost (APC)	11,929,839
Contributions Made	<u>10,060,982</u>
Increase in Net Pension Obligation	1,868,857
Net Pension Asset, 8/31/2012	(53,249,634)
Net Pension Asset, 8/31/2013	<u><u>\$ (51,380,777)</u></u>

NOTE 13. PENSION PLANS (Continued)

C. Firemen and Policemen's Pension Fund (Continued)

6. Annual Pension Cost and Net Pension Obligation (Continued)

Policeman Division:

Annual required contribution	\$ 20,511,268
Interest on net pension obligation	(942,962)
Adjustment to annual required contribution	<u>710,704</u>
Annual pension cost	20,279,010
Contributions made	<u>13,849,373</u>
Increase in net pension obligation	6,429,637
Net pension asset, 8/31/2012	<u>(12,167,258)</u>
Net pension asset, 8/31/2013	<u><u>\$ (5,737,621)</u></u>

The net pension asset for FPPF is allocated as a \$58,431,130 net pension asset for the governmental activities and a \$1,312,732 net pension obligation for the Airport. This amount is included on the Statement of Net Position with the long term liabilities of the Business-type Activities.

The City's annual pension cost, the percentage of annual pension cost contributed to the plan, and the net pension obligation for 2013 is as follows:

Fireman Division:

Fiscal Year Ended August 31,	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation (Asset)
2013	\$ 11,929,839	84.3%	\$ (51,380,777)
2012	11,106,368	89.7%	(53,249,634)
2011	10,691,513	90.1%	(54,286,072)

Policeman Division:

Fiscal Year Ended August 31,	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation (Asset)
2013	\$ 20,279,010	68.3%	\$ (5,737,621)
2012	17,904,401	74.9%	(12,167,258)
2011	17,212,841	80.5%	(15,852,566)

NOTE 13. PENSION PLANS (Continued)

C. Firemen and Policemen's Pension Fund (Continued)

7. Funded Status and Funding Progress

Fireman Division:

As of January 1, 2012, the most recent actuarial valuation date, the plan was 79.9% funded. The actuarial accrued liability for benefits was \$539,792,477 and the actuarial value of assets was \$431,209,946, resulting in an unfunded actuarial accrued liability (UAAL) of \$108,582,531. The covered payroll (annual payroll of active employees covered by the plan) was \$49,942,127 and the ratio of the UAAL to the covered payroll was 217.4%.

Policeman Division:

As of January 1, 2012, the most recent actuarial valuation date, the plan was 78.2% funded. The actuarial accrued liability for benefits was \$800,860,178 and the actuarial value of assets was \$626,346,104, resulting in an unfunded actuarial accrued liability (UAAL) of \$174,514,074. The covered payroll (annual payroll of active employees covered by the plan) was \$66,953,641 and the ratio of the UAAL to the covered payroll was 260.6%.

8. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the January 1, 2012 actuarial valuation, the entry-age-normal cost method was used. The actuarial value of pension benefit assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The actuarial assumptions included a 7.75% investment rate of return (net of administrative expenses), projected salary increases of 4.5% to 10.75%, which includes an inflation rate of 3.5% and a cost of living adjustment of 3%. The remaining amortization period at January 1, 2012, was 30 years using a level percent, open basis, amortization period.

CITY OF EL PASO, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2013

NOTE 14. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

A summary, by department, of expenditures exceeding appropriations at the legal level of budgetary control is as follows:

Mayor and Council	\$	78,694
Internal Audit		13,088
Public Information		26,152
Municipal Clerk		91,608
Planning		238,388
Human Resources		3,131
Police Department		638,905
Fire Department		1,139,006
Engineering		123,413
City Development		56,567
Art Museum		10,145
Cultural Affairs		2,955
Nondepartmental		546,264

Expenditures exceeding appropriations were funded through revenue sources in excess of the budget.

NOTE 15. CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF PRIOR PERIOD NET POSITION

For 2013, the City has adopted GASB Statement Number 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and has early adopted GASB Statement Number 65, *Items Previously Reported as Assets and Liabilities*.

GASB 63 and GASB 65 establish accounting and financial reporting standards that reclassify as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. Furthermore, these statements provide guidance for deferred outflows of resources and deferred inflows of resources and their applicability to consumption or acquisition of net position, previously referred to as net position, by the City.

As of August 31, 2012, the beginning net position of the governmental activities and the proprietary funds were restated for bond issuance costs incurred prior to 2013. Under GASB 65, these costs should be expensed as incurred.

	Governmental Activities	Business-type Activities
Net position, beginning of year as previously reported	\$ 67,768,143	\$ 350,031,741
Debt issuance costs	(7,596,265)	(539,417)
Net position, beginning of year, as restated	<u>\$ 60,171,878</u>	<u>\$ 349,492,324</u>

Component Unit – EPWU

The City’s component unit, EPWU, operates on a fiscal year ending on the last day of February. Therefore, implementation of GASB pronouncements 63 and 65 will be implemented for the fiscal year ending February 28, 2014.

NOTE 16. SUBSEQUENT EVENTS

On September 19, 2013, the City executed a settlement agreement with the Office of Inspector General (OIG) of the United States Department of Health and Human Services (HHS). The agreement called for two payments to be issued by the City. First payment to be issued on October 3, 2013 for \$581,414.25, and second payment to be issued on or before April 1, 2014 for \$581,414.25 plus interest at the rate of 2.375% (totaling \$588,318.54). Settlement related to presenting Medicare and Medicaid claims with errors between August 11, 2005 through December 30, 2010. Claims were submitted to Medicare for emergency Advanced Life Support (ALS) ambulance transportation services, when in actuality, the medically reasonable and necessary level of service was the lower cost emergency Basic Life Support (BLS) ambulance transportation services.

On September 30, 2013, the City closed on the issuance of \$24,285,000 of General Obligation Refunding Bonds. This bond was issued at a premium of \$1,927,015 and incurred \$284,314 in issuance cost. This refunding was done in order to achieve debt service savings for the City.

NOTE 16. SUBSEQUENT EVENTS (Continued)

On October 17, 2013, the City closed on the issuance of \$65,395,000 of Combination Tax and Revenue Certificate of Obligation Bonds. This bond was issued at a premium of \$2,415,798 and issuance costs in the amount of \$710,297.

On January 16, 2014, the City closed on the issuance of \$ 110,610,000 General Obligation Refunding Bonds issued at par with an issuance cost of \$1,026,640.

**REQUIRED SUPPLEMENTARY
INFORMATION OTHER THAN
MD&A**



City of El Paso
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
General Fund
For the Year Ended August 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	% of Budget
	Original	Final			
Resources (inflows):					
Property taxes	\$ 139,622,843	\$ 136,926,565	\$ 137,639,441	\$ 712,876	100.52%
Penalties and Interest-Delinquent taxes	1,277,732	1,277,732	1,268,806	(8,926)	99.30%
Sales taxes	79,077,368	79,077,368	76,812,161	(2,265,207)	97.14%
Franchise fees	43,350,496	43,350,496	41,360,418	(1,990,078)	95.41%
Licenses and permits	11,670,060	11,910,560	11,795,247	(115,313)	99.03%
Fines and forfeitures	15,379,769	15,139,269	12,553,686	(2,585,583)	82.92%
Charges for services	22,348,470	22,348,470	24,762,092	2,413,622	110.80%
Intergovernmental revenues	2,366,342	2,366,342	1,899,257	(467,085)	80.26%
County Participation	470,000	470,000	448,013	(21,987)	95.32%
Rents and other	1,480,510	1,480,510	1,579,820	99,310	106.71%
Interest	400,000	400,000	(32,936)	(432,936)	-8.23%
Transfers In	18,039,306	18,039,306	18,946,861	907,555	105.03%
Amounts available for appropriation from current year resources	335,482,896	332,786,618	329,032,866	(3,753,752)	98.87%
Charges to appropriations (outflows):					
General Government:					
Mayor and Council	1,333,970	1,317,352	1,396,046	(78,694)	105.97%
City Manager	931,195	915,428	859,424	(56,004)	93.88%
Office of Management and Budget	1,140,661	1,129,740	959,772	(169,968)	84.96%
Internal Audit	413,640	410,040	423,128	(13,088)	103.19%
Public Information	266,197	259,797	285,949	(26,152)	110.07%
Municipal Clerk	863,913	863,913	955,521	(91,608)	110.60%
Financial Services	3,052,861	3,059,109	2,582,198	(476,911)	84.41%
Information Technology	14,657,624	14,827,475	14,260,870	(566,605)	96.18%
Radio Communications	-	-	-	-	-
City Records	234,147	213,552	189,525	(24,027)	88.75%
City Attorney	4,106,140	4,816,093	3,957,024	(859,069)	82.16%
Planning	-	-	238,388	(238,388)	-
Human Resources	1,877,543	1,860,858	1,863,989	(3,131)	100.17%
Tax Office	2,019,531	2,019,531	1,652,405	(367,126)	81.82%
Public Safety and Community Services:					
Police Department	112,285,362	111,618,177	112,257,082	(638,905)	100.57%
Fire Department	91,166,978	90,499,474	91,638,480	(1,139,006)	101.26%
Municipal Court	4,391,594	4,341,931	4,069,412	(272,519)	93.72%
Public Health	6,061,985	5,981,513	5,937,519	(43,994)	99.26%
Library	8,656,780	8,835,335	8,568,701	(266,634)	96.98%
Parks Department	12,174,203	12,052,361	11,810,348	(242,013)	97.99%
Transportation and Public Works:					
Environmental Code Compliance	2,247,985	2,225,020	2,178,796	(46,224)	97.92%
Facilities Maintenance	24,750,383	24,616,852	24,011,567	(605,285)	97.54%
Engineering	2,893,352	2,857,582	2,980,995	(123,413)	104.32%
Street Department	13,452,239	13,470,020	12,850,214	(619,806)	95.40%
Development and Tourism:					
City Development:					
Business Center	1,769,460	1,802,036	1,979,752	(177,716)	109.86%
Building Permits Inspection-Commercial	1,753,928	1,744,362	1,230,485	(513,877)	70.54%
Building Permits Inspection-Administrat	994,997	722,549	464,765	(257,784)	64.32%
Building Permits Inspection-Plan Review	849,537	849,537	221,885	(627,652)	26.12%
Building Permits Inspection-Residential	768,190	768,190	1,096,198	(328,008)	142.70%
Economic Development Administration	1,554,746	1,634,653	1,824,534	(189,881)	111.62%
Land Development	730,342	994,032	1,754,307	(760,275)	176.48%
Community and human development	528,016	523,458	331,949	(191,509)	63.41%
Culture and recreation:					
Art Museum	1,274,726	1,271,141	1,281,286	(10,145)	100.80%
History Museum	620,630	619,395	612,190	(7,205)	98.84%
Archeology Museum	172,708	178,369	159,373	(18,996)	89.35%
Cultural Affairs	259,641	247,617	250,572	(2,955)	101.19%
Zoo	3,792,405	3,759,664	3,725,581	(34,083)	99.09%
Nondepartmental:					
Operating contingency	774,461	236,926	830,194	(593,268)	350.40%
Debt service	2,974,959	2,882,211	3,305,679	(423,468)	114.69%
Salary reserve	-	-	-	-	-
Non Departmental	4,879,862	8,931,293	8,460,821	(470,472)	94.73%
Transfers to other funds	2,806,005	3,306,005	580,130	(2,725,875)	17.55%
Total charges to appropriations	335,482,896	338,662,591	334,037,054	4,625,537	98.63%
Increase (Decrease) in fund balance:	-	(5,875,973)	(5,004,188)	871,785	
Fund balance, September 1	42,259,671	42,259,671	42,259,671	-	
Fund balance, August 31	<u>\$ 42,259,671</u>	<u>\$ 36,383,698</u>	<u>\$ 37,255,483</u>	<u>\$ 871,785</u>	

This budget and this schedule are prepared on a basis consistent with accounting principles generally accepted in the United States.

City of El Paso
Required Supplementary Information
Schedule of Funding Progress (Unaudited)
August 31, 2013
(in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age Normal Cost Method (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / (c))
<i>Other Postemployment Benefits:</i>						
9/1/2011	\$	194,917	\$ 194,917	\$ -	\$ 264,636	73.7%
9/1/2010		156,186	156,186		253,818	61.5%
9/1/2009		147,777	147,777	-	234,513	63.0%
<i>City Employee Pension Fund (CEPF) ⁽¹⁾:</i>						
9/1/2012	\$ 581,725	788,204 ⁽²⁾	206,479	73.8%	\$ 147,740	139.8%
9/1/2010	569,723	709,997	140,274	80.2%	143,107	98.0%
9/1/2008	552,815	631,591	78,776	87.5%	136,508	57.7%
<i>Firemen and Policemen's Pension Fund (FPPF)</i>						
<i>Firemen Division:</i>						
1/1/2012	\$ 431,210	539,792	108,582	79.9%	\$ 49,942	217.4%
1/1/2010	\$ 403,748	493,320	89,572	81.8%	48,173	185.9%
1/1/2008	317,925	431,939	114,014	73.6%	41,165	277.0%
<i>Policemen Division:</i>						
1/1/2012	\$ 626,346	800,860	\$ 174,514	78.2%	\$ 66,954	260.6%
1/1/2010	588,623	715,715	\$ 127,059	82.2%	62,538	203.2%
1/1/2008	515,354	613,942 ⁽³⁾	98,588	83.9%	56,840	173.4%

⁽¹⁾ Funding progress is evaluated by the Fund's enrolled actuary every other year.

⁽³⁾ Factors that significantly affected the identification of trends were changes in contribution rates for employees from 11.89% to 13.89%.

City of El Paso
Required Supplementary Information
Schedules of Employer Contributions (Unaudited)
August 31, 2013
(in thousands)

Year Ended	Annual Required Contribution	Percentage Contribution
<i>Other Postemployment Benefits:</i>		
8/31/2013	\$ 18,613	23%
8/31/2012	18,613	22%
8/31/2011	14,584	23%
<i>City Employee Pension Fund (CEPF):</i>		
8/31/2013	\$ 21,075	97%
8/31/2012	19,605	99%
8/31/2011	17,949	100%
<i>Firemen and Policemen's Pension Fund (FPPF)</i>		
<i>Firemen Division:</i>		
8/31/2013	\$ 12,946	78%
8/31/2012	12,144	90%
8/31/2011	11,748	90%
<i>Policemen Division:</i>		
8/31/2013	\$ 20,511	68%
8/31/2012	18,222	75%
8/31/2011	17,595	81%

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND
SCHEDULES**



GENERAL FUND



City of El Paso
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control
General Fund
For the Year Ended August 31, 2013

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
COUNCIL DISTRICT 01-WAGES	\$ 83,503	\$ 83,503	\$ 97,669	\$ (14,166)	116.96%
COUNCIL DISTRICT 01-OTHER OPERATING EXPENDITURES	46,249	46,249	33,241	13,008	71.87%
COUNCIL DISTRICT 02-WAGES	95,969	95,969	104,796	(8,827)	109.20%
COUNCIL DISTRICT 02-OTHER OPERATING EXPENDITURES	33,783	33,783	43,056	(9,273)	127.45%
COUNCIL DISTRICT 03-WAGES	90,768	90,768	85,872	4,896	94.61%
COUNCIL DISTRICT 03-OTHER OPERATING EXPENDITURES	38,984	38,984	46,681	(7,697)	119.74%
COUNCIL DISTRICT 04-WAGES	83,503	83,503	103,563	(20,060)	124.02%
COUNCIL DISTRICT 04-OTHER OPERATING EXPENDITURES	46,249	46,249	29,300	16,949	63.35%
COUNCIL DISTRICT 05-WAGES	96,031	89,482	88,891	591	99.34%
COUNCIL DISTRICT 05-OTHER OPERATING EXPENDITURES	33,721	40,270	50,972	(10,702)	126.58%
COUNCIL DISTRICT 06-WAGES	96,031	96,031	97,893	(1,862)	101.94%
COUNCIL DISTRICT 06-OTHER OPERATING EXPENDITURES	33,721	33,721	31,545	2,176	93.55%
COUNCIL DISTRICT 07-WAGES	96,031	95,761	95,544	217	99.77%
COUNCIL DISTRICT 07-OTHER OPERATING EXPENDITURES	33,721	33,991	40,907	(6,916)	120.35%
COUNCIL DISTRICT 08-WAGES	96,031	96,031	100,942	(4,911)	105.11%
COUNCIL DISTRICT 08-OTHER OPERATING EXPENDITURES	33,721	33,721	42,176	(8,455)	125.07%
OFFICE OF THE MAYOR-WAGES	196,805	196,805	213,389	(16,584)	108.43%
OFFICE OF THE MAYOR-OTHER OPERATING EXPENDITURES	99,149	82,531	89,609	(7,078)	108.58%
ATTRNYS AND PARALEGALS-WAGES	2,362,116	2,325,364	1,840,972	484,392	79.17%
ATTRNYS AND PARALEGALS-OTHER OPERATING EXPENDITURES	66,823	66,823	66,823	-	100.00%
LEGAL SECRETARIAL STAFF-WAGES	390,577	390,577	406,682	(16,105)	104.12%
LEGAL SECRETARIAL STAFF-OTHER OPERATING EXPENDITURES	27,171	27,171	27,171	-	100.00%
LEGAL SUPPORT STAFF-WAGES	83,632	83,632	74,194	9,438	88.71%
LEGAL SUPPORT STAFF-OTHER OPERATING EXPENDITURES	3,260	3,260	3,260	-	100.00%
LEGAL OPERATING EXP-WAGES	-	-	-	-	-
LEGAL OPERATING EXP-OTHER OPERATING EXPENDITURES	82,642	79,347	60,530	18,817	76.29%
TRIAL OPER EXP DAMAGES SETT-OTHER OPERATING EXPENDITURES	614,419	614,419	435,152	179,267	70.82%
OUTSIDE COUNSEL SERVS-WAGES	-	-	-	-	-
OUTSIDE COUNSEL SERVS-OTHER OPERATING EXPENDITURES	612,900	1,362,900	1,179,640	183,260	86.55%
LEGAL CD ADMIN-OTHER OPERATING EXPENDITURES	-	-	-	-	-
MUNICPL CLRK-CITY CLRK-WAGES	312,367	312,367	273,890	38,477	87.68%
MUNICPL CLRK-CITY CLRK-OTHER OPERATING EXPENDITURES	551,546	551,546	681,631	(130,085)	123.59%
MUNICPL CLRK ADMIN-WAGES	2,801,259	2,753,016	2,625,520	127,496	95.37%
MUNICPL CLRK ADMIN-OTHER OPERATING EXPENDITURES	853,223	851,803	752,847	98,956	88.38%
MUNICPL CLRK JUDICIARY-WAGES	656,949	651,949	607,364	44,585	93.16%
MUNICPL CLRK JUDICIARY-OTHER OPERATING EXPENDITURES	80,163	85,163	83,681	1,482	98.26%
OFFICE OF MANAGMENT AND BUDGET-WAGES	1,057,396	1,047,396	887,649	159,747	84.75%
OFFICE OF MANAGMENT AND BUDGET-OTHER OPERATING EXPENDITURES	83,265	82,344	72,123	10,221	87.59%
CITY MANAGER-WAGES	783,232	783,232	740,198	43,034	94.51%
CITY MANAGER-OTHER OPERATING EXPENDITURES	147,963	132,196	119,226	12,970	90.19%
PUBLIC INFOR OFFICE-WAGES	214,160	214,160	256,708	(42,548)	119.87%
PUBLIC INFOR OFFICE-OTHER OPERATING EXPENDITURES	52,037	45,637	29,241	16,396	64.07%
INTERNAL AUDIT-WAGES	362,882	362,882	378,812	(15,930)	104.39%
INTERNAL AUDIT-OTHER OPERATING EXPENDITURES	50,758	47,158	44,316	2,842	93.97%
CITY AUCTIONS-WAGES	138,806	138,806	108,860	29,946	78.43%
CITY AUCTIONS-OTHER OPERATING EXPENDITURES	217,765	223,075	209,928	13,147	94.11%
FINANCIAL ACCT REPORTING-WAGES	520,710	520,710	450,759	69,951	86.57%
FINANCIAL ACCT REPORTING-OTHER OPERATING EXPENDITURES	67,507	113,272	105,562	7,710	93.19%
TREASURY SERVS-WAGES	201,643	201,643	244,269	(42,626)	121.14%
TREASURY SERVS-OTHER OPERATING EXPENDITURES	16,498	16,498	16,950	(452)	102.74%
FISCAL OPER-WAGES	494,635	494,635	520,983	(26,348)	105.33%
FISCAL OPER-OTHER OPERATING EXPENDITURES	31,246	31,246	31,246	-	100.00%
PURCHASING ADMIN-WAGES	777,752	777,752	701,811	75,941	90.24%
PURCHASING ADMIN-OTHER OPERATING EXPENDITURES	70,046	64,148	59,003	5,145	91.98%
GRNT ADMIN-WAGES	114,071	114,071	108,346	5,725	94.98%
GRNT ADMIN-OTHER OPERATING EXPENDITURES	11,447	9,947	8,527	1,420	85.72%
FINANCIAL SVCS CFO-WAGES	289,397	289,397	(38,286)	327,683	-13.23%

City of El Paso
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control (Continued)
General Fund
For the Year Ended August 31, 2013

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
FINANCIAL SVCS CFO-OTHER OPERATING EXPENDITURES	\$ 101,338	\$ 63,909	\$ 54,240	\$ 9,669	84.87%
HUMAN RESOURCES ADMIN-WAGES	402,182	350,152	359,769	(9,617)	102.75%
HUMAN RESOURCES ADMIN-OTHER OPERATING EXPENDITURES	61,824	74,300	74,072	228	99.69%
RECRUITMENT EXAM-WAGES	470,470	470,470	459,965	10,505	97.77%
RECRUITMENT EXAM-OTHER OPERATING EXPENDITURES	75,793	70,842	69,796	1,046	98.52%
ORGANIZATIONAL DEVELOPMENT-WAGES	216,839	216,839	224,082	(7,243)	103.34%
ORGANIZATIONAL DEVELOPMENT-OTHER OPERATING EXPENDITURES	256,224	248,224	234,161	14,063	94.33%
PAYROLL AND RECORDS-WAGES	386,792	386,792	396,431	(9,639)	102.49%
PAYROLL AND RECORDS-OTHER OPERATING EXPENDITURES	43,239	43,239	45,713	(2,474)	105.72%
INFOR TECH ADMIN-WAGES	4,368,740	4,318,740	3,090,807	1,227,933	71.57%
INFOR TECH ADMIN-OTHER OPERATING EXPENDITURES	417,406	467,406	402,326	65,080	86.08%
GEOGRAPHIC INFOR SYSTEMS-WAGES	296,992	296,992	291,166	5,826	98.04%
GEOGRAPHIC INFOR SYSTEMS-OTHER OPERATING EXPENDITURES	36,686	36,686	32,341	4,345	88.16%
MEDIA PRODUCTION-WAGES	-	-	11,265	(11,265)	
MEDIA PRODUCTION-OTHER OPERATING EXPENDITURES	-	-	-	-	
INFOR SERVS-WAGES	-	-	1,772,954	(1,772,954)	
INFOR SERVS-OTHER OPERATING EXPENDITURES	9,110,669	8,900,404	8,071,264	829,140	90.68%
INFOR SERVS-CAPITAL EXPENDITURES	-	380,116	201,307	178,809	52.96%
TELECOMMUNICATIONS-WAGES	362,589	362,589	311,207	51,382	85.83%
TELECOMMUNICATIONS-OTHER OPERATING EXPENDITURES	64,542	64,542	76,233	(11,691)	118.11%
CITY ATTRNY CAPTL OUTLAY-CAPITAL EXPENDITURES	-	-	-	-	
TAX OFFICE COLLECTNS-WAGES	1,029,515	1,029,515	990,698	38,817	96.23%
TAX OFFICE COLLECTNS-OTHER OPERATING EXPENDITURES	990,016	980,913	652,896	328,017	66.56%
TAX OFFICE COLLECTNS-CAPITAL EXPENDITURES	-	9,103	8,811	292	96.79%
CHIEFS OFFICE-WAGES	83,791,796	83,511,015	84,907,312	(1,396,297)	101.67%
CHIEFS OFFICE-OTHER OPERATING EXPENDITURES	11,793,507	11,747,932	11,601,786	146,146	98.76%
INTERNAL AFFAIRS-WAGES	210,641	210,641	207,649	2,992	98.58%
INTERNAL AFFAIRS-OTHER OPERATING EXPENDITURES	115,825	108,825	106,496	2,329	97.86%
TRAINING-WAGES	1,543,922	1,543,922	1,586,527	(42,605)	102.76%
TRAINING-OTHER OPERATING EXPENDITURES	665,345	668,336	439,996	228,340	65.83%
TRAINING-CAPITAL EXPENDITURES	-	25,000	25,000	-	100.00%
PD PERSONNEL-WAGES	453,966	453,966	423,822	30,144	93.36%
PD PERSONNEL-OTHER OPERATING EXPENDITURES	114,669	111,109	106,167	4,942	95.55%
PLNG AND RESEARCH-WAGES	122,346	122,346	129,742	(7,396)	106.05%
PLNG AND RESEARCH-OTHER OPERATING EXPENDITURES	54,287	39,787	34,925	4,862	87.78%
VEHICLE OPER-WAGES	182,761	182,761	171,371	11,390	93.77%
VEHICLE OPER-OTHER OPERATING EXPENDITURES	4,080,167	4,020,167	4,100,587	(80,420)	102.00%
GRANT OPER PDHQ-WAGES	76,135	76,135	73,457	2,678	96.48%
GRANT OPER PDHQ-OTHER OPERATING EXPENDITURES	19,629	18,629	18,259	370	98.01%
RECORDS-WAGES	2,059,670	2,059,670	1,934,769	124,901	93.94%
RECORDS-OTHER OPERATING EXPENDITURES	212,709	202,709	190,786	11,923	94.12%
POLICE SUPPLY-WAGES	-	-	-	-	
POLICE SUPPLY-OTHER OPERATING EXPENDITURES	437,300	377,300	371,451	5,849	98.45%
DIRECTED INVESTIGATIONS-CAPITAL EXPENDITURES	-	12,948	12,948	-	100.00%
FINANCIAL SERVS-WAGES	320,624	320,624	309,449	11,175	96.51%
FINANCIAL SERVS-OTHER OPERATING EXPENDITURES	699,054	634,103	595,513	38,590	93.91%
SPECIAL SERVS-WAGES	182,206	182,206	164,529	17,677	90.30%
SPECIAL SERVS-OTHER OPERATING EXPENDITURES	224,368	519,942	584,309	(64,367)	112.38%
CENTRAL REGNL COMMAND-WAGES	835,312	684,023	642,059	41,964	93.87%
CENTRAL REGNL COMMAND-OTHER OPERATING EXPENDITURES	167,358	160,103	166,140	(6,037)	103.77%
MISSN VALLY REGIONL COMMAN-WAGES	280,082	280,082	254,867	25,215	91.00%
MISSN VALLY REGIONL COMMAN-OTHER OPERATING EXPENDITURES	43,492	39,537	43,558	(4,021)	110.17%
NORTHEAST REGNL COMMAND-WAGES	220,241	220,241	202,367	17,874	91.88%
NORTHEAST REGNL COMMAND-OTHER OPERATING EXPENDITURES	33,244	31,694	36,496	(4,802)	115.15%
PEBBLE HILLS REGNL COMMAND-WAGES	291,693	291,693	290,044	1,649	99.43%
PEBBLE HILLS REGNL COMMAND-OTHER OPERATING EXPENDITURES	71,347	67,397	73,569	(6,172)	109.16%
WESTSIDE REGNL COMMAND-WAGES	209,051	209,051	179,410	29,641	85.82%
WESTSIDE REGNL COMMAND-OTHER OPERATING EXPENDITURES	48,643	45,143	50,075	(4,932)	110.93%
OPERATIONAL SUPPORT-WAGES	1,482,445	1,300,897	1,164,516	136,381	89.52%
OPERATIONAL SUPPORT-OTHER OPERATING EXPENDITURES	198,254	176,528	173,772	2,756	98.44%

City of El Paso
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control (Continued)
General Fund
For the Year Ended August 31, 2013

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
DIRECTED INVESTIGATIONS-WAGES	\$ 391,602	\$ 391,602	\$ 355,479	\$ 36,123	90.78%
DIRECTED INVESTIGATIONS-OTHER OPERATING EXPENDITURES	273,673	210,615	190,399	20,216	90.40%
CRIMINAL INVESTIGATIONS-WAGES	179,082	179,082	175,527	3,555	98.01%
CRIMINAL INVESTIGATIONS-OTHER OPERATING EXPENDITURES	198,916	180,416	161,954	18,462	89.77%
CRIMINAL JUSTICE GRNT_PS-WAGES	-	-	-	-	-
CRIMINAL JUSTICE GRNT_PS-OTHER OPERATING EXPENDITURES	-	-	-	-	-
FIRE DEPT ADMIN-WAGES	1,669,743	1,669,743	1,913,025	(243,282)	114.57%
FIRE DEPT ADMIN-OTHER OPERATING EXPENDITURES	1,200,580	1,187,375	1,173,388	13,987	98.82%
FIRE FIGHTING TRAINING-WAGES	1,330,955	1,330,955	1,912,438	(581,483)	143.69%
FIRE FIGHTING TRAINING-OTHER OPERATING EXPENDITURES	652,085	788,233	790,980	(2,747)	100.35%
FIRE STRATEGIC PLNG-WAGES	475,721	475,721	337,121	138,600	70.87%
FIRE STRATEGIC PLNG-OTHER OPERATING EXPENDITURES	94,734	90,008	74,532	15,476	82.81%
FD EMERGENCY OPER-WAGES	56,152,744	56,152,744	56,889,188	(736,444)	101.31%
FD EMERGENCY OPER-OTHER OPERATING EXPENDITURES	7,297,376	7,297,376	7,300,218	(2,842)	100.04%
SPECIAL OPER-WAGES	282,936	282,936	275,895	7,041	97.51%
SPECIAL OPER-OTHER OPERATING EXPENDITURES	108,013	110,773	105,207	5,566	94.98%
FIRE PREVENTION-WAGES	3,005,361	3,005,361	2,442,440	562,921	81.27%
FIRE PREVENTION-OTHER OPERATING EXPENDITURES	457,837	451,879	440,254	11,625	97.43%
FIRE RESCUE-WAGES	383,091	383,091	562,392	(179,301)	146.80%
FIRE RESCUE-OTHER OPERATING EXPENDITURES	1,176,917	1,168,643	1,354,791	(186,148)	115.93%
FIRE COMMUNICATIONS-WAGES	7,369,140	7,135,169	7,310,930	(175,761)	102.46%
FIRE COMMUNICATIONS-OTHER OPERATING EXPENDITURES	538,605	537,765	530,322	7,443	98.62%
FIRE HUMAN RESOURCES-WAGES	1,491,370	1,491,370	1,254,677	236,693	84.13%
FIRE HUMAN RESOURCES-OTHER OPERATING EXPENDITURES	5,308,088	5,160,961	5,012,912	148,049	97.13%
FIRE HUMAN RESOURCES-CAPITAL EXPENDITURES	100,000	260,833	224,495	36,338	86.07%
PLNG AND INFRASTRUCTURE-WAGES	168,775	168,775	142,053	26,722	84.17%
PLNG AND INFRASTRUCTURE-OTHER OPERATING EXPENDITURES	259,011	270,122	269,867	255	99.91%
FIRE SUPPRT PERSONNEL-WAGES	204,783	204,783	342,009	(137,226)	167.01%
FIRE SUPPRT PERSONNEL-OTHER OPERATING EXPENDITURES	369,940	189,172	265,146	(75,974)	140.16%
STATION 5-WAGES	68,212	-	210,186	(210,186)	-
STATION 5-OTHER OPERATING EXPENDITURES	31,889	-	-	-	-
STATION 31-WAGES	1,240,419	1,240,419	922,138	318,281	74.34%
STATION 31-OTHER OPERATING EXPENDITURES	131,335	131,335	116,901	14,434	89.01%
STATION 37-WAGES	249,421	-	138,077	(138,077)	-
STATION 37-OTHER OPERATING EXPENDITURES	33,965	-	16,639	(16,639)	-
PLNG ADMIN-WAGES	-	876,916	694,024	182,892	79.14%
PLNG ADMIN-OTHER OPERATING EXPENDITURES	-	149,964	413,313	(263,349)	275.61%
PLNG ADMIN-CAPITAL EXPENDITURES	-	35,174	27,771	7,403	78.95%
PLNG HISTORIC PRESERVATION-WAGES	-	159,512	163,239	(3,727)	102.34%
PLNG HISTORIC PRESERVATION-OTHER OPERATING EXPENDITURES	-	253,079	143,550	109,529	56.72%
LAND DEVELOPMENT-WAGES	650,080	940,331	1,347,080	(406,749)	143.26%
LAND DEVELOPMENT-OTHER OPERATING EXPENDITURES	80,262	53,701	407,227	(353,526)	758.32%
ZONING ZBA HISTORIC-WAGES	-	764,235	546,367	217,868	71.49%
ZONING ZBA HISTORIC-OTHER OPERATING EXPENDITURES	-	85,302	51,816	33,486	60.74%
PLNG-LONG RANGE-WAGES	-	680,668	744,372	(63,704)	109.36%
PLNG-LONG RANGE-OTHER OPERATING EXPENDITURES	-	87,522	91,285	(3,763)	104.30%
PLNG SUBDIVISIONS-WAGES	-	1,248,223	794,766	453,457	63.67%
PLNG SUBDIVISIONS-OTHER OPERATING EXPENDITURES	-	500,988	282,409	218,579	56.37%
PLANG DATA MGMNT_SPPRT-WAGES	-	650,080	402,326	247,754	61.89%
PLANG DATA MGMNT_SPPRT-OTHER OPERATING EXPENDITURES	-	72,469	55,636	16,833	76.77%
BLDG PLNG SRVCS DEPT-WAGES	-	734,170	746,984	(12,814)	101.75%
BLDG PLNG SRVCS DEPT-OTHER OPERATING EXPENDITURES	-	902,173	825,214	76,959	91.47%
BLDG PLAN SVC CAP PRJ QL ZOO-WAGES	-	312,114	175,841	136,273	56.34%
BLDG PLAN SVC CAP PRJ QL ZOO-OTHER OPERATING EXPENDITURES	-	15,277	14,828	449	97.06%
DEVELOPMENT SERVS ADMIN-WAGES	-	-	(24)	24	-
DEVELOPMENT SERVS ADMIN-OTHER OPERATING EXPENDITURES	-	-	-	-	-
BLDG PRMT INSP - PLAN REVIEW-WAGES	764,235	-	(378,569)	378,569	-
BLDG PRMT INSP - PLAN REVIEW-OTHER OPERATING EXPENDITURES	85,302	-	-	-	-
BLDG PRMT INSP - COMM INSPS-WAGES	1,403,365	-	151,059	(151,059)	-
BLDG PRMT INSP - COMM INSPS-OTHER OPERATING EXPENDITURES	350,563	(4,849)	2,251	(7,100)	-46.42%

City of El Paso
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control (Continued)
General Fund
For the Year Ended August 31, 2013

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
BLDG PRMT INSP - RSDNTL INSP-WAGES	\$ 648,296	\$ -	\$ 260,541	\$ (260,541)	
BLDG PRMT INSP - RSDNTL INSP-OTHER OPERATING EXPENDITURES	119,894	-	-	-	
BLDG PRMT INSP - ADMINIST-WAGES	-	-	-	-	
BLDG PRMT INSP - ADMINIST-OTHER OPERATING EXPENDITURES	994,997	-	6,560	(6,560)	
PLAN REVIEW-OTHER OPERATING EXPENDITURES	-	-	2,271	(2,271)	
BLDG INSPECTION PERMIT ADMIN-OTHER OPERATING EXPENDITURES	-	-	267	(267)	
PLNG ADMIN NEW-WAGES	-	-	229,270	(229,270)	
PLNG ADMIN NEW-OTHER OPERATING EXPENDITURES	-	-	9,118	(9,118)	
ECO DEV ADMIN-WAGES	734,170	-	188,017	(188,017)	
ECO DEV ADMIN-OTHER OPERATING EXPENDITURES	820,576	(1,690)	60,318	(62,008)	-3569.11%
ECO DEV ADMIN-CAPITAL EXPENDITURES	-	-	-	-	
ECO DEV CD ADMIN-WAGES	-	-	1,444	(1,444)	
ECO DEV CD ADMIN-OTHER OPERATING EXPENDITURES	-	-	2,557	(2,557)	
FACILITY MAINTNC-WAGES	-	-	54,946	(54,946)	
FACILITY MAINTNC-OTHER OPERATING EXPENDITURES	17,497,964	17,403,810	18,184,709	(780,899)	104.49%
FACILITY PERSONNEL-WAGES	-	-	3,477	(3,477)	
FACILITY PERSONNEL-OTHER OPERATING EXPENDITURES	250,213	250,213	108,254	141,959	43.26%
FACILITY SUPPORT-WAGES	-	-	442	(442)	
FACILITY SUPPORT-OTHER OPERATING EXPENDITURES	22,269	22,269	10,097	12,172	45.34%
CITY RECORDS-WAGES	-	-	2,351	(2,351)	
CITY RECORDS-OTHER OPERATING EXPENDITURES	234,147	213,552	187,174	26,378	87.65%
FACILITY UTILITIES-OTHER OPERATING EXPENDITURES	-	-	-	-	
PARKS FACILITIES MAINTNC-WAGES	-	-	1,507	(1,507)	
PARKS FACILITIES MAINTNC-OTHER OPERATING EXPENDITURES	-	-	-	-	
PARK LAND MGMT-WAGES	1,169,010	1,169,010	1,111,531	57,479	95.08%
PARK LAND MGMT-OTHER OPERATING EXPENDITURES	8,005,492	7,840,367	7,034,759	805,608	89.72%
PARK LAND MGMT-CAPITAL EXPENDITURES	94,326	127,326	117,783	9,543	92.51%
ENGR TRAFFIC-ST-WAGES	857,972	857,972	871,211	(13,239)	101.54%
ENGR TRAFFIC-ST-OTHER OPERATING EXPENDITURES	92,371	85,682	82,473	3,209	96.25%
ST EQUIPMENT SUPPORT-WAGES	201,746	201,746	208,483	(6,737)	103.34%
ST EQUIPMENT SUPPORT-OTHER OPERATING EXPENDITURES	1,375,672	1,570,168	1,568,037	2,131	99.86%
PAVEMENT MGMT-WAGES	581,216	581,216	570,844	10,372	98.22%
PAVEMENT MGMT-OTHER OPERATING EXPENDITURES	48,722	48,722	48,722	-	100.00%
ST MEDIANS-OTHER OPERATING EXPENDITURES	-	-	-	-	
ADMIN SUPPORT AND DATA MGMT-WAGES	1,136,482	1,136,482	1,225,845	(89,363)	107.86%
ADMIN SUPPORT AND DATA MGMT-OTHER OPERATING EXPENDITURES	265,988	276,420	257,284	19,136	93.08%
STREET MAINTNC-WAGES	3,266,169	3,207,727	3,264,407	(56,680)	101.77%
STREET MAINTNC-OTHER OPERATING EXPENDITURES	2,722,654	2,815,432	2,373,865	441,567	84.32%
SIGNS AND MARKINGS-WAGES	911,618	911,618	920,593	(8,975)	100.98%
SIGNS AND MARKINGS-OTHER OPERATING EXPENDITURES	380,421	223,205	173,603	49,602	77.78%
TRAFFIC SIGNALS-WAGES	1,088,005	1,029,563	808,676	220,887	78.55%
TRAFFIC SIGNALS-OTHER OPERATING EXPENDITURES	523,203	524,067	476,171	47,896	90.86%
STREET GRAFFITI PROGRAM-OTHER OPERATING EXPENDITURES	-	-	-	-	
ENVIRO CODE COMPLIANCE-WAGES	-	-	-	-	
ENVIRO CODE COMPLIANCE-OTHER OPERATING EXPENDITURES	-	-	13,914	(13,914)	
ANIMAL SHELTER OPERATIONS-WAGES	1,523,719	1,489,719	1,483,942	5,777	99.61%
ANIMAL SHELTER OPERATIONS-OTHER OPERATING EXPENDITURES	724,266	735,301	680,940	54,361	92.61%
BUSINESS CENTER-WAGES	1,348,542	-	349,682	(349,682)	
BUSINESS CENTER-OTHER OPERATING EXPENDITURES	420,918	-	(2,496)	2,496	
ENGR ADMIN-WAGES	879,323	879,323	929,212	(49,889)	105.67%
ENGR ADMIN-OTHER OPERATING EXPENDITURES	202,175	172,405	232,348	(59,943)	134.77%
DESIGN DIVISION-WAGES	388,280	388,280	284,300	103,980	73.22%
DESIGN DIVISION-OTHER OPERATING EXPENDITURES	36,094	35,394	35,148	246	99.30%
CONSTRUCTION INSPECTION-WAGES	437,932	437,932	417,869	20,063	95.42%
CONSTRUCTION INSPECTION-OTHER OPERATING EXPENDITURES	70,942	69,242	88,823	(19,581)	128.28%
ENGINEERING-AIRPORT-WAGES	425,227	425,227	485,236	(60,009)	114.11%
ENGINEERING-AIRPORT-OTHER OPERATING EXPENDITURES	34,334	33,734	33,687	47	99.86%
ENGR CIP-WAGES	380,143	380,143	405,680	(25,537)	106.72%
ENGR CIP-OTHER OPERATING EXPENDITURES	38,902	35,902	35,750	152	99.58%
CAPTL ASSETS MGMT-WAGES	-	-	32,942	(32,942)	

City of El Paso
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control (Continued)
General Fund
For the Year Ended August 31, 2013

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
CAPTL ASSETS MGMT-OTHER OPERATING EXPENDITURES	\$ -	\$ -	\$ -	\$ -	
ENVIRONMENT_FOOD-WAGES	366,088	366,088	707,632	(341,544)	193.30%
ENVIRONMENT_FOOD-OTHER OPERATING EXPENDITURES	76,255	78,755	80,372	(1,617)	102.05%
ENVIRONMENT-OSSF-WAGES	790,345	765,345	392,168	373,177	51.24%
ENVIRONMENT-OSSF-OTHER OPERATING EXPENDITURES	172,830	146,935	145,565	1,370	99.07%
STD CLINICS-WAGES	155,027	155,027	164,302	(9,275)	105.98%
STD CLINICS-OTHER OPERATING EXPENDITURES	67,894	65,894	52,481	13,413	79.64%
WIC ADMIN-OTHER OPERATING EXPENDITURES	-	-	100	(100)	
DENTAL-WAGES	518,049	518,049	493,632	24,417	95.29%
DENTAL-OTHER OPERATING EXPENDITURES	143,158	131,242	108,882	22,360	82.96%
ADULT IMMUNIZATN SERVS-WAGES	64,529	64,529	60,318	4,211	93.47%
ADULT IMMUNIZATN SERVS-OTHER OPERATING EXPENDITURES	55,266	55,266	71,643	(16,377)	129.63%
LABORATORY-WAGES	425,824	425,824	409,628	16,196	96.20%
LABORATORY-OTHER OPERATING EXPENDITURES	323,462	323,462	308,634	14,828	95.42%
EPIDEMIOLOGY-WAGES	177,910	177,910	174,368	3,542	98.01%
EPIDEMIOLOGY-OTHER OPERATING EXPENDITURES	20,001	18,991	27,933	(8,942)	147.09%
HEALTH ADMIN-WAGES	454,313	427,813	339,814	87,999	79.43%
HEALTH ADMIN-OTHER OPERATING EXPENDITURES	631,868	655,534	690,255	(34,721)	105.30%
HEALTH SUPPORT SERVS-WAGES	518,023	518,023	527,495	(9,472)	101.83%
HEALTH SUPPORT SERVS-OTHER OPERATING EXPENDITURES	761,659	867,694	933,324	(65,630)	107.56%
HEALTH SUPPORT SERVS-CAPITAL EXPENDITURES	130,000	10,600	10,564	36	99.66%
HEALTH EDUCATION PROGRAM-WAGES	186,157	186,157	216,677	(30,520)	116.39%
HEALTH EDUCATION PROGRAM-OTHER OPERATING EXPENDITURES	23,327	22,375	21,330	1,045	95.33%
TDH WIC SERVS-OTHER OPERATING EXPENDITURES	-	-	402	(402)	
PARKS RECREATION ADMIN-OTHER OPERATING EXPENDITURES	-	-	2,184	(2,184)	
SHELTERS GENERAL ADMINISTRATIO-OTHER OPERATING EXPENDITURES	-	-	25	(25)	
PARKS RECREATN ADMIN-WAGES	1,025,826	1,010,826	968,002	42,824	95.76%
PARKS RECREATN ADMIN-OTHER OPERATING EXPENDITURES	386,607	373,072	313,298	59,774	83.98%
RECREATION CENTERS-WAGES	2,029,763	2,029,763	2,050,130	(20,367)	101.00%
RECREATION CENTERS-OTHER OPERATING EXPENDITURES	832,558	793,251	776,343	16,908	97.87%
AQUATICS-WAGES	1,896,990	1,896,990	1,935,963	(38,973)	102.05%
AQUATICS-OTHER OPERATING EXPENDITURES	478,230	474,268	422,714	51,554	89.13%
ATHLETICS SPORTS CTR-WAGES	1,213,239	1,213,239	1,213,722	(483)	100.04%
ATHLETICS SPORTS CTR-OTHER OPERATING EXPENDITURES	1,133,239	1,071,975	1,023,673	48,302	95.49%
PARK PLNG DEVELOPMENT-WAGES	431,869	431,869	419,085	12,784	97.04%
PARK PLNG DEVELOPMENT-OTHER OPERATING EXPENDITURES	71,201	68,989	64,073	4,916	92.87%
AFTER SCHL SCHL SITES-WAGES	417,165	417,165	408,188	8,977	97.85%
AFTER SCHL SCHL SITES-OTHER OPERATING EXPENDITURES	216,947	212,569	206,571	5,998	97.18%
SPECIAL EVENTS-WAGES	75,546	75,546	83,171	(7,625)	110.09%
SPECIAL EVENTS-OTHER OPERATING EXPENDITURES	33,783	33,233	29,292	3,941	88.14%
SENIOR CENTER OPER-WAGES	1,000,906	1,000,906	1,000,515	391	99.96%
SENIOR CENTER OPER-OTHER OPERATING EXPENDITURES	349,126	340,830	315,995	24,835	92.71%
LEISURE INSTRUCTION-WAGES	86,496	86,496	57,575	28,921	66.56%
LEISURE INSTRUCTION-OTHER OPERATING EXPENDITURES	192,029	187,872	171,012	16,860	91.03%
DAYCARE OPER-WAGES	269,432	261,035	285,221	(24,186)	109.27%
DAYCARE OPER-OTHER OPERATING EXPENDITURES	33,251	72,467	63,778	8,689	88.01%
PARKS CD FUNDED PROJ-OTHER OPERATING EXPENDITURES	-	-	(182)	182	
ZOO GENERAL OPER-WAGES	3,286,721	3,286,721	3,265,878	20,843	99.37%
ZOO GENERAL OPER-OTHER OPERATING EXPENDITURES	505,684	472,943	459,662	13,281	97.19%
ZOO GATE REVS ADMIN-OTHER OPERATING EXPENDITURES	-	-	41	(41)	
LIBRY ADMIN-WAGES	1,002,465	965,465	927,179	38,286	96.03%
LIBRY ADMIN-OTHER OPERATING EXPENDITURES	135,310	190,276	179,789	10,487	94.49%
CATALOGING ORDERING PROCESS-WAGES	408,986	370,509	380,393	(9,884)	102.67%
CATALOGING ORDERING PROCESS-OTHER OPERATING EXPENDITURES	1,219,958	1,351,753	1,353,776	(2,023)	100.15%
MEMORIAL BRANCH OPER-WAGES	268,941	268,941	249,759	19,182	92.87%
MEMORIAL BRANCH OPER-OTHER OPERATING EXPENDITURES	49,943	49,653	46,064	3,589	92.77%
ARMJO BRANCH OPER-WAGES	273,235	273,235	273,857	(622)	100.23%
ARMJO BRANCH OPER-OTHER OPERATING EXPENDITURES	38,904	35,781	33,095	2,686	92.49%
RICHARD BURGES BRANCH OPER-WAGES	453,963	453,963	428,992	24,971	94.50%
RICHARD BURGES BRANCH OPER-OTHER OPERATING EXPENDITURES	75,373	71,446	69,669	1,777	97.51%

City of El Paso
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control (Continued)
General Fund
For the Year Ended August 31, 2013

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
CIELO VISTA BRANCH OPER-WAGES	\$ 266,712	\$ 266,712	\$ 236,748	\$ 29,964	88.77%
CIELO VISTA BRANCH OPER-OTHER OPERATING EXPENDITURES	42,531	41,505	37,809	3,696	91.10%
CLARDY FOX BRANCH OPER-WAGES	314,339	314,339	279,514	34,825	88.92%
CLARDY FOX BRANCH OPER-OTHER OPERATING EXPENDITURES	45,474	43,190	40,142	3,048	92.94%
IRVING SCHWARTZ BRANCH OPER-WAGES	304,053	304,053	322,468	(18,415)	106.06%
IRVING SCHWARTZ BRANCH OPER-OTHER OPERATING EXPENDITURES	41,963	41,696	39,536	2,160	94.82%
JUDGE MARQUEZ MISSION VALLEY B-WAGES	354,040	354,040	335,761	18,279	94.84%
JUDGE MARQUEZ MISSION VALLEY B-OTHER OPERATING EXPENDITURES	56,174	54,898	52,278	2,620	95.23%
WESTSIDE BRANCH OPER-WAGES	307,151	237,179	257,569	(20,390)	108.60%
WESTSIDE BRANCH OPER-OTHER OPERATING EXPENDITURES	43,859	41,605	38,195	3,410	91.80%
YSLETA BRANCH OPER-WAGES	332,361	332,361	301,150	31,211	90.61%
YSLETA BRANCH OPER-OTHER OPERATING EXPENDITURES	52,149	48,961	45,461	3,500	92.85%
ESPERANZA ACOSTA MORENO -EAST-WAGES	370,252	370,252	353,956	16,296	95.60%
ESPERANZA ACOSTA MORENO -EAST-OTHER OPERATING EXPENDITURES	74,672	65,511	57,625	7,886	87.96%
MAIN LIBRY-WAGES	1,298,850	1,298,850	1,299,422	(572)	100.04%
MAIN LIBRY-OTHER OPERATING EXPENDITURES	182,224	159,035	157,503	1,532	99.04%
MAIN LIBRY-CAPITAL EXPENDITURES	-	178,659	175,321	3,338	98.13%
DORRIS VAN DOREN-WEST REGNL-WAGES	425,900	425,900	414,716	11,184	97.37%
DORRIS VAN DOREN-WEST REGNL-OTHER OPERATING EXPENDITURES	57,294	67,300	63,874	3,426	94.91%
LIBRY RESTRCD DONATIONS-OTHER OPERATING EXPENDITURES	-	-	-	-	-
-WAGES	105,174	105,174	85,243	19,931	81.05%
-OTHER OPERATING EXPENDITURES	54,530	53,093	31,837	21,256	59.96%
ART MUSEUM ADMIN-WAGES	602,134	602,134	613,775	(11,641)	101.93%
ART MUSEUM ADMIN-OTHER OPERATING EXPENDITURES	223,736	220,151	218,682	1,469	99.33%
ART MUSEUM EDUCATION-WAGES	133,483	133,483	122,429	11,054	91.72%
ART MUSEUM EDUCATION-OTHER OPERATING EXPENDITURES	15,749	15,749	22,274	(6,525)	141.43%
ARCHAEOLOGY MUSEUM-WAGES	130,848	126,564	108,077	18,487	85.39%
ARCHAEOLOGY MUSEUM-OTHER OPERATING EXPENDITURES	41,860	43,805	45,825	(2,020)	104.61%
ARCHAEOLOGY MUSEUM-CAPITAL EXPENDITURES	-	8,000	5,471	2,529	68.39%
HISTORY MUSEUM OPER-WAGES	512,590	512,590	509,042	3,548	99.31%
HISTORY MUSEUM OPER-OTHER OPERATING EXPENDITURES	108,040	106,805	103,148	3,657	96.58%
ART MUSEUM CURATORIAL-WAGES	260,262	260,262	262,221	(1,959)	100.75%
ART MUSEUM CURATORIAL-OTHER OPERATING EXPENDITURES	39,362	39,362	41,905	(2,543)	106.46%
ACR ADMIN-WAGES	181,177	179,328	185,701	(6,373)	103.55%
ACR ADMIN-OTHER OPERATING EXPENDITURES	78,464	68,289	64,871	3,418	94.99%
RELOCATN SERVS_GEN FUND-WAGES	63,073	63,073	46,635	16,438	73.94%
RELOCATN SERVS_GEN FUND-OTHER OPERATING EXPENDITURES	5,032	5,032	3,385	1,647	67.27%
NEIGH SEVC CONSERVATION PROG-WAGES	292,759	292,759	260,569	32,190	89.00%
NEIGH SEVC CONSERVATION PROG-OTHER OPERATING EXPENDITURES	167,152	162,594	21,360	141,234	13.14%
PEG-WAGES	-	115,732	44,814	70,918	38.72%
PEG-OTHER OPERATING EXPENDITURES	-	6,030	22,455	(16,425)	372.39%
NONDEPARTMENTAL-OTHER OPERATING EXPENDITURES	-	3,920,276	2,557,031	1,363,245	65.23%
NONDEPARTMENTAL-WAGES	(784,268)	(900,000)	140,602	(1,040,602)	-15.62%
NONDEPARTMENTAL-OTHER OPERATING EXPENDITURES	9,107,196	9,194,786	6,968,843	2,225,943	75.79%
TOTAL EXPENDITURES AND TRANSFERS OUT	\$ 335,518,716	\$ 338,662,591	\$ 334,037,054	\$ 4,625,537	98.63%

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.



City of El Paso
Combining Balance Sheet
Nonmajor Governmental Funds
August 31, 2013

	Special Revenue Funds						
	Federal Grants						
	Other Federal Grants	American Recovery and Reinvestment Act Grants	State Grants	Other Grants	Public Health	Nongrants	Total
ASSETS							
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 46,558	\$ -	\$ 9,941,386	\$ 9,987,944
Investments	-	-	-	21,696	-	4,156,059	4,177,755
Receivables - Net of Allowances							
Taxes	-	-	-	-	-	238,136	238,136
Interest	-	-	-	-	-	146	146
Due From Other Government Agencies	5,834,507	1,261,251	1,611,292	87,375	1,601,777	(40,974)	10,355,228
Trade	-	-	9,274	-	(760)	336,056	344,570
Notes	166,819	-	-	-	-	-	166,819
Other	-	-	-	-	-	2,514,962	2,514,962
Due From Other Funds	-	-	-	-	-	9,371,911	9,371,911
Inventory	-	-	-	-	-	72,445	72,445
Total Assets	6,001,326	1,261,251	1,620,566	155,629	1,601,017	26,590,127	37,229,916
LIABILITIES							
Accounts Payable	\$ 158,006	334,772	337,844	701	96,855	2,601,870	3,530,048
Accrued Payroll	91,878	15,376	24,892	516	173,013	41,375	347,050
Due to Other Funds	5,873,067	911,103	1,256,691	-	1,331,050	-	9,371,911
Unearned Revenue	(121,625)	-	-	13,126	99	580,986	472,586
Due To Other Government Agencies	-	-	1,139	-	-	-	1,139
Total Liabilities	6,001,326	1,261,251	1,620,566	14,343	1,601,017	3,224,231	13,722,734
FUND BALANCES:							
Nonspendable	-	-	-	-	-	72,445	72,445
Restricted	-	-	-	229,656	-	18,185,481	18,415,137
Committed	-	-	-	-	-	5,688,662	5,688,662
Unassigned	-	-	-	(88,370)	-	(580,692)	(669,062)
TOTAL FUND BALANCES	-	-	-	141,286	-	23,365,896	23,507,182
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,001,326	\$ 1,261,251	\$ 1,620,566	\$ 155,629	\$ 1,601,017	\$ 26,590,127	\$ 37,229,916

City of El Paso
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended August 31, 2013

	Special Revenue Funds						Total
	Federal Grants		State Grants	Other Grants	Public Health	Nongrants	
	Other Federal Grants	American Recovery and Reinvestment Act Grants					
Revenues							
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,161,217	\$ 2,161,217
Sales Taxes	-	-	-	-	-	7,645,692	7,645,692
Franchise Fees	-	-	-	-	-	5,199,782	5,199,782
Charges for Services	45,060	-	2,210	214,044	1,025,969	11,506,112	12,793,395
Fines and Forfeitures	-	-	-	-	-	1,948,465	1,948,465
Licenses and Permits	37,721	-	-	-	-	52,418	90,139
Intergovernmental Revenues	11,108,752	2,497,237	2,898,389	(67,997)	11,821,647	(176,800)	28,081,228
Interest	-	-	-	-	-	(291)	(291)
Rents and Other	7,388	-	740	17,146	-	397,996	423,270
Total revenues	<u>11,198,921</u>	<u>2,497,237</u>	<u>2,901,339</u>	<u>163,193</u>	<u>12,847,616</u>	<u>28,734,591</u>	<u>58,342,897</u>
Expenditures							
Current:							
General Government	-	-	50,087	-	-	1,255,454	1,305,541
Public Safety	8,637,966	165,850	2,088,487	-	-	2,631,641	13,523,944
Public Works	-	-	-	(17)	-	332,803	332,786
Public Health	-	-	-	(48,899)	12,707,204	41	12,658,346
Parks Department	-	-	-	-	-	37,045	37,045
Library	7,265	1,170,595	5,072	-	-	86,198	1,269,130
Culture and Recreation	140	31,955	121,600	50,573	-	14,770,784	14,975,052
Economic Development	-	-	-	-	-	5,180,733	5,180,733
Environmental Code Compliance	-	32,863	-	-	-	-	32,863
Community and Human Development	-	-	613,286	-	-	6,325	619,611
Capital Outlay	2,553,550	1,095,974	22,807	-	140,412	775,472	4,588,215
Total expenditures	<u>11,198,921</u>	<u>2,497,237</u>	<u>2,901,339</u>	<u>1,657</u>	<u>12,847,616</u>	<u>25,076,496</u>	<u>54,523,266</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>161,536</u>	<u>-</u>	<u>3,658,095</u>	<u>3,819,631</u>
OTHER FINANCING SOURCES(USES):							
Transfers In	-	-	-	-	-	238,611	238,611
Transfers Out	-	-	-	-	-	(2,500,000)	(2,500,000)
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,261,389)</u>	<u>(2,261,389)</u>
Net change in fund balances	-	-	-	161,536	-	1,396,706	1,558,242
Fund balances - beginning of year	-	-	-	(20,250)	-	21,969,190	21,948,940
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 141,286</u>	<u>\$ -</u>	<u>\$ 23,365,896</u>	<u>\$ 23,507,182</u>

SPECIAL REVENUE FUNDS



Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

OTHER FEDERAL GRANTS - This fund accounts for grants received by the City from Federal sources, excluding ARRA grants, including the Office of the President, Environmental Protections Agency, National Endowments for the Humanities and the U.S. Departments of Agriculture, Interior, Justice, Education and Transportation.

AMERICAN RECOVERY AND REINVESTMENT ACT GRANTS - This fund accounts for grants received under Section 1512 of the Recovery Act. Funding sources include the National Endowment for the Arts, Department of Justice, National Telecommunication and Information Administration, Administration for Children and Families, Department of Housing and Urban Development, Department of Energy, Federal Emergency Management Agency and Assistant Secretary for Community Planning and Development.

STATE GRANTS - This fund accounts for grants received by the City from various State of Texas departments and agencies including Texas Department of Transportation, Texas Historical Commission, Texas State Library and Archives, Texas Arts Council, Texas Commission on Environmental Quality and the Governor's Office of Criminal Justice.

OTHER GRANTS - This fund accounts for grants received by the City which do not belong in one of the above funds. Granting entities El Paso Community Foundation, Paso del Norte Health Foundation and local school districts.

HEALTH DEPARTMENT - This fund accounts for activities of the grants received by the City for public health activities. Funding sources include grants from the Texas Department of Health and Human Services, and . Additional funding sources include participation by the City's Control and U.S. Environmental Protection Agency. Additional General Fund, the County of El Paso and fees charged for services provided.

NONGRANTS - This fund accounts for funds received that are restricted by the donor (in the case of donations), City Council action or other legislation. Funds received include donations, Hotel/Motel occupancy tax, proceeds generated from police enforcement activities

City of El Paso

Schedule of Expenditures – Special Revenue Funds

For the Year Ended August 31, 2013

Nonmajor Governmental Funds

Grant	Description	Community Development Block Grants	American Recovery and Reinvestment Act				Public Health	Nongrants	Total Nonmajor Governmental Funds
			Other Federal Grants	Grants	State Grants	Other Grants			
201204888	93.235 HPCDP ABST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,978	\$ -	\$ 22,978
2012038651	INFECTIOUS DISEASE CONTROL-FLU	-	-	-	-	-	559	-	559
09BZ240006	IPP BUFFER ZONE PROTECTION PRO	-	204	-	-	-	-	-	204
11GA2406PD	2011 EP- SHSP-UA LE	-	95,443	-	-	-	-	-	95,443
11SR4314103	97.067 STONEGARDEN 2011	-	1,833,188	-	-	-	-	-	1,833,188
12DJBX0311	JAG FY12 GUNRACKS	-	-	67,997	-	-	-	-	67,997
2010SST801	EXISTING SHELTER FACILITY WITH	-	207,953	-	-	-	-	-	207,953
2010SST802	READY EL PASO CITIZEN CORPS CA	-	161,212	-	-	-	-	-	161,212
2010SST803	COMMUNICATIONS SYSTEM UPGRADES	-	789,292	-	-	-	-	-	789,292
2010SST804	URBAN SEARCH AND RESUE TEAM EN	-	556,279	-	-	-	-	-	556,279
2010SST806	REGIONAL SCBA PROJECT	-	(504,737)	-	-	-	-	-	(504,737)
2010SST807	PLANNING AND COLLABORATION PRO	-	291,613	-	-	-	-	-	291,613
2010SST808	HEALTH AND MEDICAL RMOC ENHANC	-	498,197	-	-	-	-	-	498,197
2010SST809	PEER TO PEER PROJECT	-	14,559	-	-	-	-	-	14,559
2010SST810	MANAGEMENT AND ADMIN OF 2010 U	-	(9)	-	-	-	-	-	(9)
2010SST812	INFORMATION AND INTEL. GATHERI	-	816,880	-	-	-	-	-	816,880
2010SST813	MMRS	-	31,955	-	-	-	-	-	31,955
2010SST814	SHSP	-	27,140	-	-	-	-	-	27,140
2010SST815	SHSP LEAP	-	117,337	-	-	-	-	-	117,337
2011SST816	2011 MMRS	-	166,145	-	-	-	-	-	166,145
2011SST818	SHSPUA RIO GRANDE FUSION CENTE	-	21,000	-	-	-	-	-	21,000
2011SST820	SHSPUA DEVELOP ENHANCE PLANS	-	74,330	-	-	-	-	-	74,330
2011TSK0	PASO DEL NORTE FOCUS EL PASO	-	-	-	-	-	14,456	-	14,456
2013G38651	INFECTIOUS DISEASE CONTROL UNI	-	-	-	-	-	4,602	-	4,602
2013TSK0	PASO DEL NORTE SEXUAL HEALTH	-	-	-	-	-	183,983	-	183,983
4842B10570	ARRA-BTOP- VIRTUAL VILLAGE	-	-	2,268,780	(3,747)	-	-	-	2,265,033
CJ2311103	16.523 SHOCAP FY 2013	-	-	-	27,154	-	-	-	27,154
CJ2592801	16.575 GENERAL VICTIM SERVICES	-	-	-	222,963	-	-	-	222,963
CPSLRNHP11	ELP0090 CPS LRN HPP FY11	-	-	-	-	-	302	-	302
CPSLRNHP13	LABORATORY RESPONSE NETWORK-CP	-	-	-	-	-	28,798	-	28,798
DPS2400002	97.078BUFFERZONEPROTECT PROF10	-	314,089	-	-	-	-	-	314,089
EMWFH00553	SAFER GRANT	-	1,054,732	-	-	-	-	-	1,054,732
G_221301	EMPG FY 13	-	432	-	-	-	-	-	432
G_41AU2012	LOCAL/UTHSC-HOUSTON	-	-	-	-	-	52,432	-	52,432
G_7113HM	14.239HOME ENTITLEMENT GRANT	312,744	-	-	-	-	-	-	-
G_7137E014	14.218 COUNTY OF EL PASO 160K	159,380	-	-	-	-	-	-	-
G_7137E015	14.218EL PASO COALITION FOR TH	24,485	-	-	-	-	-	-	-
G_7137EAD2	14.218 CITY ADMINISTRATION25K	26,167	-	-	-	-	-	-	-
G_7138CD20	14.218 ARMUO PARK IMPROVEMENT	43,262	-	-	-	-	-	-	-
G_7138CD21	14.218 SUNSET HEIGHTS PARK IMP	40,217	-	-	-	-	-	-	-
G_7138CD22	14.218 CITYWIDE CURB CUT DEMAN	116,504	-	-	-	-	-	-	-
G_7138CD23	14.218 AUDIBLE PEDESTRIAN SIGN	23,612	-	-	-	-	-	-	-
G_7138CD24	14.218 YWCA FAIR HOUSING OUTRE	25,000	-	-	-	-	-	-	-
G_713CD007	14.218 REBUILDING TOGETHER NAT	85,500	-	-	-	-	-	-	-
G_713CD011	14.218 PVCDC MICROENTERPRISE T	115,603	-	-	-	-	-	-	-
G_713CD012	14.218 THORN PARK IMPROVEMENTS	37,561	-	-	-	-	-	-	-
G_713CD013	14.218 POLLARD PARK IMPROVEMEN	55,027	-	-	-	-	-	-	-
G_713CD014	14.218 BARKER ROAD FROM THE CO	32,491	-	-	-	-	-	-	-
G_713CD015	14.218 HIDDEN VALLEY PARK IMPR	13,524	-	-	-	-	-	-	-
G_713CD016	14.218 STILES PARK IMPROVEMENT	45,989	-	-	-	-	-	-	-
G_713CD017	14.218 PAVO REAL PARK IMPROVEM	31,836	-	-	-	-	-	-	-
G_713CD018	14.218 CARPENTER DRIVE - HELMS	82,055	-	-	-	-	-	-	-
G124331	NATIVE AMERICAN PASS OF THE NO	-	-	-	1,610	-	-	-	1,610
G12OUTREAC	HONORING OUR ANCESTORS-THE TIG	-	-	-	500	-	-	-	500
G12SW07A55	95.001 HIDTA STING FY2012	-	1,495,220	-	-	-	-	-	1,495,220
G12SW07A56	95.001HIDTA INTELLIGENCEFY2012	-	170,507	-	-	-	-	-	170,507
G12SW07A57	95.001HIDTA STASH HOUSE FY2012	-	419,783	-	-	-	-	-	419,783
G12SW07A58	95.001 HIDTA MULTI FY2012	-	172,916	-	-	-	-	-	172,916
G12SW07A59	95.001 HIDTA ENTERPRISE FY2012	-	24,737	-	-	-	-	-	24,737
G12SW07A60	95.001HIDTA TRANSPORTATIONFY12	-	20,139	-	-	-	-	-	20,139
G12SW07A61	95.001 HIDTA FUGITIVE FY2012	-	8,267	-	-	-	-	-	8,267
G12SW07A63	95.001HIDTA STASHHOUSEDHE FY12	-	5,401	-	-	-	-	-	5,401
G12SW07A65	95.001 HIDTA STING DHE FY2012	-	62,395	-	-	-	-	-	62,395
G1334445	TCA EDUCATION GRANT 2013 ART	-	-	-	400	-	-	-	400
G134402	RIDERS ON THE ORPHAN TRAIN	-	-	-	1,249	-	-	-	1,249
G13CAMPS	FY2013 CHILDREN'S ARCH CAMP SU	-	-	-	566	-	-	-	566
G13EPCOMFD	INCREASE HISTORY EDUCATION	-	140	-	-	-	-	-	140
G2012_0176	TJJD/JPD JUVENILE DIVERSION/PR	-	-	-	48,195	-	-	-	48,195
G201211120	NACCHO GRANT 2012-11203	-	-	-	-	-	41,367	-	41,367
G201304105	NUTRITION PHYSICAL ACTIVITY	-	-	-	-	-	73,635	-	73,635
G201304258	PREV/ABSTINENCE	-	-	-	-	-	140,555	-	140,555
G2108210	COPS TECHNOLOGY FY08	-	451,423	-	-	-	-	-	451,423
G2109150	G210915 COPS TECHNOLOGY 09	-	1,950	-	-	-	-	-	1,950
G2110160	BJA FY09 JAG- BALLISTIC	-	19,764	-	-	-	-	-	19,764
G2110190	RECOVERY ACT JAG PROGRAM	-	-	84,349	-	-	-	-	84,349
G2110550	STING FY2010	-	12	-	-	-	-	-	12
G2111040	GENERAL VICTIM ASSIST DIR SERV	-	-	-	(2,820)	-	-	-	(2,820)
G2111190	BJA 2010 BYRNE JAG FY10	-	-	11,293	-	-	-	-	11,293
G2111340	OPERATION STONEGARDEN 10	-	(66,624)	-	-	-	-	-	(66,624)
G2111550	STING FY2011	-	12,574	-	-	-	-	-	12,574
G2111560	INTELLIGENCE FY2011	-	150	-	-	-	-	-	150
G2111570	STASH HOUSE FY2011	-	5,351	-	-	-	-	-	5,351
G2111580	MULTI FY2011	-	715	-	-	-	-	-	715
G2111590	ENTERPRISE FY2011	-	1,923	-	-	-	-	-	1,923
G2111600	TRANSPORTATION FY2011	-	3,781	-	-	-	-	-	3,781
G2111630	DHE STASH HOUSE FY2011	-	38,799	-	-	-	-	-	38,799
G2111650	DHE STING FY2011	-	45,040	-	-	-	-	-	45,040
G2112020	ABTPA FY12	-	-	-	(8,406)	-	-	-	(8,406)
G2112040	GVA-GENERAL VICTIM SERVICES F	-	-	-	(3,166)	-	-	-	(3,166)
G2112110	JABG SHOCAP FY12	-	-	-	3,440	-	-	-	3,440

City of El Paso

Schedule of Expenditures – Special Revenue Funds (Continued)

For the Year Ended August 31, 2013

		Nonmajor Governmental Funds							
Grant	Description	Community Development Block Grants	American Recovery and Reinvestment Act			Public Health	Nongrants	Total Nonmajor Governmental Funds	
			Other Federal Grants	Grants	State Grants				Other Grants
G2112140	PACT360 COMMUNITY EDUCATION PR	\$ -	\$ 412	\$ -	\$ -	\$ -	\$ -	\$ 412	
G2207010	G220701 EMPG FY2007	-	(690)	-	-	-	-	(690)	
G2210050	DEVELOP ENHANCE PLANS, PROCEDU	-	132,433	-	-	-	-	132,433	
G2210090	PEER TO PEER	-	4	-	-	-	-	4	
G2210120	USAR	-	65,936	-	-	-	-	65,936	
G2210150	UASILEAP	-	(57,679)	-	-	-	-	(57,679)	
G2212010	EMPG FY12	-	107,674	-	-	-	-	107,674	
G2213010	EMPG FY 13	-	18,278	-	-	-	-	18,278	
G4109080	G410908 CHC-POP BASED DSH	-	-	-	-	(354)	-	(354)	
G4110020	TB PC OUTREACH-DSHS	-	-	-	-	(2)	-	(2)	
G4110030	MEXICAN CONSULATE	-	-	-	-	702	-	702	
G4110260	2-1-1 AREA INFO CENTER-HHSC	-	-	-	-	(2,001)	-	(2,001)	
G4110NE0	WIC NUTRITION-DSHS	-	-	-	-	760	-	760	
G4111030	MEXICAN CONSULATE	-	-	-	-	(24)	-	(24)	
G4111070	TB PREVENTION AND CONTROL-DSHS	-	-	-	-	(371)	-	(371)	
G4111260	2-1-1 AREA INFO CENTER-HHSC	-	-	-	-	6	-	6	
G4111340	ADRC	-	-	-	-	2,585	-	2,585	
G4111AD0	WIC ADMIN-DSHS	-	-	-	-	(20)	-	(20)	
G4111NE0	WIC NUTRITION-DSHS	-	-	-	-	(9)	-	(9)	
G4112020	TB-PC OUTREACH-DSHS	-	-	-	-	(4,158)	-	(4,158)	
G4112030	MEXICAN CONSULATE	-	-	-	-	1,134	-	1,134	
G4112060	IMMUNIZATION	-	-	-	-	94,399	-	94,399	
G4112070	TB PREVENTION AND CONTROL-DSHS	-	-	-	-	1,392	-	1,392	
G4112110	RLSS-LPHS-DSHS	-	-	-	-	(2,623)	-	(2,623)	
G4112130	CHS-FEE FOR SERVICE-DSHS	-	-	-	-	(3,968)	-	(3,968)	
G4112180	HIV SCREENING	-	-	-	-	140,146	-	140,146	
G4112200	STD-HIV FEDERAL-DSHS (STD PREV	-	-	-	-	(3,788)	-	(3,788)	
G4112220	BIO TERRORISM LAB-DSHS	-	-	-	-	(2,170)	-	(2,170)	
G4112230	HIV SURVEILLANCE - FEDERAL-DSH	-	-	-	-	(764)	-	(764)	
G4112250	BIO TERRORISM	-	-	-	-	94,997	-	94,997	
G4112260	2-1-1 AREA INFO CENTER-HHSC	-	-	-	-	629	-	629	
G4112280	EWIDS	-	-	-	-	2,224	-	2,224	
G4112AD0	WIC ADMIN-DSHS	-	-	-	-	497,515	-	497,515	
G4112BF0	WIC BREASTFEEDING-DSHS	-	-	-	-	32,479	-	32,479	
G4112NE0	WIC NUTRITION-DSHS	-	-	-	-	80,822	-	80,822	
G4113020	TB/PC OUTREACH-DSHS	-	-	-	-	284,317	-	284,317	
G4113060	IMMUNIZATION BRACH - LOCALS	-	-	-	-	1,721,775	-	1,721,775	
G4113070	TB - P/C - STATE	-	-	-	-	705,448	-	705,448	
G4113110	RLSS-LPHS-DSHS	-	-	-	-	191,442	-	191,442	
G4113130	CHS - FEE FOR SERVICE	-	-	-	-	243,720	-	243,720	
G4113180	HIV/PREVF	-	-	-	-	342,235	-	342,235	
G4113200	STD/HIV - FED	-	-	-	-	200,340	-	200,340	
G4113220	BIO TERRORISM LAB-DSHS	-	-	-	-	214,055	-	214,055	
G4113230	HIV SURV - FED	-	-	-	-	39,302	-	39,302	
G4113250	BIO TERRORISM	-	-	-	-	605,337	-	605,337	
G4113260	211 AREA INFO CENTER	-	-	-	-	240,937	-	240,937	
G4113270	GET REAL ABOUT TOBACCO-PASO DE	-	-	-	-	124,195	-	124,195	
G4113330	FY2013 PASO DEL NORTE FOUNDATI	-	-	-	-	72,245	-	72,245	
G4113AD0	WIC ADMIN-DSHS	-	-	-	-	4,362,220	-	4,362,220	
G4113BF0	WIC BREASTFEEDING-DSHS	-	-	-	-	507,414	-	507,414	
G4113NE0	WIC NUTRITION-DSHS	-	-	-	-	1,423,785	-	1,423,785	
G5309050	MINOR LIBRARY GRANTS	-	719	-	-	-	-	719	
G5312010	E-RATE	-	-	-	8,839	-	-	8,839	
G5312030	TSLAC	-	6,546	-	-	-	-	6,546	
G551302CAD	TCA ART CREATE SUBGRANTING	-	-	-	29,820	-	-	29,820	
G7104HM0	HOME PROGRAM FY2004	(150)	-	-	-	-	-	-	
G7105HM0	7105HM HOME PROGRAM FY'05	44,001	-	-	-	-	-	-	
G7106HM0	G7106HM HOME PROGRAM FY'06	428,297	-	-	-	-	-	-	
G7108HM0	G7108HM HOME PROG FY08	(4,387)	-	-	-	-	-	-	
G7109HM0	G7109HM HOME	260,117	-	-	-	-	-	-	
G710RLF12	RLF ADMIN FY12	5,523	-	-	-	-	-	-	
G710RLF12	HOUSING PROGRAMS ACTIVITIES RL	1,401,224	-	-	-	-	-	-	
G710RLFME	HOME PROG INCOME	699,273	-	-	-	-	-	-	
G7110HM0	FY10 HOME ENTITLEMENT	433,969	-	-	-	-	-	-	
G7111HM0	HOME FY11	79,731	-	-	-	-	-	-	
G7111RSDR	FEDERALLY FUNDED FY11	43	-	-	-	-	-	-	
G7112FGAT	FGP STATE FY12	962	-	-	-	-	-	-	
G7112FGDR	FEDERALLY FUNDED FY12	53,670	-	-	-	-	-	-	
G7112FGTY	FGCITY FOSTER GRANDP PROG F	15,912	-	-	-	-	-	-	
G7112HM0	HOME FY12	77,556	-	-	-	-	-	-	
G7112RSAT	STATE FUNDED FY12	18,682	-	-	-	-	-	-	
G7112RSDR	FEDERALLY FUNDED FY12	89,526	-	-	-	-	-	-	
G7112RSTY	RSVP CITY FY12	2,021	-	-	-	-	-	-	
G7113FGAT	94.001FGSTAT	5,000	-	-	-	-	-	-	
G7113FGBG	14.218FGCDBG	34,613	-	-	-	-	-	-	
G7113FGDR	94.001FGFEDR	447,834	-	-	-	-	-	-	
G7113FGTY	FGCITY	27,576	-	-	-	-	-	-	
G7113RSAT	94.002RSSTAT	8,479	-	-	-	-	-	-	
G7113RSTY	RS CITY	25,747	-	-	-	-	-	-	
G7128CD08	BORDERLAND ST & DRN PH 2&3	(1,479)	-	-	-	-	-	-	
G7135CD10	LOWER DYER & CHAMIZAL NGBD REV	(924)	-	-	-	-	-	-	
G7136CD08	SEGUNDO BARRIO REVITALIZATION	(997)	-	-	-	-	-	-	
G7136CD16	MOUNTAIN VIEW SKATE PARK IMPRO	5,805	-	-	-	-	-	-	
G7136CD17	STILES GARDENS DODGE TO BUCHER	49,955	-	-	-	-	-	-	
G7136CD18	STILES GARDENS BUCHER TO NICH0	7,824	-	-	-	-	-	-	
G7136CD25	GUILLEN MIDDLE SCHOOL	12,447	-	-	-	-	-	-	
G7136CD27	CAFV RENOVATIONS AT TRANSITION	59,969	-	-	-	-	-	-	
G7136CD30	EL PASO VILLA MARIA ADA AND MI	70,073	-	-	-	-	-	-	
G7136CD31	PASO DEL NORTE CHILDREN'S DEVE	16,766	-	-	-	-	-	-	
G7136PS17	STILES DRIVE DODGE TO BUCHER-P	1,818	-	-	-	-	-	-	

City of El Paso

Schedule of Expenditures – Special Revenue Funds (Continued)

For the Year Ended August 31, 2013

		Nonmajor Governmental Funds								
Grant	Description	Community Development Block Grants	Other Federal Grants	American Recovery and Reinvestment Act		State Grants	Other Grants	Public Health	Nongrants	Total Nonmajor Governmental Funds
				Grants	Grants					
G7137CD02	37TH YEAR CDBG ADMIN FY12	\$ (3,019)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
G7137CD03	AFTERSCHOOL OUTREACH FY12	(6)	-	-	-	-	-	-	-	-
G7137CD05	SUN COUNTRY RECREATION FY12	(989)	-	-	-	-	-	-	-	-
G7137CD08	SEGUNDO BARRIO REVITALIZATION	(23)	-	-	-	-	-	-	-	-
G7137CD17	STILES GARDENS SUBDIVISION STR	565,734	-	-	-	-	-	-	-	-
G7137CD25	GUILLEN MIDDLE SCHOOL	360,889	-	-	-	-	-	-	-	-
G7137CD31	PASO DEL NORTE CHILDRENS DEVE	169,046	-	-	-	-	-	-	-	-
G7137CD32	DISABILITY FY12	(515)	-	-	-	-	-	-	-	-
G7137CD36	PASODALE SUBDIVISION PHASE III	246,288	-	-	-	-	-	-	-	-
G7137CD37	TULA IRROBALLI PARK	182,117	-	-	-	-	-	-	-	-
G7137CD38	PASO DEL NORTE PHASE II	223,367	-	-	-	-	-	-	-	-
G7137CD40	BARKER ROAD CRAMER TO CORNER	950	-	-	-	-	-	-	-	-
G7137CD41	MOUNTAIN VIEW PARK CONSTRUCTIO	61,342	-	-	-	-	-	-	-	-
G7137CF11	ACCESSIBLE HOUSING UNITS SURVE	34,100	-	-	-	-	-	-	-	-
G7137ESMN	ESG ADMIN FY12	(928)	-	-	-	-	-	-	-	-
G7137HOA1	HOPWA TENANT BASED RENT	(2,289)	-	-	-	-	-	-	-	-
G7137HOWA	HOPWA ADMIN FY12	(495)	-	-	-	-	-	-	-	-
G7137PS17	PSBSTILES SUBDIVISION BUTCHER	10,373	-	-	-	-	-	-	-	-
G7137SS09	PROJECT ARRIBA	(325)	-	-	-	-	-	-	-	-
G7137SS11	RESCUE MISSION-JOB PLACEMENT	502	-	-	-	-	-	-	-	-
G7137SS43	CHAMIZAL NRSA FY12	(299)	-	-	-	-	-	-	-	-
G7138CD02	14.218 CDBG ADMINISTRATION	1,214,639	-	-	-	-	-	-	-	-
G7138CD03	14.218PARKS & REC NEIGHBORHOOD	30,892	-	-	-	-	-	-	-	-
G7138CD32	14.218 PARKS & REC DISABILITY	41,622	-	-	-	-	-	-	-	-
G7138CD39	14.218EP COALITION FOR THE HOM	75,000	-	-	-	-	-	-	-	-
G7138CD40	14.218BARKER RD FROM JC CRAMER	94,497	-	-	-	-	-	-	-	-
G7138ES01	14.231 CENTER AGAINST FAMILY V	26,693	-	-	-	-	-	-	-	-
G7138ES02	14.231CHILD CRISISCENTER OF EP	28,800	-	-	-	-	-	-	-	-
G7138ES03	14.231 EL PASO CENTER FOR CHIL	18,198	-	-	-	-	-	-	-	-
G7138ES04	14.231 EL PASO VILLA MARIA	16,334	-	-	-	-	-	-	-	-
G7138ES05	14.231 INTERNATIONAL AIDS EMPO	79,706	-	-	-	-	-	-	-	-
G7138ES06	14.231 LA POSADA HOME	83,171	-	-	-	-	-	-	-	-
G7138ES07	14.231OPPORTUNITYCTR FORHMLSS	69,228	-	-	-	-	-	-	-	-
G7138ES08	14.231 PROJECT VIDA	46,994	-	-	-	-	-	-	-	-
G7138ES09	14.231 RESCUE MISSION OF EP	51,936	-	-	-	-	-	-	-	-
G7138ES10	14.231 SALVATION ARMY	61,408	-	-	-	-	-	-	-	-
G7138ES15	14.231 EPCOALITION FOR HMLESS	25,000	-	-	-	-	-	-	-	-
G7138ESMN	14.231 CITY ESG ADMINISTRATION	27,442	-	-	-	-	-	-	-	-
G7138HOA1	14.241 IAE TENANT BASED RENTAS	284,314	-	-	-	-	-	-	-	-
G7138HOA2	14.241 IAE SUPPORTIVE SRVS	13,103	-	-	-	-	-	-	-	-
G7138HOA3	14.241 IAE SPONSOR ADMIN	24,131	-	-	-	-	-	-	-	-
G7138HOWA	14.241 CITY OF EL PASO ADMIN	10,681	-	-	-	-	-	-	-	-
G7138SS05	14.218 PROJECT VIDA AFTER SCH	31,825	-	-	-	-	-	-	-	-
G7138SS06	14.218 SALVATION ARMY AFTER S	27,496	-	-	-	-	-	-	-	-
G7138SS07	14.218 HOUCHEEN EARLY CHILDPHO	31,825	-	-	-	-	-	-	-	-
G7138SS10	14.218 PROJECT VIDA EARLY CHI	31,824	-	-	-	-	-	-	-	-
G7138SS11	14.218RESCUE MISSION JOB PLACE	30,000	-	-	-	-	-	-	-	-
G7138SS13	14.218 CAFV EMERGENCY SHELTER	30,000	-	-	-	-	-	-	-	-
G7138SS14	14.218 CENTRO SAN VICENTE HOM	29,937	-	-	-	-	-	-	-	-
G7138SS15	14.218CHILD CRISIS CENTER RE	31,028	-	-	-	-	-	-	-	-
G7138SS16	14.218 EP CENTER FOR CHILDREN	30,000	-	-	-	-	-	-	-	-
G7138SS17	14.218 EL PASO VILLA MARIA	37,600	-	-	-	-	-	-	-	-
G7138SS19	14.218 LA POSADA HOME APOYO	50,438	-	-	-	-	-	-	-	-
G7138SS24	14.218 CAFV MENTAL HEALTH SERV	29,836	-	-	-	-	-	-	-	-
G7138SS25	14.218 CENTRO SAN VICENTE MED	28,343	-	-	-	-	-	-	-	-
G7138SS28	14.218 FAMILY SERVICE OF EP IN	39,836	-	-	-	-	-	-	-	-
G7138SS29	14.218 JEWISH FAMILY AND CHILD	26,625	-	-	-	-	-	-	-	-
G7138SS30	14.218 LA FAMILIA DEL PASO SO	37,835	-	-	-	-	-	-	-	-
G7138SS31	14.218 PROJECT VIDA INTEGRATED	29,836	-	-	-	-	-	-	-	-
G7138SS32	14.218 VNA HOME HEALTH CARE	29,833	-	-	-	-	-	-	-	-
G7138SS35	14.218 COUNTY OF EP NUTRITION	49,137	-	-	-	-	-	-	-	-
G7138SS37	14.218 LULAC PROJECT AMISTAD	30,000	-	-	-	-	-	-	-	-
G7138SS39	14.218 PASO DEL NORTE LEADERSH	30,000	-	-	-	-	-	-	-	-
G7138SS41	14.218YWCA CONSUMER CREDIT COU	30,000	-	-	-	-	-	-	-	-
G7138SS43	14.218 PVDC CHAMIZAL NRSA	94,582	-	-	-	-	-	-	-	-
G7138SS44	14.218 TVP LOWER DYER NRSA	91,365	-	-	-	-	-	-	-	-
G7138SS72	14.218 AVANCE FAMILY LITERACY	31,109	-	-	-	-	-	-	-	-
G7138SS73	14.218CANDLELIGHTERS FAMILY EN	31,825	-	-	-	-	-	-	-	-
G7138SS74	14.218CASA COURT APPOINTED S	31,825	-	-	-	-	-	-	-	-
G7138SS76	14.218 INTERNATIONAL AIDS HIV	29,835	-	-	-	-	-	-	-	-
G7138SS77	14.218 EP DIABETES ASSOC	42,072	-	-	-	-	-	-	-	-
G7138SS78	OPERATION SCHOOL BELL	30,000	-	-	-	-	-	-	-	-
G71EZBOF	EZ BORDER OPP LOAN FUND	488,034	-	-	-	-	-	-	-	-
G71EZDEMO	DEMOLITION	(660)	-	-	-	-	-	-	-	-
G71HSPHTF	STATEHHSPOUSINGTRS	-	-	-	270,539	-	-	-	-	270,539
G71NSP0	NSP -FEDERALLY FUNDED	47,105	-	-	-	-	-	-	-	-
G71NSP10	COEP ACQUISITION	153,020	-	-	-	-	-	-	-	-
G71NSP20	COEP REHABILITATION	1,539,378	-	-	-	-	-	-	-	-
G71NSTDHCA	NSP -STATE FUNDED	-	-	-	(136)	-	-	-	-	(136)
GECEBG050	RECYCLING	-	-	32,863	-	-	-	-	-	32,863
GHUDUS0	HUD PAYROLL SUSPENCE ACCOUNT	215,956	-	-	-	-	-	-	-	-
LBSP120035	STATE FY 12 LBSP TX RANGER DIV	-	-	-	233,479	-	-	-	-	233,479
MA04110136	LAMP PROJECT	-	-	-	42,916	-	-	-	-	42,916
PWD1067P4000	THREE HILLS LOOP TRAIL	-	-	-	1,200	-	-	-	-	1,200
SAT0115013	ST-ABTPA-13	-	-	-	1,654,343	-	-	-	-	1,654,343
G7137ES16	Red Shield Family Center Meals	10,000	-	-	-	-	-	-	-	-
G411330	Descretionary funds from DSHS	-	-	-	-	-	39,228	-	-	39,228
G7138SS40	14.218VNA QUALITY LIVING AT HM	29,822	-	-	-	-	-	-	-	-
G7113RSDR	94.002RSFEDR	20,858	-	-	-	-	-	-	-	-
G7138CD050	14.218 PARKS & REC SUN COUNTRY	136,313	-	-	-	-	-	-	-	-

City of El Paso

Schedule of Expenditures – Special Revenue Funds (Continued)

For the Year Ended August 31, 2013

		Nonmajor Governmental Funds								
Grant	Description	Community Development Block Grants	Other Federal Grants	American Recovery and Reinvestment Act		State Grants	Other Grants	Public Health	Nongrants	Total Nonmajor Governmental Funds
				Grants	Grants					
G12251639G	Farmers Market Downtown	\$ -	\$ -	\$ -	31,955	\$ -	\$ -	\$ -	\$ -	\$ 31,955
G2111350	ARRA OPERATION BORDER SECURITY	-	-	(931)	-	-	-	-	-	(931)
GVP12148PD	Bulletproof Vest & Body Armor	-	-	12,276	-	-	-	-	-	12,276
EMW2011FH5	97.044 (SAFER) FY 2011 STAFFIN	-	-	201,796	-	-	-	-	-	201,796
2010SST805	HAZARDOUS MATERIALS RESPONSE T	-	-	365,338	-	-	-	-	-	365,338
G2210110	SCBA	-	-	506,883	-	-	-	-	-	506,883
G1334127		-	-	-	-	12,942	-	-	-	12,942
G71NSPDHCA	NSP -STATE FUNDED	-	-	-	-	1	-	-	-	1
G710RLFNT	UDAG CONTINGENCY	12,543	-	-	-	-	-	-	-	-
G7138SS08	14.218 PASO DEL NORTE EL PAPA	31,825	-	-	-	-	-	-	-	-
G1334690	TCA-Preschool visual literacy	-	-	-	-	1,248	-	-	-	1,248
G2111610	FUGITIVE FY2011	-	-	1,702	-	-	-	-	-	1,702
2010SST811	P-25 INTEROPERABILITY COMMUNIC	-	-	15,329	-	-	-	-	-	15,329
G7138ES14	14.231 COUNTY OF EL PASO	26,578	-	-	-	-	-	-	-	-
G7136CD20	BLACKIE CHESHER PARK HANDBALL	3,421	-	-	-	-	-	-	-	-
G7138PS40	BARKER RD ST & DRAINAGE IMP	36,590	-	-	-	-	-	-	-	-
LBSP1317PD	STATE FY13 LBSP TX RANGER DIV	-	-	125,532	-	-	-	-	-	125,532
G13SW07A59	95 001 HIDTA Enterprise FY13	-	-	3,384	-	-	-	-	-	3,384
G13SW07A61	95 001 HIDTA FUGITIVE FY13	-	-	4,207	-	-	-	-	-	4,207
G13SW07A55	95 001 HIDTA SOURCE CITY FY13	-	-	55,634	-	-	-	-	-	55,634
G13SW07A58	95 001 HIDTA Multi FY13	-	-	11,115	-	-	-	-	-	11,115
G411427	Get Real About Tobacco-Paso de	-	-	-	-	-	-	33,351	-	33,351
G71HHSHTF	HHSP HTF 3RD ALLOCATION 2013	-	-	-	-	244,418	-	-	-	244,418
G71HHSPBND	HHSP BOND 3RD ALLO 2013	-	-	-	-	83,463	-	-	-	83,463
G71NSP70	COEP Acquisition 25% set aside	(78,261)	-	-	-	-	-	-	-	-
G1334088	Arts Create YR2	-	-	-	-	14,728	-	-	-	14,728
G1334414	Arts Respond Econ Developme	-	-	-	-	7,320	-	-	-	7,320
G1334415	Arts Respond Artist Market	-	-	-	-	3,050	-	-	-	3,050
G1334624	ARTS RESPOND Banners Project	-	-	-	-	2,440	-	-	-	2,440
11SR2402PD	EP SHSHP UA RIO GRAND FUSION	-	-	52,992	-	-	-	-	-	52,992
G13SW07A56	95 001 HIDTA INTELLIGENCE FY13	-	-	2,573	-	-	-	-	-	2,573
11SR2405PD	SAA TXDPS GRANT SHSPLETPA FY11	-	-	2,379	-	-	-	-	-	2,379
12SR2401PD	SHSP LEPTA FY12	-	-	17,325	-	-	-	-	-	17,325
2013042853	DSHS EMS 2013	-	-	9,683	-	-	-	-	-	9,683
2011SST819	SHSPUA Enhance Cap to Respond	-	-	36,128	-	-	-	-	-	36,128
G11YSLETA	YSLETA MISSION DOOR RESTORATIO	-	-	-	-	2,811	-	-	-	2,811
G4110AD0	WIC ADMIN-DSHS	-	-	-	-	-	-	(100)	-	(100)
G4110070	TB Prevention and Control-DSHS	-	-	-	-	-	-	(68)	-	(68)
G7139CD18	CARPENTER DR STREET & DRAINAGE	418	-	-	-	-	-	-	-	-
G5309010	G530901 ERATE	-	-	-	-	(20)	-	-	-	(20)
2011SST817	SHSPUA Est Enhance Reg Respon	-	-	40,233	-	-	-	-	-	40,233
G411426	211 Area Info Center	-	-	-	-	-	-	500	-	500
G411418	HIV SCREENING	-	-	-	-	-	-	2,048	-	2,048
G411407	TB - P/C - State	-	-	-	-	-	-	113	-	113
G411435	LOCAL/UTHSC-HOUSTON	-	-	-	-	-	-	572	-	572
G2214010	EMPG FY14	-	-	113	-	-	-	-	-	113
P71RSFND	RSVP Advisory Council Foundati	100	-	-	-	-	-	-	-	-
	LPA-G410125 PASO DEL NORTE FOUND-A	-	-	-	-	-	-	(28,916)	-	(28,916)
	LPA-G540109 OUTREACH	-	-	-	-	-	-	30,573	-	30,573
	SMG Contract	-	-	-	-	-	-	-	4,982,962	4,982,962
	TIRZ #5	-	-	-	-	-	-	-	188,042	188,042
	Economic Development	-	-	-	-	-	-	-	4,307,038	4,307,038
	Parks	-	-	-	-	-	-	-	323,983	323,983
	CVB	-	-	-	-	-	-	-	7,064,631	7,064,631
	Police-Donations	-	-	-	-	-	-	-	3,703	3,703
	Police-Continuing Education	-	-	-	-	-	-	-	2,137	2,137
	Breath Alcohol Testing	-	-	-	-	-	-	-	12,656	12,656
	Garage Keepers Liens	-	-	-	-	-	-	-	15,274	15,274
	Red Light Camera	-	-	-	-	-	-	-	1,062,776	1,062,776

City of El Paso
Schedule of Expenditures – Special Revenue Funds (Continued)
For the Year Ended August 31, 2013

Grant	Description	Nonmajor Governmental Funds							Total Nonmajor Governmental Funds
		Community Development Block Grants	Other Federal Grants	American Recovery and Reinvestment Act Grants	State Grants	Other Grants	Public Health	Nongrants	
	Vehicle Storage Facility	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,394,597	\$ 1,394,597
	Police-Federal Confiscated	-	-	-	-	-	-	143,964	143,964
	Police-State Confiscated	-	-	-	-	-	-	703,443	703,443
	Zoo	-	-	-	-	-	-	2,306,236	2,306,236
	Art Museum	-	-	-	-	-	-	332,802	332,802
	Library	-	-	-	-	-	-	81,463	81,463
	History Museum	-	-	-	-	-	-	113,977	113,977
	Council Special Projects	-	-	-	-	-	-	93,904	93,904
	Municipal Court	-	-	-	-	-	-	630,035	630,035
	PEG	-	-	-	-	-	-	437,656	437,656
	Palo Verde	-	-	-	-	-	-	742,205	742,205
	Mayor	-	-	-	-	-	-	5,366	5,366
	Fire Department	-	-	-	-	-	-	8,977	8,977
	Lobbyist	-	-	-	-	-	-	118,669	118,669
	SMG Contract	-	-	-	-	-	-	4,982,962	4,982,962
	TIRZ #5	-	-	-	-	-	-	188,042	188,042
	Economic Development	-	-	-	-	-	-	4,307,038	4,307,038
	Parks	-	-	-	-	-	-	323,983	323,983
	CVB	-	-	-	-	-	-	7,064,631	7,064,631
	Police-Donations	-	-	-	-	-	-	3,703	3,703
	Police-Continuing Education	-	-	-	-	-	-	2,137	2,137
	Breath Alcohol Testing	-	-	-	-	-	-	12,656	12,656
	Garage Keepers Liens	-	-	-	-	-	-	15,274	15,274
	Red Light Camera	-	-	-	-	-	-	1,062,776	1,062,776
	Vehicle Storage Facility	-	-	-	-	-	-	1,394,597	1,394,597
	Police-Federal Confiscated	-	-	-	-	-	-	143,964	143,964
	Police-State Confiscated	-	-	-	-	-	-	703,443	703,443
	Zoo	-	-	-	-	-	-	2,306,236	2,306,236
	Art Museum	-	-	-	-	-	-	332,802	332,802
	Library	-	-	-	-	-	-	81,463	81,463
	History Museum	-	-	-	-	-	-	113,977	113,977
	Council Special Projects	-	-	-	-	-	-	93,904	93,904
	Municipal Court	-	-	-	-	-	-	630,035	630,035
	PEG	-	-	-	-	-	-	437,656	437,656
	Palo Verde	-	-	-	-	-	-	742,205	742,205
	Mayor	-	-	-	-	-	-	5,366	5,366
	Planning Grant	-	-	-	-	-	-	-	-
	Fire Department	-	-	-	-	-	-	8,977	8,977
	Lobbyist	-	-	-	-	-	-	118,669	118,669
	CD Donations	-	-	-	-	-	-	-	-
		\$ 13,723,069	\$ 11,198,921	\$ 2,497,237	\$ 2,901,339	\$ 1,657	\$ 12,847,616	\$ 25,076,496	\$ 54,523,266

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for and payment of general long-term debt principal, interest, arbitrage rebate and associated fiscal fees incurred. Revenue sources include ad-valorem property taxes.



City of El Paso
Schedule of Revenues, Expenditures and Changes
in Fund Balances – Budget and Actual
Debt Service Fund
For the Year Ended August 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Adopted</u>	<u>Final</u>		<u>Positive (Negative)</u>
Fund balances, September 1	\$ 5,600,756	\$ 5,600,756	\$ 5,600,756	\$ -
Resources (inflows):				
Property taxes	68,358,277	68,358,277	67,591,174	(767,103)
Penalties and Interest-Delinquent taxes	-	-	615,923	615,923
Interest gain (loss)	-	-	(379,738)	(379,738)
Parking meter revenue	1,348,180	1,348,180	1,119,778	(228,402)
Federal tax credit - Build America Bonds	2,281,309	2,281,309	2,419,854	138,545
Face amount of refunding bonds issued	-	20,710,000	20,710,000	-
Premium on bonds issued	-	2,002,146	2,002,146	-
Transfers from other funds	4,673,979	2,345,170	2,345,170	-
Amounts available for appropriation	<u>82,262,501</u>	<u>102,645,838</u>	<u>102,025,063</u>	<u>(620,775)</u>
Charges to appropriations (outflows):				
Debt service:				
Principal	36,500,000	33,593,754	34,174,525	(580,771)
Interest	43,153,745	42,987,592	43,985,197	(997,605)
Fiscal fees	57,000	300,026	239,157	60,869
Payment to refunding bond escrow agent:				
Refunding bond proceeds	-	22,469,120	22,914,230	(445,110)
From current assets	-	445,110	-	445,110
Total charges to appropriations	<u>79,710,745</u>	<u>99,795,602</u>	<u>101,313,109</u>	<u>(1,517,507)</u>
Fund balances, End of period	<u>\$ 2,551,756</u>	<u>\$ 2,850,236</u>	<u>\$ 711,954</u>	<u>\$ (2,138,282)</u>

This budget and this schedule are prepared on a basis consistent with accounting principles generally accepted in the United States.

CAPITAL PROJECTS FUND

The Capital Project fund is used to account for the acquisition or construction of capital facilities and the acquisition of equipment and other capital assets other than those financed by Proprietary and Trust funds.



City of El Paso

Schedule of Expenditures – Capital Projects

For the Year Ended August 31, 2013

Project	Name/Description	Capital Projects Fund	
		Expenditures and Transfers Out	
PCP12PRK01B0	PARK POND - SHAWVER	\$	162,290
5821111176	ELP0064 RIDER 8		308,977
ART0905	ENVIRONMENTAL PRESERVATION		27,500
ART0906	CULTURAL TOURISM		25,350
ART0908	12.607 OEA FT BLISS		15,747
ART1001A	CULTURAL WORKS		73,503
ART1101	FY11 FOR 2% FOR THE ARTS		77,921
BONDISSUE	BOND_ISSUE		21,416
G7806030	G780603 FHWA-TXDOT-MPO FY'06		(57)
G7809010	G780901 NEW MEXICO		(338)
G7810020	TEXAS		(53)
G7812010	NM FHWA-FTA GRANT		11,395
G7812020	TEXAS FHWA-FTA GRANT		148,290
G7813010	NM FY 2013 FHWA/FTA		120,459
G7813020	TXDOT FHWA/FTA FY 2013		1,188,327
HQ5110047	12.607 OEA FT BLISS		172,017
P09PA0040	CHUCK HEINRICH PARK IRRIGATION		13,906
P09ST0020	INTELLIGENT TRNSPORTN SYS EXP		18,697
P09ST0030	VIDEO SURVEILLANCE & COUNT STA		48,508
P09ST0040	SCHWABE & COOLEY DRAINAGE IMPR		7,115
P09ST0050	PASODALE SUBDIVISION PHASE 3		10,925
P09ST0060	PASODALE SUBDIVISION PHASE 4		24,018
P09ST0200	KENWORTHY DR SCHOOL FLASHER		50,248
P09TX0010	INTERSECTION IMPV A 15 INT GEO		5,653
P09TX0020	TRAFFIC SIGNALS @ 15 LOCATIONS		103,898
P10PA0020	MODESTO GOMEZ PARK IMPROVEMENT		750
P5015540	TMC-CBD SIGNALIZATION UPGRADE		372,195
P5015660	CIVIC CENTER CAPITAL IMPRVMTS		3,744,642
P5400010	CITY AUCTIONS		31,198
P540010CTY0	CAPITAL OUTLAY		175,082
P540010LEG0	CAPITAL OUTLAY		67,056
PAPACQTNYSY030	ACQUISITIONS		2,898
PAPADMINY030	2% FOR THE ARTS ADMIN 2003 COS		9,626
PAPADMINY060	2% FOR THE ARTS 2006 COS		22
PAPADMINY090	ADMINISTRATION		112
PAPADMINY100	PUBLIC ART ADMINISTRATION		44,370
PAPADMINY110	FY2011 PUB ART ADMIN COSTS		75,351
PAPCULTOURY060	CULTURAL TOURISM GATEWAYS PROJ		177,133
PBE04ST1150	LEE BLVD PHASE II		(72,171)
PBE04ST1170	MONTOYA HEIGHTS PHASE 1		45
PBE04ST1180	MONTOYA HEIGHTS PHASE 2B		49,483
PBE04ST124E0	PORTLAND AVE OPEN SPACE IMPRV		45
PBE04ST1270	ROSEWAY ST & DNG PHASE I		129,095
PBE04ST127A0	ROSEWAY ST & DRNG PH II		936,049
PBE04ST1390	UPPER VALLEY RD ST & DRNG		375,999
PBR060010	STANTON BRIDGE CANOPY		4,822
PCP_09ST03P	SCHOOL FLASHER BILL SYBERT E S		25,455
PCP_12FC01	FRED WILSON POND		490
PCP_12MF006	ZOO MASTER PLAN		14,034
PCP_12MF12	MSC FLEET BREAK ROOM		26,265
PCP_12MF13	F.S. 24 CONCRETE DRIVEWAY		27,164
PCP_12MF19	P.D. HQ UPPER PARKING LOT		15,390
PCP_12MF22	MSC BLDG #3 - WINDOW REPLACE.		25,788
PCP_12MF26	PD HQ ELEVATOR PISTON		17,555
PCP_12MF54	BIKE RACKS - CITYWIDE		3,600
PCP_12MF72	PD HQ BOILER		31,042
PCP_12MF74	SCENIC DRIVE FLAGPOLE		14,535
PCP_12MF75	911 BACK_UP CALL CENTER UPS		55,210
PCP_12MT01	EL PASO STREETCAR		4,143,700

City of El Paso
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2013

Project	Name/Description	Capital Projects Fund	
		Expenditures and Transfers Out	
PCP06FC0010	CEBADA I-10 FLOOD CONTROL	\$	24,935
PCP06MF0010	ADA COMPLIANCE CITYWIDE		4,736
PCP06NA001D2C0	NEWMAN PARK IMPROVEMENTS UPGRA		15,483
PCP06NA001D8G0	BOYS CLUB PARK HANDBALL COURT		3,541
PCP06ST0090	CBD PHASE IV ST & DRAINAGE		784,868
PCP06ST012A0	UV RIVER RUN@COUNTRY C. TRAFFI		180
PCP06ST012B0	ZOO MASTER PLAN		1,115
PCP06ST0220	TXDOT MATCHES CP06		26,072
PCP06ST022A0	BICYCLE PATHS - CITY WIDE		841,733
PCP06ST022B0	OREGON STREET RECONSTRUCTION		584,689
PCP06ST022E0	ISELA RUBALCABA EXTENSION		102,735
PCP06ST0230	2006 CP UNALLOCATED		133,130
PCP08MF01P0	FAC. REH. ROOF-SHAWVER PARK		73,732
PCP08MF020	FACILITY REHAB LIGHTING		24,411
PCP08NI010	LOWER DYER NEIGHBORHOOD REVITA		34,920
PCP08PA000	PARKS UPGRADE-2008 REPROGRAMIN		6,470
PCP08PA01BBB0	TIERRA DEL ESTE #62		34,441
PCP08PA01JJJ0	ADRIAN GARCIA SCREENING FENCE		12,580
PCP08PA01L0	NORTHERN LIGHTS		46,735
PCP08PA01TT0	TIERRA DEL ESTE #60		35,589
PCP08PA01VV0	VENTANAS 1		1,413
PCP08PA02D3A0	SUFFOLK PERIMETER LIGHTS		6,771
PCP08PA02D80	PARKS PERIMETER LIGHTING D8		(15,013)
PCP08ST030	OVERWIDTH PAVING 2008		373,413
PCP08ST04D10	ST. LIGHT INSTALLATION D1		6,156
PCP08ST04D20	ST. LIGHT INSTALLATION D2		13,490
PCP08ST04D30	ST. LIGHT INSTALLATION D3		13,405
PCP08ST04D50	ST. LIGHT INSTALLATION D5		2,610
PCP08ST04D60	ST. LIGHT INSTALLATION D6		11,562
PCP08ST04D70	ST. LIGHT INSTALLATION D7		3,763
PCP08ST04D80	ST. LIGHT INSTALLATION D8		677
PCP09CMP0020	MESA RTS		175,073
PCP09IT0010	FIBER INTERCONNECT		460,323
PCP09IT0020	IT TELEPHONE UPGRADE		1,890
PCP09MF0010	FACILITY REHABILITATION - 2009		16,183
PCP09MT0070	NORTHGATE TRANSIT TERMINAL		578,944
PCP09MT0080	SUN METRO MX AND OPS FACILITY		13,833,239
PCP09MT0090	ADA CURB CUTS & SHELTERS		221,384
PCP09MT0110	MONTANA RTS		130,074
PCP09MT0120	DYER RTS		93,909
PCP09ST0020	ALAMEDA RTS		1,213,915
PCP09ST0030	ANGORA LOOP & DYER TRAF SIGNAL		163,904
PCP09ST003Q	BEL AIR HS SCHOOL FLASHERS		87,390
PCP09TX0020	AIRWAY EXTENSION		(307)
PCP10BND0010	2010 BOND COSTS		174,938
PCP10FI010	F. S. # 31		83,258
PCP10FI020	F. S. # 37 CONSTRUCTION		63,473
PCP10IT02A0	DATA CENTER-(EPCC ADMIN BLDG)		(2,652,949)
PCP10IT02B0	CW NETWORK INFRASTRUCTURE		13,475
PCP10MF010	FACILITY REHABILITATION		57,070
PCP10MF01A0	FACILITY REHAB-AB FALL MANSION		96,733
PCP10MF020	PROPERTY ACQUISITIONS		660
PCP10MT010	ZOO MASTER PLAN		896,047
PCP10ST030	SIDEWALK IMPROVEMENTS		244,783
PCP10ST03A0	CALVARY MAN PRKWY IMP		82,897
PCP10ST03B0	2011 SIDEWALK GAP		107,691
PCP10ST050	NGHBRHOOD TRAFFIC-PROGRAM PH 2		3,327
PCP10ST060	COUNTRY CLUB ROAD		23,872
PCP10ST070	ST RECONST - SAN ANTONIO		2,011,698
PCP10ST090	BATAAN RAILWAY RECONSTRUCTION		11,106

City of El Paso
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2013

Project	Name/Description	Capital Projects Fund	
		Expenditures and Transfers Out	
PCP10ST12A0	ROJAS DR MEDIAN LANDSCAPE	\$	109
PCP10ST140	ST RECONST - MONTWOOD		3,815,742
PCP10TRAN010	COUNTRY CLUB RD CONSTRUCTION		56,069
PCP10TRAN020	CAROLINA BRIDGE - WIDENING		1,620
PCP10TRAN040	TXDOT MATCHES CP10		87,354
PCP10TRAN04E0	STATE SPUR 1966		140,030
PCP10TRAN10A0	SAN JACINTO		491,408
PCP10TRAN80	MESA RTS SIDEWALK IMPROVEMENTS		640
PCP11BND0010	2011 BOND COSTS-TRANSPORTATION		19,265
PCP11MT030	MESA RTS MATCH		368,932
PCP11MT040	DYER RTS MATCH		550,405
PCP12BND0010	BOND COSTS 2012_13		183,131
PCP12FI010	FS #37 CONSTRUCTION 2012_13		2,674,777
PCP12FI030	F. S. # 513 2012_13		345,319
PCP12IT010	NETWORK INFRASTRUCTUR 2012_13		2,491,962
PCP12IT020	CABLE INFRASTRUCTURE 2012_13		148,318
PCP12IT030	VOIP 2012_13		219,326
PCP12IT040	FIBER-CONNECTIVITY 2012_13		338,796
PCP12IT050	IT SOFTWARE 2012_13		13,361
PCP12IT060	PEOPLESOFT RE-IMPLEME 2012_13		781,241
PCP12IT080	DEPT SOFTWARE-HARDWAR 2012_13		262,602
PCP12IT090	UPS POWER PROTECTION 2012_13		2,500
PCP12MF010	FACILITY REHAB CW 2012_13		(100,581)
PCP12MFE030	REFRIG AIR - S.J. REC CENTER		365,846
PCP12MFE040	REFRIG AIR - LEONA FORD		263,251
PCP12MFE070	F.S. 26 WOMEN REST/LOCKER ROOM		129,743
PCP12MFE080	F.S. 20 WOMEN REST/LOCKER ROOM		150,166
PCP12MFE090	F.S. 19 WOMEN REST/LOCKER ROOM		129,307
PCP12MFE100	F.S. 8 WOMEN REST/LOCKER ROOM		73,230
PCP12MFE110	FIRE STATION # 33 DRIVEWAY IMP		3,483
PCP12MFE170	MAIN LIBRARY ENTRANCE REMODEL		2,392
PCP12MFG010	F.S. 7 - REFRIG AIR		18,146
PCP12MFG020	F.S. 16 - REFRIG AIR		19,990
PCP12MFG030	F.S. 17 - REFRIG AIR		14,867
PCP12MFG040	F.S. 21 - REFRIG AIR		19,143
PCP12MFG130	N.E.R.C. - AIR COIL UNIT		4,437
PCP12MFG390	ROOF RECOATING - MSC BLDG 2;3		109,264
PCP12MFG400	ROOF RECOATING - MSC BLDG 4		103,440
PCP12MFG410	ESPARZA ACOSTA LIBRARY ROOF		1,170
PCP12MFG510	F.S. 20 CARPORT		7,696
PCP12MFG590	ELEVATOR CONTROLLER MOA		24,000
PCP12MFG600	TREE PLANTING - CITY WIDE		22,470
PCP12MFG620	F.S. 10 - BOILER REPLACE		31,275
PCP12MFG640	PARK FACILITIES - FENCING		12,582
PCP12MFG650	ZOO MASTER PLAN		22,595
PCP12MFG760	DOMESTIC BACKFLOW PREVENTER		4,130
PCP12PRK01C0	PARK POND - SKYLINE		128,738
PCP12PRK01D0	PARK POND - GALATZAN-OXIDATION		67,763
PCP12PRK01H0	PARK POND-VOCATIONAL@RIVERSIDE		222,737
PCP12PRK01I0	PARK POND - JAMESTOWN		42,041
PCP12PRK020	PARK GENERAL IMPROVEMENTS		43,406
PCP12PRK02B0	DELTA POOL ENTRANCE		101,427
PCP12PRK02C0	SAL BERROTERAN PARK PLAYGROUND		54,908
PCP12PRK02D0	VETERANS PARK PLAYGROUND		227,544
PCP12PRK02E0	LANCASTER PARK PLAYGROUND		59,044
PCP12PRK02F0	PAVO REAL PARK PLAYGROUND		18,283
PCP12PRK02G0	SKYLINE YOUTH PARK PLAYGROUND		110,218
PCP12PRK02H0	VISTA DEL VALLE PLAYGROUND		101,207
PCP12PRK02I0	CORONADO/BALBOA PARK IMPRVS		15,690

City of El Paso
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2013

Project	Name/Description	Capital Projects Fund	
		Expenditures and Transfers Out	
PCP12PRK02J0	BARRON NEIGHBORHOOD PARK	\$	52,866
PCP12PRK02K0	CHERYL LADD NEIGHBORHOOD PARK		96,764
PCP12PRK02L0	RADFORD NEIGHBORHOOD PARK		50,155
PCP12PRK02M0	SPORT LIGHT AUTOMATIC CONTROLS		91,095
PCP12SRTS020	YISD - SOUTH REGION		6,366
PCP12SRTS040	YISD-MISSION VALLEY & NE REGIO		7,025
PCP12SRTS050	EPISD - WEST REGION		150
PCP12SRTS060	EPISD - NORTHERN REGION		6,259
PCP12SRTS080	EPISD - CENTRAL REGION		1,618
PCP12ST010	NTMP PHASE 3 2012_13		19,415
PCP12ST020	ZOO MASTER PLAN		37,170
PCP12ST030	SCHWABE CONSTRUCTION 2012_13		952,139
PCP12ST040	SIGNAGE 2012_13		274,061
PCP12ST060	STREET RESURFACING 2012_13		600,620
PCP12ST070	UNPAVED ROW 2012_13		437,883
PCP12ST080	SIGNALS & FLASHERS 2012 & 2013		257,126
PCP12ST08A0	DELTA ACADEMY FLASHERS		65,505
PCP12ST08D0	COLDWELL ELEMENTARY FLASHERS		8,538
PCP12ST08E0	JEFFERSON HIGH-SILVA SCHOOL		33,688
PCP12ST08F0	CHARLES MIDDLE SCHOOL FLASHERS		50,860
PCP12ST08G0	TERRACE HILLS MIDDLE SCHOOL		31,847
PCP12ST08I0	MISSOURI @ DALLAS		13,770
PCP12ST08K0	EDGEMERE @ R.C. POE		19,170
PCP12ZOO0	ZOO MASTER PLAN		40,850
PCP13CTYHALL1	CTY HALL RELOCATE-ACQUISITIONS		12,215,363
PCP13CTYHALL2	CTY HALL RELOCATION-BLDG IMPR		7,615,661
PCP13LUTHER	LUTHER BUILDING REHAB		4,617,239
PCP13MTUPTT	UPTT IMPROVEMENTS		89,554
PCP13MUS02	DIGITAL WALL AT HISTORY MUSEUM		9,842
PCP13MUS08	GEN UPGRADES TO ALL 3 MUSEUMS		23,541
PCP13PD001	E.P. STATIST. AREA COMM. SYST.		62,096
PCP13PRKA02	BARRON PARK		10,890
PCP13PRKA04	CHERYL LADD PARK		19,250
PCP13PRKA09	FIESTA / CORONADO BALBOA PARK		32,046
PCP13PRKA11	LAS PALMAS/PENDALE COMMUNITY P		20,198
PCP13PRKA23	NE REGIONAL PARK-SKATEPARK ONL		307,796
PCP13SRTS01	SAFE ROUTES TO SCHOOL		32,530
PCP13ST0005	MEDIAN&PARKWAY LANDSCAPING MAS		44,795
PCP13ST001SNYR1	SYNCHRO SIG YR 1-2013 ST INFRA		75,689
PCP13ST002MSY1	MICROSURFACING 2013 - YEAR 1		1,190,961
PCP13ST002RSY1	RESURFACING 2013 - YEAR 1		2,074,090
PCP13ST003Y1A	RAMOS CT-LITTLE FLOWER ST IMP		142,900
PCP13ST003Y1B	KERNEL STREET IMPROVEMENTS		118,757
PCP13ST003Y1C	MONROE STREET & DRAINAGE IMP		193,264
PCP13ST003Y1D	VAN BUREN ST & DRAINAGE IMPROV		157,910
PCP13ST003Y1E	PEBBLE HILLS EXTENSION		18,747
PCP13ST003Y1F	GEIGER CARDIS MALAGA		69,836
PCP13ST003Y1G	ELENA - FELIZ		41,060
PCP13ST004Y1	UNPAVED ROW 2013 - YEAR 1		299,157
PCP13ST006Y1	NTMP YR 1 -2013 STREET INFRASTR		333,641
PCP13ST007Y1	PEDESTRIAN ELEMNTS,SIDEWA 2013		544,928
PCP13STADIUM1	BASEBALL STADIUM CONSTRUCTION		15,479,624
PENCON0010	BANK OF AMERI LETTER OF CREDIT		-
PENCON0020	SECO (STATE ENERGY CONSERVATI)		-
PENCON0030	JCI2 ARRA INFRASTRUCTURE ENERG		-
PENCON0040	PHASE III-B UTILITY COST REDUC		445,372
PFLSVC010	EQUIPMENT REPLACEMENT		207,922
PMF070020	CIP ADMINISTRATIVE COSTS		25,198
PMF080020	CENTRAL RECREATION CENTER		90
PPA10070	JORGE MONTALVO PARK IMPV		(15,875)

City of El Paso
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2013

Project	Name/Description	Capital Projects Fund	
		Expenditures and Transfers Out	
PPW00071600	YARBROUGH BRIDGE RECONST.	\$	(11,000)
PPW00460040	NORTHEAST REGIONAL PARK		641,493
PQLPA144A0	PAVO REAL BATH HOUSE RENOV		225
PQLPA172B0	WESTSIDE SPORTS COMPLEX PH II		2,813
PSTM06FC0010	STORM 2006 MASTER		173,583
PSTM06PW260A	UPPER VALLEY IMPROVEMENTS PH 3		14,330
PSTM06PW26B	UPPER VALLEY PHASE 4 (LINDBERG		8,100
PSTM06PW506	GOV'T HILLS OUTFALL-DURAZNO NE		360
PSTM06PW512	CHAN NO. 2 BUTTRFLD TRAIL APTS		322
PSTM06PW513	CHIHUAHUITA NEIGHBORHOOD		398,703
PSTM06PW540	ZOO MASTER PLAN		282,105
PSTM06PW542	FIBER OPTIC LINK TO CITY FACIL		1,470
PSTM06PW555	F.S. 24 CONCRETE DRIVEWAY		2,565,975
PSTM06PW556	SAIPAN		1,733
PSTM06PW640	MCKELLIGON CANYON		270
PUBARTBB1FY13	2% ART BASEBALL FY13		105,000
CAPITAL EQUIPMENT	CAPITAL EQUIPMENT		901,754
PUNALLOCATED0	UNALLOCATED DEBT ISSUANCE PROC		32,153
PUBARTCH1FY13	2% ART CITY HALL FY13		136,761
PPW0046004B0	NORTHEAST REG FIELD LIGHTING		3,330
PCP10TRAN120	FIBER INTERCON-659 ZARAGOZA RD		44,912
PCP12MFG090	FS#1 CONDENSATE PIPE REPLACE		60,996
PCP06MF001B0	SIDEWALK CONNECTIVITY		401
PCP08PA01ZZ0	PICO DEL NORTE SPORT FIELD		44,740
PCP09UN0010	RESERVE FOR CAPITAL NEEDS		531
PCP13CLROAD	CARL LONGUEMARE ROAD IMPROVEME		101,054
PSTM06PW260	LIND-RED-MULB-WAR (U.V. PH 1)		1,260
PCP13ST003Y1H	BORDERLAND		59,115
PCP13PRKA10	JOHNSON BASIN PARK		4,020
PCP13PRKA26	RADFORD PARK		54,048
PCP13PRKA32	YUCCA PARK PHASE III		1,298
PCP13PRKC07	WESTSIDE POOL - NEW		7,330
PQLZO1060	ZOO WESTERN EXPANSION		630
PCP08PA01III0	BLACKIE CHESHER PARK CANOPIES		13,242
PCP09MT0140	TRANSFER CENTER REHABILITATION		11,945
PCP13MUS03	Arts Festival Plaza Impv		990
PCP13MUS04	Convention Ctr North Ped Path		23,605
PCP13MUS05	Plaza/EPMA Loading Area Impv		11,637
PCP13MUS06	Sheldon Court Improvements		11,637
PCP13MUS07	Ped Cross & Wayfinding-Master		10,750
PCP13ZOOD08	Canal Impv landscape & Roadwk		12,635
PCP13PRKA01	ADRIAN GARCIA PARK		31
PCP13PRKD05	NEW REC CTR/LIBRARY - CHAMIZAL		26,829
PCP13ZOOA11	SOUTH AMERICA'S AVIARY REPAIR		2,874
PCP13LIBA06	Express Library (joint use)		4,320
PPW004600230	BLACKIE CHESHER		3,488
PQLPA1360	WESTSIDE REC CENTER (NEW)		360
PCP13MYRTLE	MYRTLE STREET IMPROVEMENTS		3,690
PCP12PRK01F0	PARK POND - CAPISTRANO PH 1		52,451
PCP12PRK01G0	PARK POND - EDGEMERE & GUTHRIE		32,024
PCP08MF01S0	CITY HALL COOLING TOWER		630
PCP13ST003Y1I	UMC QUIET ZONE		57,386
PCP13ST003Y1L	5-POINTS QUIET ZONE		52,175
PCP13ST003Y1M	MANOR PL and BARKER RD ST		39,844
PCP13ST003Y1N	PENDALE 1 Gateway E-Yermoland		53,633

City of El Paso
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2013

Project	Name/Description	Capital Projects Fund	
		Expenditures and	Transfers Out
PCP13ST003Y1J	TONI & MARY JEANNE & YVONNE	\$	4,100
PCP13ST003Y1K	RANGER ST RECONSTRUCTION		8,210
PCP13PRKA28	SAN JACINTO PARK		4,806
PCP13PRKD03	NEW REC CENTER -YUCCA/LOMALAND		5,985
PCP13ZOOD11	Support Elements of many types		60,838
PCP13PRKD08	PAVO REAL RECREATION CENTER		-
PCP13LIBA07	Irving Schwartz Br Lib Impv		24,962
PCP13LIBA12	Richard Burges Br Expansion		720
COMPLOAN11	Fire Compass Loan 1		1,289,985
COMPLOAN13	Fire Compass Loan 2		20,000
PPW02050	UNALLOCATED INTEREST		156,708
P25RADIOSYSTEM	P25RADIOSYSTEM		13,460,970
PAPCOMPROJY030	CITYWIDE COMMUNITY PROJECTS		3,197
PCP08PA01HHH0	SUNSET VIEW PARK		45,000
PCP08MF01L0	FAC. REHAB. ROOF-MEMORIAL LIB		3,258
PCP13ZOOA09	SEA LION EXHIBIT REPAIR-UPGRAD		31,947
PCP13PRKA12	MAGOFFIN PARK		8,563
PCP13PRKD04	NEW REC CTR/LIBRARY - ALAMEDA		12,300
PCP13PRKC05	PAVO REAL POOL - ENCLOSE		720
G7811020	TX Fund 05043		(1,430)
G7811010	NM Fund 05042		5,678
G7809020	G780902 TEXAS		(997)
PCP08PA01V0	WESTSIDE DOG PARK		45
PBE04ST1210	MONTWOOD MEDIAN		270
PBE04ST124B0	Van Buren Dam Open Space Impv.		446
PCP13ST003Y1O	PENDALE 2 - N. LOOP TO ROSEWAY		9,793
PCP13WELLSRD	WELLS RD SIDEWALK IMPROVEMENTS		8,087
PCP13PRKC01	CHELSEA POOL		2,903
PCP13LIBA15	Ysleta Br Lib Parking Lot		2,823
PCP13PRKA24	OUTDOOR SPORTS FIELDS		1,184
PCP13PRKA31	WESTSIDE COMMUNITY PHASE 4		1,530
PCP13PRKC06	Tng & Inst Pool @Multipurp Ctr		428
PCP13PRKE01	PAVED TRAILS MASTER		45
PCP13PRKE02	TRAIL HEAD PARKING AREAS		45
PCP13MUS07B	DOWNTOWN PEDESTRIAN IMP		180
G7810010	New Mexico		-
MUNICLERKFURNIT	Municipal Clerk Furniture Acqu		15,728
PIF14IT010	PC REFRESH		923,557
PIF14GS010	VEHICLE REPLACEMENTS		1,570,405
P5002320	STATE CONFISCATED FUNDS		(476,020)
TOTAL EXPENDITURES AND TRANSFERS OUT		\$	123,114,011

INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods or services provided by one department of the City to other City departments and other public units, on a cost reimbursement basis.



Supply and Support - This fund accounts for the Fleet Maintenance Department which operates the City motor pool and maintains and repairs City owned vehicles and major equipment, excluding the vehicles utilized by Mass Transit. In addition, the City's copy center and postage functions are also accounted for in this fund.

Self-Insurance - This fund accounts for the financing of health benefits, workers' compensation benefits and unemployment benefits for City employees.

City of El Paso
Combining Statement of Net Position
Internal Service Funds
August 31, 2013

	<u>Supply and Support</u>	<u>Self-Insurance</u>	<u>Totals</u>
ASSETS:			
Cash and Cash Equivalents	\$ -	\$ 18,915,410	\$ 18,915,410
Investments	-	8,371,792	8,371,792
Receivables - Net of Allowances			
Interest	-	4,790	4,790
Trade	7,747	-	7,747
Inventory	841,628	-	841,628
Capital Assets:			
Construction in Progress	11,641	-	11,641
Buildings, Improvements & Equipment, Net	81,629	-	81,629
TOTAL ASSETS	<u>\$ 942,645</u>	<u>\$ 27,291,992</u>	<u>\$ 28,234,637</u>
LIABILITIES:			
Accounts Payable	1,927,533	630,681	2,558,214
Accrued Payroll	76,063	19,671	95,734
Compensated Absences	327,348	83,287	410,635
Other Postemployment Benefits	1,052,120	178,145	1,230,265
Net Pension Obligation	37,520	11,436	48,956
Claims and Judgments	-	15,815,100	15,815,100
TOTAL LIABILITIES	<u>3,420,584</u>	<u>16,738,320</u>	<u>20,158,904</u>
NET POSITION:			
Net investment in capital assets	93,270	-	93,270
Unrestricted	(2,571,209)	10,553,672	7,982,463
TOTAL NET POSITION (DEFICIT)	<u>\$ (2,477,939)</u>	<u>10,553,672</u>	<u>8,075,733</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 942,645</u>	<u>\$ 27,291,992</u>	<u>\$ 28,234,637</u>

City of El Paso
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Year Ended August 31, 2013

	<u>Supply and Support</u>	<u>Self-Insurance</u>	<u>Total</u>
OPERATING REVENUES:			
Sales to Departments	\$ 17,266,631	\$ -	\$ 17,266,631
Premium Contributions	-	52,905,952	52,905,952
General Revenues	47,501	1,644,993	1,692,494
TOTAL OPERATING REVENUES	<u>17,314,132</u>	<u>54,550,945</u>	<u>71,865,077</u>
OPERATING EXPENSES:			
Personnel Services	4,247,847	1,155,891	5,403,738
Outside Contracts	179,086	2,937,771	3,116,857
Professional Services	-	3,139,022	3,139,022
Fuel and Lubricants	8,768,512	-	8,768,512
Materials and Supplies	3,304,288	21,424	3,325,712
Communications	14,251	764	15,015
Utilities	21,141	-	21,141
Operating Leases	40,071	3,571	43,642
Travel and Entertainment	6,947	768	7,715
Benefits Provided	1,593	43,869,248	43,870,841
Maintenance and Repairs	1,259,890	-	1,259,890
Other Operating Expenses	19,718	(1,588)	18,130
Depreciation	10,826	-	10,826
TOTAL OPERATING EXPENSES	<u>17,874,170</u>	<u>51,126,871</u>	<u>69,001,041</u>
OPERATING INCOME(LOSS)	<u>(560,038)</u>	<u>3,424,074</u>	<u>2,864,036</u>
NON-OPERATING REVENUES (EXPENSES):			
Interest Revenue	-	(9,558)	(9,558)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>-</u>	<u>(9,558)</u>	<u>(9,558)</u>
INCOME(LOSS)	<u>(560,038)</u>	<u>3,414,516</u>	<u>2,854,478</u>
Change in net position	(560,038)	3,414,516	2,854,478
Total Net Position-beginning	(1,917,901)	7,139,156	5,221,255
Total Net Position-ending	<u>\$ (2,477,939)</u>	<u>\$ 10,553,672</u>	<u>\$ 8,075,733</u>

City of El Paso
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended August 31, 2013

	Supply and Support	Self-Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 17,308,938	\$ 54,550,945	\$ 71,859,883
Payments to suppliers	(16,724,738)	(51,058,606)	(67,783,344)
Payments to employees	245,584	(1,151,974)	(906,390)
Proceeds (to) from other funds	(782,444)	782,444	-
Net cash provided (used) by operating activities	<u>47,340</u>	<u>3,122,809</u>	<u>3,170,149</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(47,340)	-	(47,340)
Net cash used by capital and related financing activities	<u>(47,340)</u>	<u>-</u>	<u>(47,340)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of Investments	-	(3,692,567)	(3,692,567)
Interest	-	36,399	36,399
Net cash provided (used) by investing activities	<u>-</u>	<u>(3,656,168)</u>	<u>(3,656,168)</u>
Net decrease in cash and cash equivalents	-	(533,359)	(533,359)
Balances - beginning of the year	-	19,448,769	19,448,769
Balances - end of the year	<u>\$ -</u>	<u>\$ 18,915,410</u>	<u>\$ 18,915,410</u>
provided (used) by operating activities:			
Operating income (loss)	\$ (560,038)	3,424,074	2,864,036
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	10,826	-	10,826
Change in assets and liabilities:			
Receivables, net	(5,194)	-	(5,194)
Inventories	(57,437)	-	(57,437)
Other assets	-	782,444	782,444
Accounts and other payables	413,599	587,748	1,001,347
Accrued expenses	13,995	(1,673,801)	(1,659,806)
Compensated Absences	19,740	(34,700)	(14,960)
Other Post Employment Benefits	13,667	5,237	18,904
Net Pension Obligation	198,182	31,807	229,989
Net cash provided (used) by operating activities	<u>\$ 47,340</u>	<u>\$ 3,122,809</u>	<u>\$ 3,170,149</u>
Schedule of Non-Cash Investing, Capital and Financing Activities			
Decrease in fair value of investments	<u>\$ -</u>	<u>\$ (9,558)</u>	<u>\$ (9,558)</u>

PENSION TRUST FUNDS



City of El Paso
Combining Statement of Net Position
Pension Trust Funds
August 31, 2013

	CEPF Pension Trust Fund	FPPF Pension Trust Fund (as of December 31, 2012)		Total
		Firemen Division	Policemen Division	
ASSETS				
Cash and Cash Equivalents	\$ 10,259,025	\$ 5,503,908	\$ 7,978,477	\$ 23,741,410
Investments:				
Mutual funds	28,019,779	-	-	28,019,779
High-yield bond obligations	54,625,107	-	-	54,625,107
Corporate stocks	285,719,027	-	-	285,719,027
Bank Collective Investment Funds	90,130,650	-	-	90,130,650
Private equities	12,493,946	8,404,702	12,183,477	33,082,125
Real estate investment funds	51,497,137	12,292,342	17,819,011	81,608,490
Fixed Income Securities	61,993,827	138,429,170	200,667,280	401,090,277
Domestic Equities	47,358,261	137,395,862	199,169,394	383,923,517
International Equities	-	138,337,063	200,533,763	338,870,826
Invested securities lending collateral	-	29,100,509	42,184,172	71,284,681
Receivables - Net of Allowances				
Commission Credits Receivable	136,034	-	-	136,034
Due from Brokers For Securities Sold	2,448,233	-	-	2,448,233
Employer Contributions	479,414	401,168	581,535	1,462,117
Employee Contributions	311,523	322,527	467,537	1,101,587
Accrued Interest and Dividends	1,069,765	-	-	1,069,765
Prepaid Items	22,717	-	-	22,717
Capital Assets:				
Buildings, Improvements & Equipment, Net	-	304,402	441,260	745,662
TOTAL ASSETS	646,564,445	470,491,653	682,025,906	1,799,082,004
LIABILITIES				
Accounts Payable	3,392,613	29,574,510	42,871,285	75,838,408
Unearned Revenue - Commission Credits	136,034	-	-	136,034
TOTAL LIABILITIES	3,528,647	29,574,510	42,871,285	75,974,442
NET POSITION:				
Held in Trust for Pension Benefits and Other Purposes	\$ 643,035,798	\$ 440,917,143	\$ 639,154,621	\$ 1,723,107,562

City of El Paso
Combining Statement of Changes in Net Position
Pension Trust Funds
For the Year Ended August 31, 2013

	CEPF Pension Trust Fund	FPPF Pension Trust Fund (as of December 31, 2012)		Total
		Firemen Division	Policemen Division	
ADDITIONS:				
Contributions:				
Employer	\$ 20,314,439	\$ 10,062,408	\$ 13,910,173	\$ 44,287,020
Employee	13,513,897	8,413,389	10,440,629	32,367,915
Total contributions	<u>33,828,336</u>	<u>18,475,797</u>	<u>24,350,802</u>	<u>76,654,935</u>
Investment income:				
Net appreciation in fair value of investments				
Increase in fair value of investments	62,831,147	38,621,188	55,985,372	157,437,707
Interest	4,183,790	4,088,605	5,926,853	14,199,248
Dividends	4,490,895	4,954,131	7,181,520	16,626,546
Securities lending income	273,912	132,777	192,473	599,162
Securities lending fees	-	-	-	-
Investment advisor fees	(1,858,353)	(1,798,858)	(2,607,628)	(6,264,839)
Net investment income	<u>69,921,391</u>	<u>45,997,843</u>	<u>66,678,590</u>	<u>182,597,824</u>
Other Income				
Rental and Other Income	-	465	674	1,139
Total other income	<u>-</u>	<u>465</u>	<u>674</u>	<u>1,139</u>
Total additions	<u>103,749,727</u>	<u>64,474,105</u>	<u>91,030,066</u>	<u>259,253,898</u>
DEDUCTIONS				
Benefits paid to participants	43,021,060	24,464,831	31,904,991	99,390,882
Refunds of contributions	2,159,129	1,187,690	2,196,214	5,543,033
Administrative expenses	1,176,347	402,613	583,628	2,162,588
Depreciation and amortization expense	-	50,343	72,978	123,321
Total deductions	<u>46,356,536</u>	<u>26,105,477</u>	<u>34,757,811</u>	<u>107,219,824</u>
Change in net position	57,393,191	38,368,628	56,272,255	152,034,074
Net position - beginning of the year	585,642,607	402,548,515	582,882,366	1,571,073,488
Net position - end of the year	<u>\$ 643,035,798</u>	<u>\$ 440,917,143</u>	<u>\$ 639,154,621</u>	<u>\$ 1,723,107,562</u>

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations or other governmental units.



Agency Fund - This fund is used to account for the funds the City collects for property taxes for other taxing entities, including the Property Improvement District #1, and the Camino Real Regional Mobility Authority.

City of El Paso
Schedule of Changes in Assets and Liabilities
Agency Funds
For the Year Ended August 31, 2013

	September 1, 2012	Debits	Credits	August 31, 2013
ASSETS:				
Cash and Cash Equivalents	\$ 40,112,804	\$ 713,795,170	\$ 734,892,006	\$ 19,015,968
Investments	3,399,689	5,461,671	-	8,861,360
Uncollected Property Taxes	57,436,270	765,241,705	762,135,441	60,542,534
Special Assessment - PID #1	381,410	-	327	381,083
Due from Other Funds	3,387,550	-	-	3,387,550
TOTAL ASSETS	\$ 104,717,723	\$ 1,484,498,546	\$ 1,497,027,774	\$ 92,188,495
LIABILITIES:				
Prepaid Property Taxes	\$ 1,416,794	\$ 1,416,794	\$ 1,383,877	\$ 1,383,877
Payable to Bondholders - PID #1	381,410	327	-	381,083
Amount Available for Bond Payments	84,223	327	63,019	146,915
Payable to Other Entities	41,123,020	599,554,416	585,081,538	26,650,142
Property Taxes Subject to Refund	4,276,006	1,192,062	-	3,083,944
Uncollected Taxes	57,436,270	762,135,441	765,241,705	60,542,534
TOTAL LIABILITIES	\$ 104,717,723	\$ 1,364,299,367	\$ 1,351,770,139	\$ 92,188,495

STATISTICAL SECTION
(unaudited)



This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

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Financial Trends

These schedules contain trend information to help the reader understand how the City of El Paso’s financial performance and well-being have changed over time.

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Revenue Capacity

These schedules contain information to help the reader assess the City’s most significant local revenue source, primarily property tax.

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Debt Capacity

These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

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Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the city provides and the activities it performs.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for fiscal year 2013.

City of El Paso
Net Position by Components
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Net investment in capital assets	\$ 124,115,981	\$ 130,003,295	\$ 140,935,012	\$ 139,848,416	\$ 139,689,930	\$ 132,325,231	\$ 140,704,047	\$ 124,744,895	\$ 161,946,395	\$ 256,626,166
Restricted	57,817,272	59,196,922	68,733,626	76,565,782	78,827,437	84,571,971	83,730,583	117,560,807	107,951,138	132,098,108
Unrestricted	15,546,268	(36,500,168)	(67,192,341)	(102,599,515)	(144,660,748)	(156,747,519)	(180,064,182)	(193,238,211)	(202,129,390)	(351,017,445)
Total governmental activities net position	<u>\$ 197,479,521</u>	<u>\$ 152,700,049</u>	<u>\$ 142,476,297</u>	<u>\$ 113,814,683</u>	<u>\$ 73,856,619</u>	<u>\$ 60,149,683</u>	<u>\$ 44,370,448</u>	<u>\$ 49,067,491</u>	<u>\$ 67,768,143</u>	<u>\$ 37,706,829</u>
Business-type activities										
Net investment in capital assets	\$ 206,129,774	\$ 215,569,993	\$ 217,502,256	\$ 249,477,785	\$ 264,968,805	\$ 286,906,206	\$ 291,226,434	\$ 287,678,085	\$ 289,979,525	\$ 300,679,446
Restricted	22,536,194	23,721,769	26,038,264	25,722,710	20,104,437	24,591,100	28,676,014	33,666,670	19,986,644	27,759,687
Unrestricted	(1,101,298)	11,269,135	17,226,535	5,678,448	11,078,287	10,275,656	10,856,022	26,158,692	40,065,572	21,102,379
Total business-type activities net position	<u>\$ 227,564,670</u>	<u>\$ 250,560,897</u>	<u>\$ 260,767,055</u>	<u>\$ 280,878,943</u>	<u>\$ 296,151,529</u>	<u>\$ 321,772,962</u>	<u>\$ 330,758,470</u>	<u>\$ 347,503,447</u>	<u>\$ 350,031,741</u>	<u>\$ 349,541,512</u>
Primary government										
Net investment in capital assets	\$ 330,245,755	\$ 345,573,288	\$ 358,437,268	\$ 389,326,201	\$ 404,658,735	\$ 419,231,437	\$ 431,930,481	\$ 412,422,980	\$ 451,925,920	\$ 557,305,612
Restricted	80,353,466	82,918,691	94,771,890	102,288,492	98,931,874	109,163,071	112,406,597	151,227,477	127,937,782	159,857,795
Unrestricted	14,444,970	(25,231,033)	(49,965,806)	(96,921,067)	(133,582,461)	(146,471,863)	(169,208,160)	(167,079,519)	(162,063,818)	(329,915,066)
Total governmental activities net position	<u>\$ 425,044,191</u>	<u>\$ 403,260,946</u>	<u>\$ 403,243,352</u>	<u>\$ 394,693,626</u>	<u>\$ 370,008,148</u>	<u>\$ 381,922,645</u>	<u>\$ 375,128,918</u>	<u>\$ 396,570,938</u>	<u>\$ 417,799,884</u>	<u>\$ 387,248,341</u>

City of El Paso

Change in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities:										
General government	\$ 39,267,475	\$ 41,324,544	\$ 32,236,865	\$ 35,819,019	\$ 43,886,275	\$ 41,473,314	\$ 43,627,560	\$ 40,876,977	\$ 40,717,526	\$ 52,386,415
Public safety	175,113,112	211,655,591	202,415,512	207,468,617	227,056,341	217,780,949	224,675,396	225,797,408	227,950,308	230,540,514
Public works	54,184,948	62,590,505	64,770,369	65,296,644	68,682,326	65,613,445	67,167,981	66,517,227	59,307,180	60,476,968
Public health	21,013,400	22,917,380	26,016,660	26,908,285	25,260,921	20,208,520	23,264,777	22,132,789	19,127,638	19,863,591
Parks	16,020,341	17,324,834	18,962,330	20,272,370	21,845,479	23,005,417	23,981,208	14,893,992	16,251,520	16,999,787
Library	5,828,037	7,581,934	7,156,480	9,223,454	10,345,730	9,860,118	9,588,320	12,407,171	12,348,089	16,317,216
Culture and recreation	11,348,870	10,842,574	13,083,810	15,856,297	16,395,281	19,155,478	23,421,037	24,845,626	24,926,399	25,930,803
Community and economic development	15,167,888	23,449,341	31,901,231	20,209,095	15,634,017	17,795,711	26,577,089	34,084,029	33,619,047	30,273,623
Interest on long-term debt	18,012,558	15,749,939	19,256,304	24,319,731	28,832,902	29,403,379	37,327,656	41,210,972	41,685,223	41,666,450
Total governmental activities expenses	355,956,629	413,436,642	415,799,561	425,373,512	457,939,272	444,296,331	479,631,024	482,766,191	475,932,930	494,455,367
Business-type activities:										
International airport operations	28,818,394	32,202,892	31,495,679	32,461,434	38,326,755	36,407,172	34,238,930	36,311,679	36,821,483	38,154,216
Industrial park and other operations	-	-	2,325,816	3,755,998	4,644,735	4,932,225	6,963,049	5,927,445	6,621,290	5,910,054
International bridges operations	3,029,436	3,550,111	3,920,870	3,531,138	3,928,808	30,284,090	4,169,933	4,559,555	4,518,896	5,297,146
Solid waste disposal operations	28,703,259	15,498,416	32,011,444	29,062,025	34,250,866	53,319,405	31,820,528	37,255,384	45,178,718	47,272,262
Mass transit operations	45,231,636	45,853,919	47,270,617	49,391,220	50,063,983	5,384,440	61,976,839	63,542,737	63,648,603	66,577,511
Total business-type activities expenses	105,782,725	97,105,338	117,024,426	118,201,815	131,215,147	130,327,332	139,169,279	147,596,800	156,788,990	163,211,189
Total primary government expenses	\$ 461,739,354	\$ 510,541,980	\$ 532,823,987	\$ 543,575,327	\$ 589,154,419	\$ 574,623,663	\$ 618,800,303	\$ 630,362,991	\$ 632,721,920	\$ 657,666,556
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 3,693,791	\$ 3,814,092	\$ 4,305,508	\$ 5,968,933	\$ 4,998,092	\$ 5,058,943	\$ 18,742,796	\$ 4,656,824	\$ 2,781,189	\$ 5,195,513
Public safety	35,591,997	28,741,771	18,447,269	3,507,046	9,849,732	28,596,961	23,181,322	27,117,960	29,076,320	31,812,571
Public works	11,280,055	15,374,828	15,896,953	22,729,186	20,296,636	11,833,895	20,742,690	15,095,949	14,448,143	4,531,381
Public health	4,349,549	2,390,038	4,523,753	4,287,063	4,509,889	4,873,005	1,816,579	5,201,141	4,407,176	4,540,292
Parks	3,038,679	2,739,742	4,804,378	3,979,702	4,794,272	3,559,049	2,204,995	4,079,600	3,824,281	4,114,816
Library	-	25,701	258,451	267,553	401,564	316,818	218,735	432,440	477,592	324,113
Culture and recreation	1,156,533	1,061,798	1,044,959	1,135,146	1,189,897	1,258,747	-	6,711,987	6,979,407	7,541,864
Community and economic development	2,829,346	188,986	5,976,060	4,258,063	8,988,255	5,310,286	3,633,827	2,850,308	2,700,812	12,529,231
Operating grants and contributions	37,667,385	43,994,501	53,903,277	32,231,046	35,994,679	45,550,140	56,433,774	66,901,773	69,209,583	35,534,615
Capital grants and contributions	12,933,126	10,189,398	14,749,088	10,553,676	1,795,839	1,167,076	6,317,325	7,368,422	4,946,190	3,494,059
Total governmental activities program revenues	\$ 112,540,461	\$ 108,520,855	\$ 123,909,696	\$ 88,917,414	\$ 92,818,855	\$ 107,524,920	\$ 133,292,043	\$ 140,416,404	\$ 138,850,693	\$ 109,618,455
Business-type activities:										
Charges for services:										
International airport operations	\$ 21,694,995	\$ 24,203,962	\$ 24,408,554	\$ 26,770,747	\$ 28,547,013	\$ 25,639,495	\$ 26,783,137	\$ 26,190,812	\$ 27,941,875	\$ 27,746,314
Industrial park and other operations	5,883,050	5,917,634	6,471,173	7,000,610	6,724,676	8,211,856	8,124,439	8,518,450	8,093,614	8,538,610
International bridges operations	12,000,216	14,192,515	14,613,388	14,415,189	16,677,381	41,310,894	16,124,924	16,475,270	16,151,847	17,586,579
Solid waste disposal operations	29,423,203	28,609,380	34,867,563	37,445,758	41,703,614	8,671,828	44,790,906	50,528,757	53,660,619	53,281,620
Mass transit operations	7,047,775	7,123,105	7,551,341	7,781,901	8,366,568	14,926,788	8,478,720	9,298,950	9,700,359	13,221,294
Operating grants and contributions	13,203,546	9,863,996	15,956,421	8,483,199	12,680,418	11,381,386	11,174,750	11,021,695	18,322,774	11,299,304
Capital grants and contributions	9,943,357	22,081,292	10,994,492	21,955,766	17,793,068	31,705,810	19,772,814	24,671,357	6,806,671	13,098,327
Total business-type activities program revenues	99,196,142	111,991,884	114,862,932	123,853,170	132,492,738	141,848,057	135,249,690	146,705,291	140,677,759	144,772,048
Total primary government activities program revenues	\$ 211,736,603	\$ 220,512,739	\$ 238,772,628	\$ 212,770,584	\$ 225,311,593	\$ 249,372,977	\$ 268,541,733	\$ 287,121,695	\$ 279,528,452	\$ 254,390,503

City of El Paso
Change in Net Position
Last Ten Fiscal Years (Continued)
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (expense)/revenue										
Governmental activities	\$ (243,416,168)	\$ (304,915,787)	\$ (291,889,865)	\$ (336,456,098)	\$ (365,120,417)	\$ (336,771,411)	\$ (346,338,981)	\$ (342,349,787)	\$ (337,082,237)	\$ (384,836,912)
Business-type activities	(6,586,583)	14,886,546	(2,161,494)	5,651,355	1,277,591	11,520,725	(3,919,589)	(891,509)	(16,111,231)	(18,439,141)
Total primary government net expense	<u>\$ (250,002,751)</u>	<u>\$ (290,029,241)</u>	<u>\$ (294,051,359)</u>	<u>\$ (330,804,743)</u>	<u>\$ (363,842,826)</u>	<u>\$ (325,250,686)</u>	<u>\$ (350,258,570)</u>	<u>\$ (343,241,296)</u>	<u>\$ (353,193,468)</u>	<u>\$ (403,276,053)</u>
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Ad valorem taxes	\$ 136,847,063	\$ 142,815,161	\$ 149,201,403	\$ 159,778,240	\$ 177,326,938	\$ 183,557,317	\$ 188,616,415	\$ 197,181,922	\$ 206,164,170	\$ 209,615,842
Sales taxes	58,255,358	61,122,021	68,074,321	73,318,224	77,682,351	74,537,354	77,797,143	82,895,661	83,803,598	87,643,312
Franchise taxes	30,630,964	32,867,495	37,626,413	41,999,260	42,324,317	43,282,691	41,643,400	47,708,179	47,603,858	46,453,413
Gain on disposal of capital assets	-	-	1,474,788	1,844,241	1,986,385	596,134	1,048,337	474,204	65,589	221,931
Transfers	21,191,700	20,540,179	20,958,294	20,735,493	22,215,213	19,406,603	20,758,814	18,534,404	17,873,183	18,946,862
Investment earnings	1,740,215	2,791,459	4,330,894	6,805,242	3,627,149	1,684,376	695,637	252,460	272,491	(509,496)
Total Governmental activities	<u>248,665,300</u>	<u>260,136,315</u>	<u>281,666,113</u>	<u>304,480,700</u>	<u>325,162,353</u>	<u>323,064,475</u>	<u>330,559,746</u>	<u>347,046,830</u>	<u>355,782,889</u>	<u>362,371,864</u>
Business-type activities:										
Taxes										
Sales taxes	25,747,419	26,679,844	29,710,436	31,608,166	33,524,434	32,541,098	33,388,336	35,812,504	36,294,778	37,476,151
Investment earnings	926,350	1,970,016	3,325,583	3,901,695	2,513,155	953,273	261,553	236,058	278,386	(203,818)
Gain on disposal of capital assets	-	-	289,927	8,149	172,619	12,940	14,022	122,328	(60,456)	162,858
Transfers	(21,191,700)	(20,540,179)	(20,958,294)	(20,735,493)	(22,215,213)	(19,406,603)	(20,758,814)	(18,534,404)	(17,873,183)	(18,946,862)
Total business-type activities	<u>5,482,069</u>	<u>8,109,681</u>	<u>12,367,652</u>	<u>14,782,517</u>	<u>13,994,995</u>	<u>14,100,708</u>	<u>12,905,097</u>	<u>17,636,486</u>	<u>18,639,525</u>	<u>18,488,329</u>
Total primary government	<u>\$ 254,147,369</u>	<u>\$ 268,245,996</u>	<u>\$ 294,033,765</u>	<u>\$ 319,263,217</u>	<u>\$ 339,157,348</u>	<u>\$ 337,165,183</u>	<u>\$ 343,464,843</u>	<u>\$ 364,683,316</u>	<u>\$ 374,422,414</u>	<u>\$ 380,860,193</u>
Change in net position										
Governmental activities	\$ 5,249,132	\$ (44,779,472)	\$ (10,223,752)	\$ (31,975,398)	\$ (39,958,064)	\$ (13,706,936)	\$ (15,779,235)	\$ 4,697,043	\$ 18,700,652	\$ (22,465,048)
Business-type activities	(1,104,514)	22,996,227	10,206,158	20,433,872	15,272,586	25,621,433	8,985,508	16,744,977	2,528,294	49,188
	<u>\$ 4,144,618</u>	<u>\$ (21,783,245)</u>	<u>\$ (17,594)</u>	<u>\$ (11,541,526)</u>	<u>\$ (24,685,478)</u>	<u>\$ 11,914,497</u>	<u>\$ (6,793,727)</u>	<u>\$ 21,442,020</u>	<u>\$ 21,228,946</u>	<u>\$ (22,415,860)</u>

City of El Paso
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011*	2012	2013
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,878,463	\$ 3,355,895	\$ 3,533,759
Restricted	-	-	-	-	-	-	-	16,000,000	16,000,000	16,000,000
Committed	-	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000
Assigned	-	-	-	-	-	-	-	1,206,409	1,206,000	800,000
Unassigned	-	-	-	-	-	-	-	21,248,272	20,697,776	15,921,724
Reserved	18,985,448	19,134,781	19,087,141	18,749,504	19,015,895	18,454,550	18,336,184	-	-	-
Unreserved	<u>17,363,518</u>	<u>17,202,918</u>	<u>15,790,210</u>	<u>22,602,463</u>	<u>19,098,542</u>	<u>19,765,158</u>	<u>22,303,546</u>	-	-	-
Total general fund	<u><u>36,348,966</u></u>	<u><u>36,337,699</u></u>	<u><u>\$ 34,877,351</u></u>	<u><u>\$ 41,351,967</u></u>	<u><u>\$ 38,114,437</u></u>	<u><u>\$ 38,219,708</u></u>	<u><u>\$ 40,639,730</u></u>	<u><u>\$ 42,333,144</u></u>	<u><u>\$ 42,259,671</u></u>	<u><u>\$ 37,255,483</u></u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,445
Restricted	-	-	-	-	-	-	-	41,991,410	29,970,681	70,264,588
Committed	-	-	-	-	-	-	-	9,624,521	7,099,623	5,688,662
Unassigned	-	-	-	-	-	-	-	(78,314)	(658,491)	(12,417,997)
Reserved	-	2,125,539	1,526,873	3,128,261	2,951,617	5,500,901	5,108,698	-	-	-
Unreserved, reported in:										
Special revenue funds	12,864,318	14,258,929	17,968,077	18,681,662	18,244,091	18,278,330	20,568,032	-	-	-
Debt service funds	510,765	499,449	842,041	1,388,518	2,528,122	210,206	220,285	-	-	-
Capital projects funds (deficit)	<u>31,014,149</u>	<u>13,147,988</u>	<u>19,383,110</u>	<u>19,687,079</u>	<u>8,910,475</u>	<u>(1,923,167)</u>	<u>14,202,947</u>	-	-	-
Total all other governmental funds	<u><u>\$ 44,389,232</u></u>	<u><u>\$ 30,031,905</u></u>	<u><u>\$ 39,720,101</u></u>	<u><u>\$ 42,885,520</u></u>	<u><u>\$ 32,634,305</u></u>	<u><u>\$ 22,066,270</u></u>	<u><u>\$ 40,099,962</u></u>	<u><u>\$ 51,537,617</u></u>	<u><u>\$ 36,411,813</u></u>	<u><u>\$ 63,607,698</u></u>

*GASB Statement No. 54 was implemented in Fiscal Year 2011.

City of El Paso

Changes in Fund Balances – Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Property taxes	\$ 136,314,193	\$ 143,354,730	\$ 149,919,202	\$ 160,955,530	\$ 179,171,076	\$ 181,827,479	\$ 189,413,013	\$ 195,692,297	\$ 204,475,315	\$ 209,276,561
Sales taxes	58,255,358	61,122,021	68,074,321	73,318,224	77,682,351	74,537,354	77,797,143	82,895,661	83,803,598	87,643,312
Franchise fees	30,630,964	-	34,683,663	44,753,181	40,726,042	43,847,569	41,045,692	48,792,624	47,488,491	46,560,200
Charges for services	17,974,604	-	28,701,760	35,626,913	35,024,809	27,350,326	35,598,930	32,707,594	35,460,588	44,209,204
Fines and forfeits	16,435,462	15,158,118	13,823,031	15,022,482	14,913,358	15,495,022	13,331,211	14,488,102	13,693,850	14,502,151
Licenses and permits	8,656,832	10,119,783	10,622,692	12,247,930	12,397,740	11,142,329	14,070,414	13,385,089	12,480,350	11,885,386
Intergovernmental revenues	43,692,655	51,519,022	57,411,949	40,979,531	35,616,877	44,789,387	62,282,226	71,946,473	71,351,964	36,160,807
County participation	-	-	2,083,180	1,832,806	2,173,641	1,927,829	468,873	438,658	522,500	448,013
Interest	1,757,841	2,872,379	3,860,994	7,601,551	3,556,642	1,524,590	695,637	252,460	279,383	(509,496)
Rents and other	17,142,729	-	9,628,008	5,792,472	4,185,507	3,637,303	4,172,020	4,962,315	2,365,059	12,828,158
Federal tax credit - Build America Bonds	-	-	-	-	-	-	785,097	1,885,064	2,281,309	-
Net increase (decrease) in the fair value of investments	(17,626)	-	(276,034)	(12,500)	70,507	159,786	-	-	(6,892)	-
Total Revenues	330,843,012	284,146,053	378,532,766	398,118,120	405,518,550	406,238,974	438,875,159	467,446,337	474,195,515	463,004,296
Expenditures:										
General government	27,316,891	28,606,052	26,752,926	28,372,232	33,348,474	33,948,460	32,187,985	29,761,804	30,217,350	34,490,531
Public safety	165,893,165	169,556,821	176,661,936	283,911,882	195,823,226	304,389,128	202,352,627	205,894,506	214,353,521	217,174,437
Public works	36,449,919	-	37,739,911	24,727,919	23,146,710	23,026,748	22,546,990	20,109,111	16,550,945	16,858,097
Public health	21,555,610	-	24,906,214	26,202,064	24,231,993	18,943,820	21,896,971	20,822,385	17,945,544	18,585,301
Facilities maintenance	-	-	-	14,862,618	15,305,363	15,889,876	13,199,006	22,578,339	24,668,278	24,503,102
Parks	14,891,894	15,134,311	16,519,085	17,669,603	18,182,874	18,751,833	20,213,999	10,960,660	11,502,661	12,070,411
Library	5,666,299	5,682,907	6,384,195	7,820,910	8,574,514	8,446,529	8,285,587	8,513,778	8,725,468	9,662,510
Nondepartmental	891,060	1,771,003	1,485,256	5,168,597	5,540,947	4,030,705	5,132,818	5,441,674	5,967,334	9,330,072
Culture and recreation	9,584,066	9,029,232	9,413,589	11,854,062	12,125,397	13,304,250	18,132,534	17,976,423	19,157,061	21,338,566
Economic development	2,085,509	2,236,143	2,545,525	2,646,778	2,139,743	2,352,538	2,070,444	7,820,674	13,036,303	16,057,472
Mass transportation	-	-	33,675	-	-	-	-	-	-	-
Solid waste	10,022	25,634	195,848	-	-	88,357	374,229	-	-	-
Environmental code compliance	-	-	-	-	-	-	-	1,403,482	2,403,145	2,209,715
Community and human development	13,183,487	18,967,948	16,554,438	12,286,722	9,589,694	12,843,354	16,947,930	26,009,482	19,732,283	11,584,213
Capital outlay	71,435,776	91,455,484	106,981,475	101,415,992	89,386,189	95,448,695	80,064,511	91,207,390	92,305,613	125,158,664
Debt Service:										
Principal	20,767,718	19,416,716	25,390,920	27,149,797	29,647,506	31,052,868	29,236,352	30,565,843	34,604,324	36,473,194
Interest	19,315,221	16,690,016	19,277,245	20,633,814	32,109,109	34,187,775	40,508,881	42,971,955	43,498,282	44,572,414
Payment to refunding to bond escrow agent	-	1,508,975	-	1,360,000	-	448,428	-	-	762,138	-
Fiscal fees	49,584	1,980,921	678,607	4,022,146	1,960,367	2,334,575	645,710	705,811	603,413	2,318,229
Total expenditures	409,096,221	382,062,163	471,520,845	590,105,136	501,112,106	619,487,939	513,796,574	542,743,317	556,033,663	602,386,928
Excess (deficiency) of revenues over expenditures	(78,253,209)	(97,916,110)	(92,988,079)	(191,987,016)	(95,593,556)	(213,248,965)	(74,921,415)	(75,296,980)	(81,838,148)	(139,382,632)
Other financing sources(uses):										
Transfers from other funds	23,567,019	25,419,672	34,116,535	33,517,166	34,849,405	24,987,947	24,884,388	25,898,830	20,405,547	36,792,607
Transfers out	(2,375,319)	(4,879,493)	(13,158,241)	(12,781,673)	(12,634,192)	(5,581,344)	(4,125,574)	(7,364,426)	(2,532,364)	(17,845,745)
Federal tax credit - Build America Bonds	-	-	-	-	-	-	-	-	-	2,419,854
Face amount of bonds issued	-	17,315,000	56,350,000	176,240,000	56,455,000	169,160,000	65,895,000	69,280,000	32,775,000	106,975,000
Face amount of commercial paper issued	20,500,000	39,500,000	20,000,000	-	-	-	-	-	-	-
Face amount of refunding bonds issued	29,265,000	152,190,000	-	95,190,000	-	16,020,000	-	-	5,860,000	20,710,000
Premium on issuance of bonds	2,047,876	10,228,013	2,190,648	5,707,251	1,448,213	3,793,396	2,903,204	57,868	3,162,848	10,182,058
Payment to refunding to bond escrow agent	(31,312,876)	(160,486,753)	-	(98,303,289)	-	(17,292,108)	-	-	(6,090,257)	(22,914,230)
Proceeds from sale of capital assets	218,744	2,594,325	1,716,985	2,057,596	1,986,385	597,434	1,048,337	555,777	209,102	171,423
Loan proceeds	-	-	-	-	-	11,100,876	3,984,677	-	12,849,000	25,083,362
Total other financing sources (uses)	41,910,444	81,880,764	101,215,927	201,627,051	82,104,811	202,786,201	95,375,129	88,428,049	66,638,876	161,574,329
Net change in fund balance	\$ (36,342,765)	\$ (16,035,346)	\$ 8,227,848	\$ 9,640,035	\$ (13,488,745)	\$ (10,462,764)	\$ 20,453,714	\$ 13,131,069	\$ (15,199,272)	\$ 22,191,697
Debt service as a percentage of noncapital expenditures	11.62%	11.60%	11.40%	9.24%	13.92%	11.87%	15.04%	15.70%	16.79%	16.78%

City of El Paso
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended August 31,	Residential Property	Commercial Property	Industrial Property	Actual Value	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2004	\$ 11,813,277,667	\$ 5,776,039,066	\$ 2,357,113,674	\$19,946,430,407	\$ 1,757,517,194	\$ 18,188,913,213	1.454415
2005	13,174,534,808	6,058,031,409	2,440,355,008	21,672,921,225	1,843,419,090	19,829,502,135	1.452701
2006	14,280,033,787	6,598,225,436	2,070,795,198	22,949,054,421	1,899,324,828	21,049,729,593	1.448908
2007	15,837,328,729	7,392,991,333	2,221,565,699	25,451,885,761	1,887,264,732	23,564,621,029	1.370714
2008	17,695,257,307	7,928,400,439	2,434,538,160	28,058,195,906	1,945,955,410	26,112,240,496	1.315605
2009	19,492,871,750	8,955,857,589	2,402,999,221	30,851,728,560	2,131,549,259	28,720,179,301	1.263782
2010	20,451,309,682	9,215,886,317	2,299,961,417	31,967,157,416	2,434,835,040	29,532,322,376	1.256333
2011	21,406,568,964	8,932,627,921	2,003,452,781	32,342,649,666	2,637,355,590	29,705,294,076	1.306556
2012	21,523,966,671	9,690,750,314	2,181,622,777	33,396,339,762	2,767,034,262	30,629,305,500	1.327405
2013	22,404,002,581	9,994,677,832	2,383,518,229	34,782,198,642	2,959,581,878	31,822,616,764	1.373723

Source: El Paso Central Appraisal District

City of El Paso
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year	City Direct Rates						Overlapping Rates			
	City of El Paso		County of El Paso	Univeristy Medical Center*	El Paso Community College	Total Direct	Canutillo Independent School District	El Paso Independent School	Socorro Independent School District	Ysleta Independent School District
	Basic Rate	Debt Service Rate								
2004	0.542100	0.177733	0.410817	0.187128	0.136637	1.454415	1.700000	1.571100	1.602500	1.570482
2005	0.524662	0.172015	0.432259	0.187128	0.136637	1.452701	1.741537	1.653500	1.637700	1.757438
2006	0.508371	0.188306	0.432259	0.187128	0.132844	1.448908	1.734946	1.673500	1.627582	1.735903
2007	0.481420	0.190906	0.391390	0.186000	0.120998	1.370714	1.664996	1.523500	1.493689	1.540000
2008	0.453290	0.217800	0.360267	0.172281	0.111967	1.315605	1.334946	1.203500	1.168195	1.330000
2009	0.429000	0.204000	0.342437	0.181504	0.106841	1.263782	1.292095	1.235000	1.188194	1.330000
2010	0.422000	0.211000	0.338258	0.179405	0.105670	1.256333	1.292095	1.235000	1.179780	1.330000
2011	0.428400	0.225300	0.363403	0.182124	0.107329	1.306556	1.292100	1.235000	1.179690	1.330000
2012	0.429236	0.229168	0.361196	0.192363	0.115442	1.327405	1.422100	1.235000	1.209794	1.330000
2013	0.442148	0.216256	0.408870	0.192363	0.114086	1.373723	1.422100	1.235000	1.274794	1.330000

*Formerly Thomason Hospital

Source: City of El Paso Consolidated Tax Office

City of El Paso Principal Property Taxpayers Last Ten Fiscal Years*

Taxpayer	2013		2012		2011		2010		2009						
	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **			
Western Refining Company LP	1	\$ 470,434,471	1.48%	1	\$ 422,701,481	1.38%	1	\$ 365,773,766	1.23%	1	\$ 437,864,181	1.48%	1	\$ 551,898,344	1.92%
Sierra Providence Phy. Rehab.	2	231,585,285	0.73%	2	236,236,986	0.77%	2	195,543,531	0.65%	4	177,389,488	0.60%	3	163,056,121	0.57%
El Paso Electric Co	3	224,890,059	0.71%	3	216,671,496	0.71%	3	182,874,385	0.62%	3	181,907,499	0.62%	2	183,991,161	0.64%
Simon Property Group	4	195,370,658	0.61%	4	195,470,413	0.64%	5	185,268,519	0.62%	2	194,452,799	0.66%	4	162,897,474	0.57%
River Oaks Properties, LTD	5	153,598,733	0.48%	5	156,237,485	0.51%	4	50,922,114	0.17%	9	54,639,866	0.19%	10	43,911,665	0.15%
El Paso Outlet Center LLC	6	89,577,027	0.28%	8	82,501,813	0.27%	10	100,291,294	0.34%	5	107,972,696	0.37%	6	117,617,702	0.41%
Las Palmas Dunhill LLC	7	81,411,369	0.26%	9	70,601,474	0.23%	6	59,059,170	0.20%	10	53,331,350	0.18%	7	50,915,990	0.18%
Southwestern Bell Telephone	8	78,680,738	0.25%	6	86,836,263	0.28%	2	235,064,997	0.79%	6	77,541,744	0.26%	5	145,765,632	0.51%
Wal-Mart Stores Texas LLC	9	77,495,030	0.24%	7	86,063,228	0.28%	8	53,890,353	0.18%	7	71,978,445	0.24%	8	50,393,506	0.18%
Texas Gas Service	10	68,039,520	0.21%	10	66,182,411	0.22%	9	52,294,195	0.18%	8	54,871,102	0.19%	9	47,085,968	0.16%
Tenet Hospitals L.P.															
Cardinal Health 5 LLC															
Freeport-Mcmoran															
Phelps Dodge Refining Group															
E I Du Pont Nemours & Co.															
SFPF LP															
Time Warner Entertainment															
Hoover Co															
Texas Cable PTNRS LP															
Chevron U.S.A. Inc.															
Elcon Inc.															
T O T A L :		\$ 1,671,082,890	5.25%		\$ 1,619,503,050	5.29%		\$ 1,478,982,324	4.98%		\$ 1,411,949,170	4.78%		\$ 1,517,533,563	5.28%
Total Taxable Value:		\$ 31,822,616,764			\$ 30,629,305,500			\$ 29,705,294,076			\$ 29,532,322,376			\$ 28,720,179,301	

Taxpayer	2008		2007		2006		2005		2004						
	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **			
Western Refining Company LP	1	\$ 484,120,783	1.85%	1	\$ 316,643,289	1.34%	1	\$ 152,765,190	0.73%	2	\$ 143,953,503	0.73%	8	\$ 57,219,365	0.31%
Sierra Providence Phy. Rehab.															
El Paso Electric Co	3	156,901,556	0.60%	2	164,602,042	0.70%	4	91,353,332	0.43%	4	89,539,447	0.45%	4	85,676,781	0.47%
Simon Property Group	2	183,343,167	0.70%	4	125,809,255	0.53%	3	126,006,455	0.60%	3	123,378,359	0.62%	2	165,433,746	0.91%
River Oaks Properties, LTD	5	126,809,506	0.49%	5	92,524,243	0.39%	5	80,236,379	0.38%	6	67,573,235	0.34%	7	58,472,352	0.32%
El Paso Outlet Center LLC															
Las Palmas Dunhill LLC															
Southwestern Bell Telephone	4	134,774,323	0.52%	3	146,805,322	0.62%	2	145,917,309	0.69%	1	153,413,474	0.78%	1	187,574,727	1.03%
Wal-Mart Stores Texas LLC															
Texas Gas Service	8	49,585,780	0.19%	10	44,735,970	0.19%	10	40,003,890	0.19%	9	53,313,050	0.27%	9	54,759,250	0.30%
Tenet Hospitals L.P.	6	90,943,244	0.35%	6	70,640,340	0.30%	6	64,999,721	0.31%	8	65,083,799	0.33%	9	54,759,250	0.30%
Cardinal Health 5 LLC															
Freeport-Mcmoran															
Phelps Dodge Refining Group	7	64,418,453	0.25%	7	61,055,402	0.26%	7	64,227,070	0.31%	7	65,627,406	0.33%	5	71,199,874	0.39%
E I Du Pont Nemours & Co.															
SFPF LP	9	36,242,542	0.14%												
Time Warner Entertainment	10	35,190,910	0.13%												
Hoover Co				8	59,999,457	0.25%	8	63,913,571	0.30%	5	67,815,126	0.34%	6	58,949,718	0.32%
Texas Cable PTNRS LP				9	49,750,969	0.21%	9	49,397,000	0.23%	10	46,831,704	0.24%	3	91,710,781	0.50%
Chevron U.S.A. Inc.													10	46,752,306	0.26%
Elcon Inc.															
T O T A L :		\$ 1,362,330,264	5.22%		\$ 1,132,566,289	4.81%		\$ 878,819,917	4.17%		\$ 876,529,103	4.43%		\$ 877,748,900	4.81%
Total Taxable Value:		\$ 26,112,240,496			\$ 23,564,621,029			\$ 21,049,729,593			\$ 19,771,024,642			\$ 18,237,647,873	

** Real and Personal Property
Source: El Paso Central Appraisal District

City of El Paso
Property Tax Levies and Collections
Last Ten Fiscal Years*

Fiscal Year Ended August 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 131,298,376	\$ 128,160,345	1	\$ 2,739,873	\$ 130,900,218	99.70%
2005	137,734,528	134,787,009	1	2,427,630	137,214,639	99.62%
2006	146,635,617	143,887,888	1	2,273,271	146,161,159	99.68%
2007	158,386,697	154,736,687	1	3,188,231	157,924,918	99.71%
2008	175,451,542	171,835,488	1	3,002,975	174,838,463	99.65%
2009	192,047,333	187,626,344	1	3,616,010	191,242,354	99.58%
2010	197,879,934	193,767,422	1	2,894,806	196,662,228	99.38%
2011	205,378,587	201,023,534	1	2,727,023	203,750,556	99.21%
2012	214,165,086	209,993,596	1	2,057,316	212,050,913	99.01%
2013	222,662,695	218,635,406	1	-	218,635,406	98.19%

Source: City of El Paso Consolidated Tax Office

City of El Paso
Personal Income by Industry
Last Eight Calendar Years*
(in thousands)

Line Title	2005	2006	2007	2008	2009	2010	2011	2012
Personal income	\$ 16,855,574	\$ 18,302,601	\$ 19,643,480	\$ 20,802,006	\$ 21,477,101	\$ 22,791,640	\$ 23,984,463	\$ 24,973,560
Population (persons) ²	728,095	744,795	755,578	769,930	786,759	803,506	817,982	827,398
Per capita personal income (dollars)	23,150	24,574	25,998	27,018	27,298	28,365	29,322	30,183
Derivation of personal income:								
Earnings by place of work	12,981,857	14,098,123	14,867,980	15,380,155	15,692,364	16,486,161	17,159,845	17,969,905
Less: Contributions for government social insurance ³	1,258,472	1,339,621	1,436,223	1,489,784	1,566,513	1,674,570	1,575,189	1,646,660
Employee and self-employed contributions for government social insurance	637,348	689,430	745,240	769,397	812,323	838,051	692,545	712,163
Employer contributions for government social insurance	621,124	650,191	690,983	720,387	754,190	836,519	882,644	934,497
Plus: Adjustment for residence ⁴	(561,116)	(591,285)	(631,344)	(651,156)	(675,551)	(719,443)	(755,589)	(765,008)
Equals: Net earnings by place of residence	11,162,269	12,167,217	12,800,413	13,239,215	13,450,300	14,092,148	14,829,067	15,558,237
Plus: Dividends, interest, and rent ⁵	2,389,703	2,625,049	2,972,570	3,234,882	3,174,392	3,322,025	3,594,236	3,854,785
Plus: Personal current transfer receipts	3,303,602	3,510,335	3,870,497	4,327,909	4,852,409	5,377,467	5,561,160	5,560,538
Earnings by place of work:								
Components of earnings								
Wages and salaries	8,427,295	9,073,229	9,751,103	10,243,297	10,443,259	10,964,888	11,512,920	12,068,112
Supplements to wages and salaries	2,146,450	2,293,501	2,399,183	2,485,034	2,674,587	2,966,526	3,116,953	3,280,881
Employer contributions for employee pension and insurance funds ⁶	1,525,326	1,643,310	1,708,200	1,764,647	1,920,397	2,130,007	2,234,309	2,346,384
Employer contributions for government social insurance	621,124	650,191	690,983	720,387	754,190	836,519	882,644	934,497
Proprietors' income ⁷	2,408,112	2,731,393	2,717,694	2,651,824	2,574,518	2,554,747	2,529,972	2,620,912
Farm proprietors' income	15,825	2,750	4,758	3,156	3,998	12,580	16,265	24,310
Nonfarm proprietors' income	2,392,287	2,728,643	2,712,936	2,648,668	2,570,520	2,542,167	2,513,707	2,596,602
Earnings by industry:								
Farm earnings	25,822	10,361	13,641	13,013	13,246	21,493	26,617	33,837
Nonfarm earnings	12,956,035	14,087,762	14,854,339	15,367,142	15,679,118	16,464,668	17,133,228	17,936,068
Private nonfarm earnings	9,198,700	9,942,905	10,312,283	10,374,796	10,254,409	10,506,747	10,742,237	11,148,616
Forestry, fishing, and related activities	18,443	20,958	18,047	15,715	13,665	19,064	25,454	27,382
Mining	17,524	19,172	17,698	19,228	8,329	10,489	16,324	17,524
Utilities	97,611	107,075	108,077	107,399	110,127	114,440	119,470	126,184
Construction	759,904	862,941	969,281	1,124,029	1,243,615	1,288,901	1,175,760	1,228,098
Manufacturing	1,184,897	1,278,167	1,208,820	1,136,899	994,316	985,364	1,054,815	1,062,981
Durable goods manufacturing	660,389	678,196	630,679	610,996	549,194	560,022	618,324	597,379
Nondurable goods manufacturing	524,508	599,971	578,141	525,903	445,122	425,342	436,491	465,602
Wholesale trade	664,873	729,831	786,176	747,903	651,594	657,210	687,315	742,613
Retail trade	1,034,934	1,104,957	1,155,043	1,084,051	1,095,122	1,184,296	1,243,345	1,305,499
Transportation and warehousing	781,209	848,764	871,132	840,089	805,381	858,744	937,967	934,975
Information	235,461	256,727	275,980	287,682	273,669	272,043	262,620	279,449
Finance and insurance	394,042	409,094	422,060	433,647	435,305	427,208	417,280	445,783
Real estate and rental and leasing	642,973	774,596	758,490	758,465	659,290	541,712	504,106	490,730
Professional, scientific, and technical services	441,617	493,884	530,685	569,123	543,789	572,138	595,794	612,465
Management of companies and enterprises	35,156	34,742	50,157	32,837	37,781	7,699	24,130	30,342
Administrative and waste management services	481,034	560,860	604,060	671,705	699,992	697,167	683,250	696,011
Educational services	74,186	80,541	86,781	90,955	97,005	109,824	120,999	129,450
Health care and social assistance	1,400,667	1,372,395	1,428,809	1,441,210	1,543,329	1,653,833	1,731,950	1,816,890
Arts, entertainment, and recreation	51,138	52,477	51,722	42,142	43,006	47,548	45,738	45,199
Accommodation and food services	406,778	422,995	435,487	447,616	461,216	498,616	524,181	559,436
Other services, except public administration	476,253	512,729	533,778	524,101	537,878	560,451	571,739	597,605
Government and government enterprises	3,757,335	4,144,857	4,542,056	4,992,346	5,424,709	5,957,921	6,390,991	6,787,452
Federal, civilian	719,999	763,493	842,170	937,814	1,015,199	1,127,794	1,218,505	1,261,632
Military	851,247	1,073,537	1,243,172	1,482,520	1,700,844	1,978,441	2,308,644	2,634,334
State and local	2,186,089	2,307,827	2,456,714	2,572,012	2,708,666	2,851,686	2,863,842	2,891,486
State government	351,576	378,456	390,634	419,383	462,762	508,867	516,259	531,827
Local government	1,834,513	1,929,371	2,066,080	2,152,629	2,245,904	2,342,819	2,347,583	2,359,659

City of El Paso
Personal Income by Industry (Continued)
Last Eight Calendar Years*
(in thousands)

¹The estimates of earnings for 2001-2006 are based on the 2002 North American Industry Classification System (NAICS). The estimates for 2007-2010 are based on the 2007 NAICS. The estimates for 2011 forward are based on the 2012 NAICS.

²Census Bureau midyear population estimates. Estimates for 2010-2012 reflect county population estimates available as of March 2013.

³Contributions for government social insurance are included in earnings by type and industry but they are excluded from personal income.

⁴The adjustment for residence is the net inflow of the earnings of interarea commuters. For the United States, it consists of adjustments for border workers and US residents employed by international organizations and foreign embassies.

⁵Rental income of persons includes the capital consumption adjustment. Interest includes actual and actuarially imputed interest to reflect receipts on assets accrued by defined benefit pension plan participants through service to employers in the current period.

⁶Includes actual employer contributions and actuarially imputed employer contributions to reflect benefits accrued by defined benefit pension plan participants through service to employers in the current period.

⁷Proprietors' income includes the inventory valuation adjustment and capital consumption adjustment.

*All state and local area dollar estimates are in current dollars (not adjusted for inflation).

Estimates for 2001 forward reflect the results of the comprehensive revision to the national income and product accounts (NIPAs) released in July 2013.

Last updated: November 21, 2013 - new estimates for 2012; revised estimates for 2001-2011.

Source: Regional Economic Information System, Bureau of Economic Analysis, US Department of Commerce
CA05N Footnotes
Regional Economic Information System
Bureau of Economic Analysis
November 2013

City of El Paso
Taxable Sales by Category
Last Ten Calendar Years*
(in thousands)
(modified accrual basis of accounting)

	Calendar Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*
Agriculture, forestry and fishing	\$ 161	\$ 166	\$ 473	\$ 205	\$ 113	\$ 93	\$ 253	\$ 1,290	\$ 1,184	\$ 504
Mining	40	24	-	15	13	39	403	142	123	89
Construction	112,206	118,304	132,651	136,255	146,606	142,794	131,688	125,556	144,839	69,418
Manufacturing	151,906	165,985	168,140	187,616	184,715	156,361	123,465	128,046	140,299	68,274
Transportation, communications and utilities **	198,571	194,493	229,346	232,043	241,012	224,418	236,777	235,577	225,399	97,667
Wholesale trade	236,296	237,256	253,011	283,054	287,643	301,133	302,515	301,374	301,465	154,442
Retail trade	2,741,186	2,966,533	3,188,524	3,358,384	3,407,941	3,246,489	3,458,050	3,569,452	3,690,848	1,812,403
Finance, insurance and real estate	84,249	98,610	112,040	102,498	95,936	84,763	82,522	81,316	80,757	41,958
Services **	908,032	983,950	1,052,362	1,116,597	1,165,328	1,165,965	1,106,523	1,300,410	1,523,541	783,961
Public administration	1,202	2,911	2,621	3,711	4,058	3,914	4,609	5,058	4,471	1,696
Nonclassifiable establishments	-	-	-	-	-	-	-	-	-	-
Other **	4,857	58	36	-	-	47	20	17	39	29
Total	<u>\$ 4,438,706</u>	<u>\$ 4,768,290</u>	<u>\$ 5,139,204</u>	<u>\$ 5,420,378</u>	<u>\$ 5,533,365</u>	<u>\$ 5,326,016</u>	<u>\$ 5,446,825</u>	<u>\$ 5,748,238</u>	<u>\$ 6,112,965</u>	<u>\$ 3,030,441</u>

*Based on two calendar quarters of 2013

**Industries varied in category beginning FY07

City of El Paso
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years*
(in thousands, except per capita)

Governmental Activities									
Fiscal Year	General Obligation Bonds	Special Revenue Bonds	Certificates of Obligations	Note Payable	Capital Lease Obligation	Commercial Paper	Total Government	Percentage of Actual Property Value	Per Capita
2004	\$ 162,330	\$ -	\$ 176,403	\$ -	\$ -	\$ 40,500	\$ 379,233	2.085%	528.76
2005	262,955	-	70,387	-	-	79,500	412,842	2.082%	565.70
2006	303,150	-	61,046	-	-	99,500	463,696	2.203%	614.10
2007	520,415	-	88,000	-	-	-	608,415	2.582%	792.40
2008	554,630	-	80,631	-	-	-	635,261	2.433%	813.80
2009	637,485	-	135,648	11,101	-	-	784,234	2.731%	1,056.83
2010	612,835	-	197,966	14,076	-	-	824,877	2.793%	1,022.85
2011	586,965	-	263,632	12,994	-	-	863,591	2.907%	1,078.62
2012	564,070	-	285,189	24,516	-	-	873,775	2.853%	1,064.55
2013	554,386	60,785	304,684	27,238	20,063	-	967,156	3.039%	1,168.91

Business-type Activities									
Fiscal Year	General Obligation Bonds	Revenue Bonds	Certificates of Obligations	Note Payable	Capital Lease Obligation	Total Primary Government	Percentage of Actual Property Value	Per Capita	
2004	\$ -	\$ 38,660	\$ 21,756	\$ 9,255	\$ -	\$ 448,904	2.468%	625.90	
2005	-	33,930	18,478	8,585	-	473,835	2.390%	649.27	
2006	-	32,010	15,159	8,094	-	518,959	2.465%	687.29	
2007	4,698	30,030	7,812	7,383	15,000	673,338	2.857%	876.95	
2008	4,450	27,565	7,989	12,753	13,650	701,668	2.687%	898.87	
2009	4,203	25,025	5,774	11,686	12,629	843,551	2.937%	1,136.77	
2010	3,956	23,100	14,987	10,577	9,848	887,345	3.005%	1,100.31	
2011	3,709	37,800	20,939	15,105	6,955	948,099	3.192%	1,184.17	
2012	3,461	36,100	18,970	13,264	3,944	949,514	3.100%	1,156.83	
2013	3,214	34,325	30,376	11,366	1,609	1,048,046	3.293%	1,266.68	

City of El Paso
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years*
(in thousands, except per capita)

General Bonded Debt Outstanding							
Fiscal Year	Population*	Taxable Assessed Value	Gross Bonded Debt	Less Debt Service Fund	Net Bonded	Percentage of Actual Taxable Value of Property	Per Capita
2004	717,211	\$ 18,188,913	\$ 400,990	\$ 511	\$ 400,479	2.202%	558.38
2005	729,791	19,829,502	431,320	2,625	428,695	2.162%	587.42
2006	755,085	21,049,730	478,855	2,317	476,538	2.264%	634.17
2007	767,814	23,564,621	620,925	4,470	616,455	2.616%	802.87
2008	780,613	26,112,240	647,700	5,480	642,220	2.459%	822.71
2009	742,062	28,720,179	783,110	5,711	777,399	2.707%	1,047.62
2010	806,450	29,532,322	829,745	5,329	824,416	2.792%	1,022.28
2011	800,647	29,706,294	875,245	6,200	869,045	2.925%	1,085.43
2012	820,790	30,629,306	871,690	5,601	866,089	2.828%	1,055.19
2013	827,398	31,822,617	892,660	712	891,948	2.803%	1,078.02

* County of El Paso estimated population was the most readily available (City population is roughly 85% of County)

Population amount was taken from the City of El Paso Development Services, Planning Division Demographic Report
Taxable assessed value taken from El Paso Central Appraisal District

City of El Paso
Direct and Overlapping Governmental Activities Debt
As of August 31, 2013
(in thousands)

Governmental Unit	Debt Outstanding	Estimated¹ Percentage Applicable	Estimated Share of Overlapping Debt
<i>Overlapping Debt</i>			
Canutillo Independent School District	\$ 104,834	74.11%	\$ 77,688
El Paso County	227,147	88.47%	200,951
El Paso County Hospital District*	374,930	88.49%	331,772
El Paso Community College District	54,090	88.49%	47,864
El Paso Independent School District	423,460	99.52%	421,407
Socorro Independent School District	555,502	77.36%	429,745
Ysleta Independent School District	248,730	99.97%	248,657
Total overlapping debt			<u>1,758,084</u>
<i>City direct Debt</i>	1,988,693	100.00%	<u>1,988,693</u>
Total direct and overlapping debt			<u><u>\$ 3,746,777</u></u>

¹The percentage of overlapping debt is calculated by dividing the total assessed value of the overlapping area by the total assessed value of the city.

* Known as University Medical Center of El Paso

Source: Texas Bond Review Board Website and El Paso Central Appraisal District

City of El Paso Legal Debt Margin Information Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value	\$ 31,822,616,764
Debt limit (10% of assessed value)	3,182,261,676
Debt applicable to limit:	
General obligation bonds and other property tax supported debt	999,135,939
Less: Special Revenue Bonds	(106,475,939)
Amount set aside for repayment of general obligation debt	<u>(711,954)</u>
Total net debt applicable to limit	<u><u>\$ 891,948,046</u></u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 1,830,955,774	\$ 1,983,249,286	\$ 2,104,972,959	\$ 2,356,462,103	\$ 2,611,224,050	\$ 2,872,017,930	\$ 2,953,232,238	\$ 2,970,629,408	\$ 3,062,930,550	\$ 3,182,261,676
Total net debt applicable to limit	<u>400,479,235</u>	<u>433,944,987</u>	<u>436,433,935</u>	<u>616,471,827</u>	<u>630,971,213</u>	<u>777,398,893</u>	<u>824,416,017</u>	<u>869,036,686</u>	<u>866,089,244</u>	<u>911,995,626</u>
Legal debt margin	<u><u>\$ 1,430,476,539</u></u>	<u><u>\$ 1,549,304,299</u></u>	<u><u>\$ 1,668,539,024</u></u>	<u><u>\$ 1,739,990,276</u></u>	<u><u>\$ 1,980,252,837</u></u>	<u><u>\$ 2,094,619,037</u></u>	<u><u>\$ 2,128,816,221</u></u>	<u><u>\$ 2,101,592,722</u></u>	<u><u>\$ 2,196,841,306</u></u>	<u><u>\$ 2,270,266,050</u></u>
Total net debt applicable to the limit as a percentage of debt limit	21.9%	21.9%	20.7%	26.2%	24.2%	27.1%	27.9%	29.3%	28.3%	28.7%

Source: City of El Paso Financial Statements 2004-2013

City of El Paso Pledged Revenue Bond Coverage Last Ten Fiscal Years

Revenue Bond Coverage						
El Paso International Airport						
Fiscal Year	Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004	\$ 27,578,045	\$ 17,263,487	\$ 10,314,558	\$ 4,479,023	\$ 920,977	1.91
2005	30,121,596	20,144,373	9,977,223	3,420,000	575,425	2.50
2006	30,879,727	20,899,485	9,980,242	560,000	438,625	9.99
2007	33,771,357	23,408,336	10,363,021	575,000	421,825	10.40
2008	35,271,685	26,893,108	8,378,577	1,000,000	404,575	5.97
2009	33,851,351	26,328,769	7,522,582	1,000,000	374,575	5.47
2010	34,907,576	26,189,300	8,718,276	1,020,000	342,075	6.40
2011	34,709,262	27,167,291	7,541,971	1,060,000	305,100	5.52
2012	36,035,489	27,406,774	8,628,715	1,100,000	1,108,829	3.91
2013	36,284,924	27,625,030	8,659,894	1,145,000	980,750	4.07

Department of Environmental Services						
Fiscal Year	Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004	\$ 29,447,618	\$ 21,470,299	\$ 7,977,319	\$ 3,454,703	\$ 1,171,229	1.72
2005	28,609,380	8,267,450	20,341,930	1,025,000	1,070,388	9.71
2006	34,867,563	23,986,740	10,880,823	1,060,000	1,039,638	5.18
2007	37,445,758	22,975,513	14,470,245	1,095,000	1,007,838	6.88
2008	41,703,614	26,743,859	14,959,755	1,145,000	953,088	7.13
2009	41,310,894	23,202,237	18,108,657	1,200,000	895,838	8.64
2010	44,790,906	24,836,014	19,954,892	545,000	835,838	14.45
2011	50,528,757	29,727,918	20,800,839	570,000	808,588	15.09
2012	53,660,619	35,879,654	17,780,965	600,000	780,088	12.88
2013	53,281,620	36,715,389	16,566,231	630,000	750,088	12.00

Other Enterprise Funds						
Fiscal Year	Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004	\$ 12,000,216	\$ 2,143,803	\$ 9,856,413	\$ 297,606	\$ 100,890	24.73
2005	14,192,515	2,264,489	11,928,026	313,754	87,528	29.72
2006	14,613,388	2,481,045	12,132,343	329,950	73,240	30.09
2007	14,415,189	2,684,476	11,730,713	341,196	58,193	29.37
2008	16,677,380	2,884,344	13,793,036	1,314,988	820,647	6.46
2009	14,926,788	4,275,024	10,651,764	340,000	25,535	29.14
2010	16,124,924	3,127,361	12,997,563	360,000	8,730	35.25
2011	16,475,270	3,370,509	13,104,761	-	-	N/A
2012	25,852,206	57,243,970	(31,391,764)	-	-	N/A
2013	30,807,873	60,714,324	(29,906,451)	-	-	N/A

Source: City of El Paso Financial Statements 2004-2013

¹Does not include depreciation.

City of El Paso Principal Employers Last Six Fiscal Years

Employer	2013(d)			2012(a)			2011(c)			2010 (c)			2009 (c)			2008 (c)			2007 (a)		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Fort Bliss	37,900	1	12.90%	32,371	1	10.87%	13,000	1	3.98%	15,000	1	5.33%	6,376	3	2.36%	6,006	4	2.14%	10,000	1	3.66%
El Paso Independent School District	9,000	2	3.06%	8,600	2	2.89%	10,000	2	3.06%	10,000	2	3.55%	8,995	1	3.32%	8,859	1	3.15%	9,000	2	3.29%
Ysleta Independent School District	7,155	3	2.44%	7,155	3	2.40%	7,849	3	2.40%	8,601	3	3.06%	8,482	2	3.13%	8,767	2	3.12%	7,200	3	2.63%
Socorro Independent School District	7,000	4	2.38%	4,891	6	1.64%	6,122	5	1.88%	5,388	6	1.91%	5,388	6	1.99%	5,433	5	1.93%	5,041	6	1.84%
City of El Paso (e)	5,545	5	1.89%	5,500	5	1.85%	6,272	4	1.92%	6,203	5	2.20%	6,143	4	2.27%	6,229	3	2.22%	6,000	5	2.19%
T&T	5,020	6	1.71%	5,587	4	1.88%	5,182	6	1.59%	8,260	4	2.94%	5,500	5	2.03%	4,876	6	1.74%	4,200	7	1.54%
University of Texas at El Paso	3,700	7	1.26%	3,000	8	1.01%	5,081	7	1.56%	4,929	7	1.75%	4,742	8	1.75%	4,365	8	1.55%	3,400	8	1.24%
County of El Paso	2,771	8	0.94%				2,847	10	0.87%	2,474	10	0.88%	2,271	10	0.84%	2,976	10	1.06%			
El Paso Community College	2,499	9	0.85%				4,585	8	1.40%	4,249	8	1.51%	2,969	9	1.10%	2,997	9	1.07%			
University Medical Center	2,455	10	0.84%	2,310	10	0.78%															
Wal-Mart				3,526	7	1.18%	4,080	9	1.25%	4,011	9	1.43%	4,770	7	1.76%	4,800	7	1.71%			
Sierra Providence Health Network				3,980	9	1.34%													6,587	4	2.41%
Echostar Communications Corporation																			2,900	9	1.06%
Del Sol/ Las Palmas																			2,300	10	0.84%
T O T A L :	83,045		28.27%	76,920		25.82%	65,018		19.92%	69,115		24.56%	55,636		20.56%	55,308		19.69%	56,628		20.70%
Total employed (b)	<u>293,800</u>	(b)		<u>297,900</u>	(b)		<u>326,400</u>	(b)		<u>281,404</u>			<u>270,600</u>			<u>280,900</u>			<u>#####</u>		

(a) Source: El Paso Regional Economic Development Corporation (REDCO) - www.elpasoredco.org
(b) Source: U.S. Dept of Labor
(c) Source: Office of Management and Budget, City of El Paso, October 2008, 2009, 2010, 2011
(d) Source: List generated by Hoovers and verified by City of El Paso, Economic Development, Staff (October 2013)
(e) Excludes PSB Employees (2013)

City of El Paso Demographics and Economic Statistics Last Ten Calendar Years

Year	Population ¹				Per Capita Personal income ²			City of El Paso Unemployment Rate ³
	U.S.	Change From Prior Period	State of Texas	Change From Prior Period	U.S.	State of Texas	Texas as a Percentage of U.S.	
2004	293,655,404	0.9860%	22,490,022	1.7510%	33,090	30,664	92.67%	7.1%
2005	296,507,061	0.9710%	22,928,508	1.9540%	34,471	32,460	94.17%	6.6%
2006	299,398,484	0.9750%	23,507,783	2.5260%	36,276	34,257	94.43%	6.7%
2007	301,621,157	0.7424%	23,904,380	1.6871%	38,611	37,187	96.31%	5.8%
2008	305,527,622	1.2950%	24,178,180	1.1454%	39,807 *	37,873 *	95.14%	6.5%
2009	307,912,769	0.7807%	24,326,974	0.6154%	40,208	37,774	93.95%	9.8%
2010	310,678,237	0.8981%	24,648,888	1.3233%	39,626	38,546	97.27%	9.7%
2011	312,800,424	0.6831%	25,883,999	5.0108%	39,945	37,706	94.39%	9.6%
2012	315,249,622	0.7830%	26,403,743	2.0080%	41,560	40,147	96.60%	8.7%
2013	316,128,839	0.2789%	26,448,193	0.1683%	42,693	41,471	97.14%	6.4%

Data Sources:

¹U.S. Department of Commerce, United States Census Bureau

²Bureau of Labor Statistics, U.S. Department of Labor, Bureau of Business and Economic Research

³U.S. Bureau of Labor and Statistics

* www.ephomesearch.com projections

City of El Paso

Employees by Funding Source and Function

Last Ten Fiscal Years

Funding Source	2012			2011			2010			2009			2008			2007			2006			2005			2004			2003		
	Non uniformed	Police	Fire																											
General Fund	2,176	982	801	1,827	1,014	796	1,799	1,025	793	1,904	1,058	804	1,833	1,076	774	1,728	1,038	761	1,611	995	774	1,554	1,008	753	1,585	964	790	1,733	983	795
Community Development Block Grants	56	-	-	38	-	-	46	-	-	51	-	-	47	-	-	45	-	-	41	-	-	42	-	-	50	-	-	53	-	-
Capital Projects Fund	15	-	-	5	-	-	5	-	-	4	-	-	2	-	-	4	-	-	3	-	-	-	-	-	3	-	-	3	-	-
Federal Grants	11	15	22	38	15	4	27	15	4	24	14	3	23	15	4	25	17	2	28	32	2	30	46	-	39	75	-	36	111	-
Federal Grants-ARRA	41	-	-	12	-	-	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Grants	9	11	-	9	11	-	7	12	-	11	9	1	16	9	-	20	10	-	17	9	-	16	11	2	16	11	2	18	8	2
Other Grants	1	-	-	2	-	-	2	-	-	1	-	-	1	-	-	1	-	-	1	-	-	2	-	-	1	-	-	10	-	-
Public Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	153	-	-	157	-	-	150	-	-	149	-	-	156	-	-
Public Health-Grants	152	-	-	192	-	-	201	-	-	200	-	-	183	-	-	210	-	-	222	-	-	219	-	-	223	-	-	219	-	-
Nongrants	46	-	-	30	1	-	33	1	-	19	1	-	88	1	-	102	-	-	90	-	-	131	-	-	119	-	-	308	-	-
Supply and Support Funds	67	-	-	83	-	-	82	-	-	79	-	-	68	-	-	69	-	-	71	-	-	74	-	-	83	-	-	88	-	-
Self Insurance Funds	15	-	-	14	-	-	13	-	-	10	-	-	10	-	-	12	-	-	8	-	-	8	-	-	8	-	-	8	-	-
El Paso International Airport	219	22	30	221	22	28	223	22	30	227	21	28	223	22	29	230	23	28	223	19	29	210	11	22	206	17	-	203	20	-
International Bridges	52	-	-	54	-	-	54	-	-	54	-	-	52	-	-	46	-	-	46	-	-	43	-	-	43	-	-	48	-	-
Environmental Services	404	-	-	341	-	-	343	-	-	295	-	-	289	-	-	255	-	-	250	-	-	257	-	-	252	-	-	270	-	-
Mass Transit	620	-	-	622	-	-	627	-	-	608	-	-	569	-	-	564	-	-	556	-	-	567	-	-	567	-	-	597	-	-
Private Purpose Trusts	-	-	-	1	-	-	1	-	-	3	-	-	2	-	-	3	-	-	4	-	-	-	-	-	-	-	-	2	-	-
CRRMA Agency Fund	1	-	-	1	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CEPF	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	5	-	-
	3,889	1,030	853	3,494	1,063	828	3,476	1,075	827	3,495	1,103	836	3,410	1,123	807	3,471	1,088	791	3,332	1,055	805	3,310	1,076	777	3,352	1,067	792	3,757	1,122	797
# change from prior year	395	(33)	25	18	(12)	1	(19)	(28)	(9)	85	(20)	29	(61)	35	16	139	33	(14)	22	(21)	28	(42)	9	(15)	(405)	(55)	(5)	438	(16)	1
% change from prior year	11.31%	-3.10%	3.02%	0.52%	-1.12%	0.03%	-0.56%	-2.49%	-1.12%	2.49%	-1.78%	3.59%	-1.76%	3.22%	2.02%	4.17%	3.13%	-1.74%	0.66%	-1.95%	3.60%	-1.25%	0.84%	-1.89%	-10.78%	-4.90%	-0.63%	13.20%	-1.41%	0.13%

Activity	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Public safety	2,374	2,345	2,341	2,366	2,372	2,328	2,219	2,212	2,231	2,298
Public works	353	376	372	383	429	467	425	426	463	488
Public health	261	310	316	318	302	372	379	369	372	375
Parks department	437	292	274	305	297	282	349	389	376	614
General government	340	246	249	264	260	275	336	331	331	375
Library	194	165	159	166	174	174	154	127	130	149
Culture and recreation	168	155	150	148	121	136	46	40	44	51
Community and human development	44	58	63	57	58	58	55	53	62	60
Facilities maintenance	158	36	35	37	-	-	-	-	-	-
Planning	24	15	15	47	47	13	14	13	12	13
Economic development	11	38	40	15	14	14	9	7	10	14
Supply and support funds	67	83	82	79	68	69	71	74	83	88
Self-insurance funds	15	3	6	10	10	12	8	8	8	8
Mass transit	620	619	627	608	569	564	556	567	567	597
Environmental services	446	317	315	296	289	255	250	257	252	270
El Paso International Airport	203	268	275	276	274	281	271	243	223	223
International bridges	52	54	54	54	52	46	46	43	43	48
Private purpose trusts	-	-	-	-	-	-	-	-	-	-
Total	1	1	1	1	-	-	-	-	-	-
CEPF	4	4	4	4	4	4	4	4	4	5
Total	5,772	5,385	5,378	5,434	5,340	5,350	5,192	5,163	5,211	5,676

City of El Paso
Operating Indicators by Function/Program
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011*	2012	2013
Public Safety										
Police										
Number of dispatch calls	471,691	483,369	468,818	482,388	536,979	523,725	517,528	477,546	466,771	306,739
Number of citations issued	370,192	322,985	313,241	347,491	350,543	349,249	345,477	336,458	306,783	435,819
Fire										
Number of service calls-Fire				23,023	21,933	21,861	21,765	24,032	22,745	24,254
Number of service calls-EMS				48,373	48,549	50,296	49,494	47,422	49,331	49,849
Public Works										
Capital improvement plan										
Number of Capital improvement projects										
Department of Transportation										
Number of miles of street resurfacing	45.3	47.4	15.4	36.6	20.0	15.3	12.3	11.9	20.9	7.5
Public Health										
Number of clients served						267,536	285,480	310,008	247,481	215,557
Parks										
Number of athletic field permits issued				12,000	14,689	20,368	13,783	9,682	5,618	7,110
Number of users				30,000	30,000	34,000	36,362	38,960	43,000	45,400
Library										
Average monthly circulation	121,035	118,843	116,009	128,391	141,521	134,184	123,380	122,569	141,052	146,842
Culture and Recreation										
Number of museums	3	3	3	3	3	3	3	3	3	3
Number of users	67,186	75,000	158,000	141,090	143,848	137,802	167,328	133,753	136,500	704,752
Community and Economic Development										
Development Services										
Number of permits issued	21,898	25,367	33,607	34,651	35,300	37,869	44,071	28,722	29,045	31,061
International Airport Operations										
Number of Takeoff and Landings	116,273	112,115	103,084	99,903	100,571	96,437	102,731	94,983	95,514	91,775
Solid waste disposal operations										
Refuse collection (tons)	329,781	429,887	412,642	558,363	36,250	419,952	457,284	456,502	428,824	401,583
Recyclables collected (tons)	-	-	-	-	33,868	33,609	36,628	35,263	34,928	33,071
Mass transit operations										
Number of passengers	10,376,862	12,345,370	12,779,948	12,216,938	12,912,642	12,867,324	14,174,578	15,799,858	16,402,270	16,459,406
International bridges operations										
Number of pedestrian crossings	5,763,169	5,928,891	5,216,116	5,666,248	5,355,550	5,138,953	5,150,718	4,455,679	4,030,990	3,938,677
Number of vehicle crossings	4,779,077	4,945,067	5,107,828	4,801,968	4,454,192	3,882,659	3,630,336	3,808,965	3,724,722	4,174,351
Zoo										
Annual Attendance	313,371	286,614	285,971	293,713	278,827	281,753	331,646	321,195	354,130	332,615
Component Unit										
El Paso Water Utility										
Customers (retail)	167,753	171,607	174,922	178,031	182,315	185,062	188,927	191,625		
Water pumped (million gallons)	34,663	35,173	35,457	35,636	35,476	37,067	37,368	38,833		

*GASB Statement No. 54 was implemented in fiscal Year 2011

City of El Paso
Capital Asset Statistics by Function
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011*	2012	2013
Public Safety										
Police										
Number of police vehicles	763	724	680	701	732	719	729	758	762	813
Number of stations	5 Regions and HQ									
Fire										
Number of fire engines	42	60	62	65	65	66	66	66	68	68
Number of fire stations	31	32	33	34	34	34	34	34	35	36
Public Works										
Department of Transportation										
Paved streets (lane miles)	1,598	1,678	1,756	1,830	1,909	2,014	2,098	2,126	2,176	2200
Traffic signals	570	572	578	587	598	612	629	636	642	643
Public Health										
not applicable										
Parks										
Number of parks	164	200	176	175	176	200	214	212	239	236
Number of swimming pools	14	14	14	14	14	14	14	14	15	14
Number of recreation centers	15	16	17	17	19	15	15	15	16	16
Library										
Number of branch libraries	12	13	13	13	14	13	13	13	13	13
Book stock	1,028,536	1,045,725	846,620	1,018,721	932,654	902,521	900,191	579,503	627,484	611082
Culture and Recreation										
Number of exhibits	4	6	12	25	26	30	26	36	34	95
Community and Economic Development										
not applicable										
International Airport Operations										
Number of hangars				223	222	244	231	221	233	242
Solid waste disposal operations										
Number of collection trucks	70	70	70	102	104	110	108	96	110	103
Mass transit operations										
Number of buses	174	178	178	149	153	159	159	166	166	166
International bridges operations										
not applicable										
Component Unit										
El Paso Water Utility										
miles of water mains	2,354	2,383	2,402	2,432	2,468	2,489	2,506	2,530	2561	2561

*GASB Statement No. 54 was implemented in fiscal Year 2011